

Comprehensive Annual Financial Report

DeKalb County, Georgia



Year Ended December 31, 2007

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEKALB COUNTY, GEORGIA

YEAR ENDED DECEMBER 31, 2007

Prepared by:

Department of Finance

DEKALB COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 YEAR ENDED DECEMBER 31, 2007

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INTRODUCTORY SECTION

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



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

June 25, 2008

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

The Comprehensive Annual Financial Report (CAFR) of DeKalb County, Georgia, (DeKalb or the County) for the fiscal year ended December 31, 2007 is submitted herewith. This report is prepared in accordance with the requirements of the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved April 21, 1967 (Ga. Laws 1967, p. 883) as amended by an Act approved March 28, 1968 (Ga. Laws 1968, p. 464).

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

The County's financial statements have been audited by KPMG LLP, licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2007, 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, 2007, are fairly presented in all material respects, 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 certain provisions of laws, regulations, contracts and grant agreements, with special emphasis on the administration of federal awards. These reports are available in the County's separately issued Single Audit Report.

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

Profile of the Government

DeKalb County is an urban county providing a full range of services to 718,400 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 Atlanta Regional Commission, the DeKalb Board of Family and Children Services, the DeKalb Community Service Board, the DeKalb Housing Authority and the Development Authority of DeKalb County. These entities are not considered component units and have not met the established criteria for inclusion in this report. However, any amounts appropriated for disbursement to these entities as well as any amounts

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

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

Factors Affecting Financial Condition

DeKalb County's overall financial position remains favorable. At the end of 2007, the County's sales tax receipts increased by 6.0% compared to 2006. The number of new construction permits increased by 17% with over \$2,413,000,000 in construction value on building permits issued. The County's annual unemployment rate of 4.7% for 2007 compared to the rate in Georgia of 5.2%, recovering from higher rates in 2005 and 2006. In accordance with the Homestead Option Sales Tax, the County has granted a homestead exemption on operating levies of 56.0% and 60.8% in 2006 and 2007, 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 148,330 in 2007. Revenue from business related fees and taxes (hotel/motel, alcoholic beverage, business licenses and building permits) increased by \$2,214,000 (7%) during 2007 compared to 2006.

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

For 2007, there was an increase in the tax-supported budgets of 5.0%. The Fund Balance at year-end was \$22.10 million in the General Fund, a decrease of \$9.78 million from the previous year.

In past years DeKalb relied heavily on the property tax as a primary revenue source as it did not have a local option sales tax. On March 18, 1997, the voters of the County approved a permanent one-percent Homestead Option Sales Tax (HOST), to be effective July 1, 1997. In 2007, 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. \$20.1 million was dedicated to capital outlay (infrastructure) projects from HOST funds in 2007.

Cash management policies and practices

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

Risk Management and Employee Services

DeKalb County has a Risk Management and Employee Services Division within its Finance Department. The focus of this office is to minimize loss to the County through data analysis and loss prevention programs, and to administer the County's surety, liability, and employee group insurance programs including workers' compensation. The number of workers' compensation claims declined slightly from 901 in 2006 to 899 in 2007, and the lost work days per 1,000 employees remains below national levels.

Pension and other post employment benefits

The County sponsors a single-employer two-tiered defined benefit pension plan for all County employees. Each year, an independent actuary engaged by the Pension Board calculates the amount of the annual contribution that the County must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As of April 1, 2007, the date of the last actuarial report, the County's pension plan had funded 85% of the actuarial accrued liability of the plan. Effective September 1, 2005, new employees are covered by pension benefits that have been scaled back. Contribution rates from the employer and employees have been increased beginning during 2004 to maintain adequate funding levels.

The County currently offers to provide post employment health and life insurance benefits for all retirees. These benefits are financed on a pay-as-you-go basis. The County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB) in fiscal year 2007. GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expense/expenditures and related liabilities (assets). GASB Statement No. 45 requires the financial reports of governments to provide a systematic, accrual-basis measurement of the annual OPEB cost. For 2007, the accrued OPEB expense was \$64.118 million in the governmental funds, and \$20.093 million in the business-type funds.

Awards

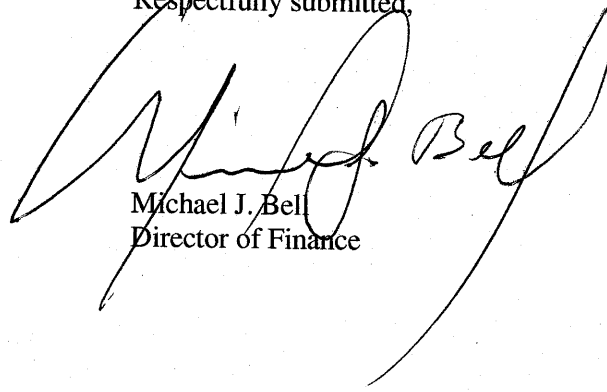
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeKalb County for its comprehensive annual financial report for the fiscal year ended December 31, 2006. This was the 33rd consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read "Michael J. Bell". The signature is written in a cursive style with large, sweeping loops.

Michael J. Bell
Director of Finance


Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

DeKalb County
Georgia

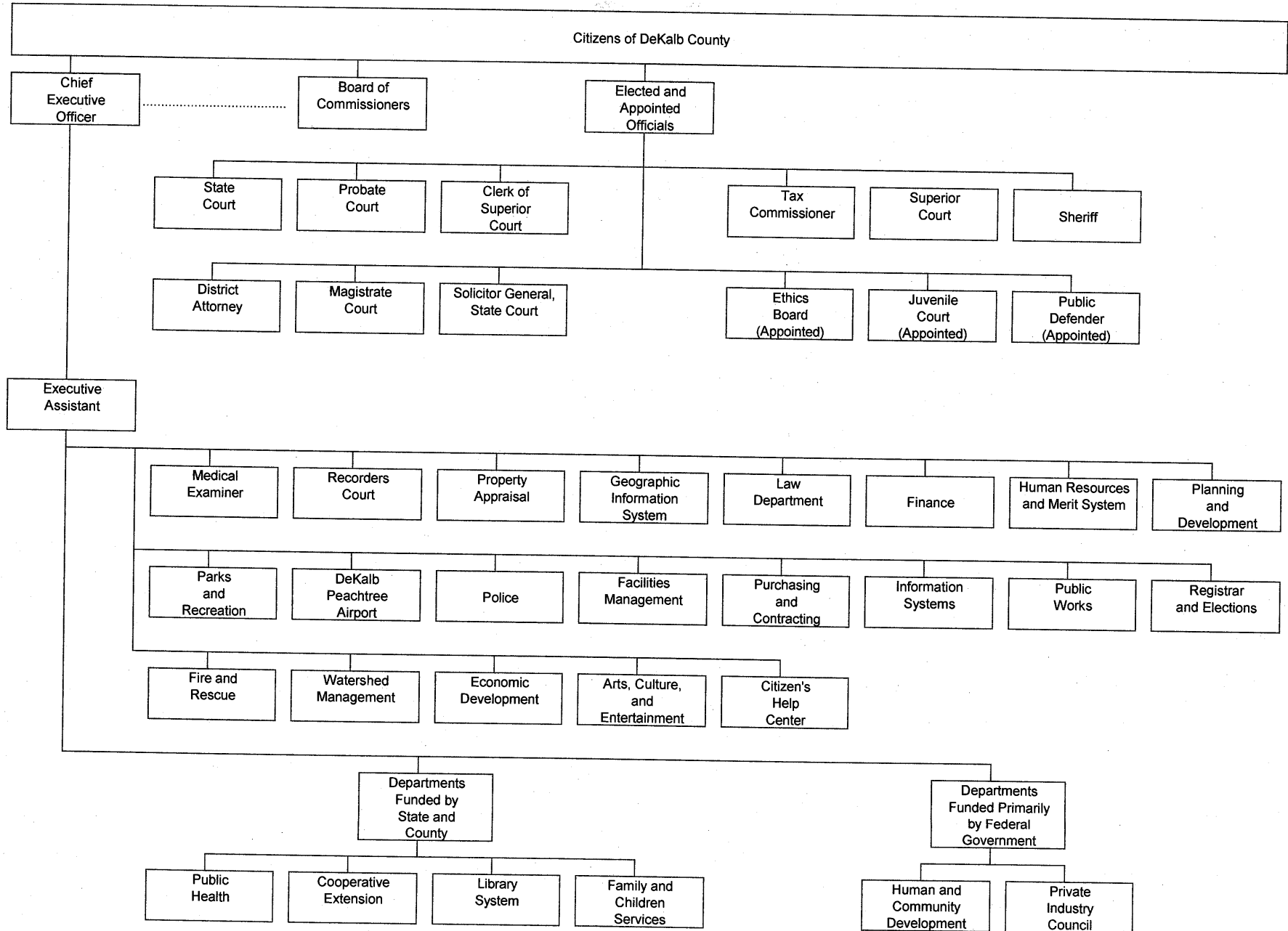
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

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.


Oliver S. Cox
President


Executive Director

DeKalb County Organization



DeKalb County, Georgia

Chief Executive Officer

Vernon Jones

Board of Commissioners

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

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

Executive Assistant to Chief Executive
Officer and the Board of Commissioners

Richard A. Stogner

Department of Finance

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

Michael J. Bell
Joel I. Gottlieb

States R. Finley III
Russell W. Frankofsky
Eugene C. O'Mard
Nathan P. Fowler



FINANCIAL SECTION

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



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

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Georgia (the County) as of and for the year ended December 31, 2007, 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 63% and 64%, respectively, of the assets and revenue of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the DeKalb County Board of Health, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provides 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, 2007, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Special Tax District – Designated Services Fund and the Special Tax District – Unincorporated Fund for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in note 1(C), the County adopted the provisions of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, during 2007.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2008 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the schedule of funding progress, and the schedule of employer contributions on pages F2 through F14 and page F54, respectively, are not a required part of the basic financial statements, but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

June 25, 2008

KPMG LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of DeKalb County (DeKalb or the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2007.

Financial Highlights

The assets of the County exceeded its liabilities at the close of the fiscal year by \$1,917,475,000 (*net assets*). Of this amount, \$17,118,000 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.

The County's total net assets decreased by \$4,759,000 during 2007. Governmental activities decreased \$41,120,000 due primarily as a result of the county implementing GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions (OPEB)*. Outside of the OPEB liability, governmental activities' net assets increased \$22,998,000 during 2007. Business-type funds experienced an increase in net assets of \$36,361,000, an increase of \$56,454,000 outside of OPEB.

As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of \$325,527,000, a decrease of \$124,525,000 over the previous year. Sixty percent (60%) of the decrease was due to expenditures on capital projects. Ten percent (10%) of the decrease was the expenditure of available fund balances from state and federal grants. An additional twelve percent (12%) was a result of the reduction of unnecessary fund balances in the debt service funds for the general obligation bonds.

At the close of the fiscal year, unreserved fund balance for the General Fund was \$19,447,000, or 7% of total general fund expenditures.

The County's total debt decreased by \$26,490,000 during the current fiscal year due to bond retirement. In 2007, the County entered into additional five year capital lease agreements in the amount of \$11,856,000 for the purchase of governmental equipment.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, civil and criminal court system, planning and development, public works, community development, parks and recreation, library, and health and welfare activities. The business-type activities of the County include water and sewerage, sanitation, DeKalb Peachtree Airport, and the stormwater utility program.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate Board of Health and the Public Library Board for which the County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages F15-F16 of this report.

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

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

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

The County maintains forty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the special tax district designated services fund, the special tax district unincorporated fund, and the 2006 Transportation, Parks and Libraries Bond Fund, which are considered to be major funds. Data from the other thirty-eight funds are combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages F17-F23 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 and the sanitation fund. The DeKalb Peachtree Airport fund and stormwater utility fund are combined into a single aggregated presentation. Conversely, all three internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages F24-F26 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 F27-F28 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 F31-F53 of this report.

Government-wide Financial Analysis

In the government-wide financial statements, all of the activities of the County, aside from its discretely presented component units, are considered either governmental or business-type activities. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, government-wide assets exceeded liabilities by \$1,917,475,000 at the close of the fiscal year.

The basic financial statements include a reconciliation between the fiscal year 2007 governmental funds statement of revenues, expenditures, and changes in fund balances which reports a decrease of \$124.5 million in fund balances and the \$41.1 million decrease in net assets reported in the government-wide statement of activities, a difference of \$83.4 million.

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

By far the largest portion of the County's net assets (92%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, equipment, etc.), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$17,118,000) may be used to meet the government's ongoing obligations to citizens and creditors. From 2006 to 2007, there was a \$97,482,000 decrease in the county's unrestricted net assets due in a large part to the County's implementing GASB Statement No. 45 which required the accrual of \$84,211,000 in liabilities associated with OPEB costs.

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.

DeKalb County's Net Assets
December 31, 2007 and 2006
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 465,347	\$ 583,197	\$ 313,219	\$ 321,611	\$ 778,566	\$ 904,808
Capital assets	1,206,670	1,080,836	1,301,682	1,243,495	2,508,352	2,324,331
Total assets	<u>\$1,672,017</u>	<u>\$1,664,033</u>	<u>\$1,614,901</u>	<u>\$1,565,106</u>	<u>\$3,286,918</u>	<u>\$3,229,139</u>
Long-term liabilities (other than OPEB)	\$ 516,719	\$ 537,846	\$ 573,572	\$ 580,792	\$1,090,291	\$1,118,638
OPEB long-term liabilities	64,118	-	20,093	-	84,211	-
Other liabilities	139,967	133,854	54,974	54,413	194,941	188,267
Total liabilities	<u>\$ 720,804</u>	<u>\$ 671,700</u>	<u>\$ 648,639</u>	<u>\$ 635,205</u>	<u>\$1,369,443</u>	<u>\$1,306,905</u>
Net assets:						
Capital assets, net of related debt	\$ 920,759	\$ 849,228	\$ 849,814	\$ 794,096	\$1,770,573	\$1,643,324
Restricted	9,778	33,703	120,006	130,607	129,784	164,310
Unrestricted	20,676	109,402	(3,558)	5,198	17,118	114,600
Total net assets	<u>\$ 951,213</u>	<u>\$ 992,333</u>	<u>\$ 966,262</u>	<u>\$ 929,901</u>	<u>\$1,917,475</u>	<u>\$1,922,234</u>

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

Net assets restricted for debt service in governmental funds were reduced 98% as extraneous fund balances were eliminated in general obligation bond debt service funds. Net assets restricted for grants dropped 85% as operating grant revenue declined \$38 million from 2006. The 2006 numbers include adjustments made by the County to the financial management information system (FMIS) to reconcile grants received during and shortly after the implementation of the Oracle FMIS. The 2007 operating grant revenue is more typical of annual grant revenues.

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

Components of DeKalb County's Net Assets
December 31, 2007 and 2006
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Net Assets Invested in Capital Assets, net of related debt	\$ 920,759	\$ 849,228	\$ 849,814	\$ 794,096	\$1,770,573	\$1,643,324
Net Assets restricted for:						
Debt service	341	15,052	8,230	8,322	8,571	23,374
Grants	2,222	14,843	-	-	2,222	14,843
Capital projects	7,215	3,808	111,776	122,285	118,991	126,093
Total restricted net assets	9,778	33,703	120,006	130,607	129,784	164,310
Unrestricted Net Assets (Deficit)						
Unrestricted in governmental funds	63,624	92,172	-	-	63,624	92,172
Unrestricted in business-type funds	-	-	9,193	(5,175)	9,193	(5,175)
Unrestricted in internal service funds	2,530	(96)	35,845	40,278	38,375	40,182
Unearned revenue accruals	35,916	32,889	-	-	35,916	32,889
Certain long-term obligations that do not require current funding						
OPEB obligation	(64,118)	-	(20,093)	-	(84,211)	-
Pension asset	23,308	27,835	-	-	23,308	27,835
Compensated absences	(34,104)	(32,066)	(5,878)	(5,744)	(39,982)	(37,810)
Deferred debt issuance costs	(6,180)	(6,652)	(4,788)	(4,776)	(10,968)	(11,428)
Claims and judgments	(300)	(4,680)	-	(5,600)	(300)	(10,280)
Landfill closure and postclosure cost	-	-	(17,837)	(13,785)	(17,837)	(13,785)
Total unrestricted net assets (deficit)	20,676	109,402	(3,558)	5,198	17,118	114,600
Total Net Assets	\$ 951,213	\$ 992,333	\$ 966,262	\$ 929,901	\$1,917,475	\$1,922,234

DeKalb County's Changes in Net Assets
For the Years Ended December 31, 2007 and 2006
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 111,839	\$ 102,772	\$ 241,912	\$ 228,040	\$ 353,751	\$ 330,812
Operating grants and contributions	11,291	49,447	-	-	11,291	49,447
Capital grants and contributions	53,178	49,321	17,396	13,903	70,574	63,224
General revenues:						
Property taxes	272,850	252,294	-	-	272,850	252,294
Sales taxes	100,649	94,921	-	-	100,649	94,921
Other taxes	90,805	86,698	-	-	90,805	86,698
Grants not restricted to specific programs	15,407	4,233	-	-	15,407	4,233
Other	8,290	8,876	10,455	9,013	18,745	17,889
Total revenues	<u>664,309</u>	<u>648,562</u>	<u>269,763</u>	<u>250,956</u>	<u>934,072</u>	<u>899,518</u>
Expenses:						
General government	118,913	85,673	-	-	118,913	85,673
Public safety	224,885	153,741	-	-	224,885	153,741
Civil and criminal court system	163,121	114,528	-	-	163,121	114,528
Planning and development	2,339	1,935	-	-	2,339	1,935
Public works	63,773	49,729	-	-	63,773	49,729
Human and community development	12,685	6,700	-	-	12,685	6,700
Parks and recreation	24,819	20,148	-	-	24,819	20,148
Library	12,539	12,866	-	-	12,539	12,866
Health and welfare	45,623	40,814	-	-	45,623	40,814
Interest on long-term debt	36,625	29,456	-	-	36,625	29,456
Bond issuance expense	242	245	-	-	242	245
Water	-	-	68,881	55,085	68,881	55,085
Sewer	-	-	87,666	70,109	87,666	70,109
Stormwater utility	-	-	15,854	13,977	15,854	13,977
Sanitation	-	-	57,061	54,314	57,061	54,314
Airport	-	-	3,805	2,671	3,805	2,671
Total expenses	<u>705,564</u>	<u>515,835</u>	<u>233,267</u>	<u>196,156</u>	<u>938,831</u>	<u>711,991</u>
Change in net assets before transfers	(41,255)	132,727	36,496	54,800	(4,759)	187,527
Transfers	135	672	(135)	(672)	-	-
Change in net assets	(41,120)	133,399	36,361	54,128	(4,759)	187,527
Net assets - beginning	992,333	858,934	929,901	875,773	1,922,234	1,734,707
Net assets - ending	<u>\$ 951,213</u>	<u>\$ 992,333</u>	<u>\$ 966,262</u>	<u>\$ 929,901</u>	<u>\$1,917,475</u>	<u>\$1,922,234</u>

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

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

**Government-wide Expenses by Functions/Programs
For the Years Ended December 31, 2007 and 2006
(in thousands of dollars)**

Functions/Programs	2007		2006	
	Expenses per Statement of Activities	GASB 45 Expenses	Expenses excluding GASB 45	Expenses per Statement of Activities
Governmental				
General government	\$ 118,913	\$ 12,537	\$ 106,376	\$ 85,673
Public safety	224,885	24,642	200,243	153,741
Civil and criminal court system	163,121	17,311	145,810	114,528
Planning and development	2,339	250	2,089	1,935
Public works	63,773	5,069	58,704	49,729
Community development	12,685	1,381	11,304	6,700
Parks and recreation	24,819	2,928	21,891	20,148
Library	12,539	-	12,539	12,866
Health and welfare	45,623	-	45,623	40,814
Interest on long-term debt	36,625	-	36,625	29,456
Bond issuance expense	242	-	242	245
Total governmental expenses	<u>705,564</u>	<u>64,118</u>	<u>641,446</u>	<u>515,835</u>
Business-type				
Water	68,881	5,710	63,171	55,085
Sewer	87,666	7,267	80,399	70,109
Stormwater Utility	15,854	-	15,854	13,977
Sanitation	57,061	6,577	50,484	54,314
Airport	3,805	539	3,266	2,671
Total business-type expenses	<u>233,267</u>	<u>20,093</u>	<u>213,174</u>	<u>196,156</u>
Total expenses	<u>\$ 938,831</u>	<u>\$ 84,211</u>	<u>\$ 854,620</u>	<u>\$ 711,991</u>

Analysis of governmental activities

Net assets of the governmental activities of the County decreased by \$41,120,000 in 2007. Property taxes accounted for 41% of the governmental activities revenues, sales taxes accounted for 15%, and charges for services accounted for an additional 17%. In 2006, all operating grant revenue that was previously unapplied to a particular grant was received against the appropriate grant; thus resulting in a one time inflation in revenues. The 2007 operating grant revenues have returned to more typical annual levels.

Charges for services increased in areas of Public Safety, Planning & Development and Public Works. The County took in \$2.8 million more in prisoner housing reimbursements and forfeitures from other local jurisdictions. Law enforcement officials confiscated an \$1.7 million more than the previous year. Developmental fee increases resulted in an additional \$1.1 million in licenses and permits. Street light assessments were increased by 20% to cover rising utility costs. Property tax collection increased 8.1% due to an increase in the overall digest, an improvement in the percentage collected for the year, and an increase in collections of delinquent taxes. Total governmental revenues increased \$15,747,000.

Public safety expenses accounted for 32% 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 17% of the total expenses for governmental activities, included the general administration of the County such as management of finances, information systems, human resources, and facilities management, as well as the executive and legislative functions of County government. Public works, which includes the management of roads and transportation networks of the County, accounted for 9% of the total expenses of the governmental activities. Interest expense increased due to recent bond issues and capital lease obligations.

Salaries and employee benefits, which comprise 56% of total governmental expenses, increased 7% during the year. This was due to annual merit increases ranging from 2-4%, increasing health and life insurance costs, and an increase of 104 authorized positions. The largest increase was in the area of Public Safety which added and equipped 40 uniformed police officers. In addition, the County upgraded its analog radio system to digital, requiring the change-out of all handheld units. The cost to Public Safety was approximately \$7 million in 2007.

A Citizens' Help Center was brought on line at an additional annual expense of \$3.4 million. The department added 40 new positions, most of which were transfers from other departments. The Sheriff's overtime expenses were increased to handle additional prisoners. The County contributed an additional \$5 million to the Fulton-DeKalb Hospital Authority to temporarily aid the fiscally troubled Grady Memorial Hospital.

While governmental revenues increased slightly (2.4%), governmental expenses increased 36.8%. The result was a decrease in net assets of \$41.1 million. As the previous chart demonstrates, expenses prior to the newly implemented GASB Statement No. 45 were \$641,446,000. With revenues of \$664,309,000, this created a net increase in assets of \$22,998,000. However, the OPEB liability absorbed this increase, causing the net decrease in 2007 assets.

Analysis of business-type activities

Charges for services accounted for 90% of business-type activities revenues. Water expenses accounted for 29% of business-type activities expenses, sewer expenses accounted for 38%, sanitation services accounted for 24%, the stormwater utility program accounted for 7%, and the DeKalb Peachtree Airport accounted for 2% of expenses.

The Water and Sewer System's metered sales were down slightly in 2007, down 1.4%. Capital donations which comprise developer assessments, impact and tap fees, increased \$3.5 million or 25%. With the downturn in residential development starting in 2007, capital donations are expected to decline in 2008.

The DeKalb County Board of Commissioners increased overall water and sewer rates effective 2008, phased in over the following 3 years. For the average residential customer, the rate change reflects an overall increase of 19% in 2008, 16% in 2009, 15% in 2010, and 17% in 2011. Drought conditions in the southeast United States have caused water and sewer utilities to call for customers to reduce usage by 10%. This decrease will result in a revenue increase less than originally anticipated.

Total water and sewer expenses increased 25% including the OPEB liability. Salaries and employee benefit expenses increased 5% prior to the OPEB accrual as a result of merit salary increases and insurance premium increases. The OPEB liability accounts for 20% of the salaries and benefits expenses. Power costs increased 10% due to the opening of the County's new water filtration plant which utilizes ozone for its primary disinfection, including *Cryptosporidium* and *Giardia* inactivation. The cost of industrial chemicals rose 23% due to the initial startup of the plant and inflation. Leasehold costs, the cost of sewer treatment at other local government's plant rose 39% based on flow and increasing treatment expenses throughout the industry. Interest expenses increased 64% due to a full year of the 2006 bond issue payments. The overall result was a small (\$4.1 million) increase in net assets.

Sanitation revenues were up slightly (+4.8%) from 2006. Salaries and employee benefits increased \$7 million, \$6 million of which is due to OPEB expense liability. Operating services and charges decreased compared to 2006 due to completion of capital projects associated with the operation of the landfill. Overall expenses increased \$2.5 million, resulting in Sanitation net assets increasing \$13.0 million as compared to a \$12.0 million in 2006.

Airport revenues increased by \$3 million over 2006 predominantly due to grant revenue from the Federal Aviation Administration. Expenses increased by \$1 million in the area of salaries and employee benefits. The net result was a \$5.0 million increase in net assets.

Stormwater utility revenue increased \$7.6 million due to grants from the Federal Emergency Management Agency (FEMA) and the Georgia Emergency Management Agency (GEMA). Expenses increased only slightly in terms of maintenance and repair materials and service contracts as the County expanded its stormwater maintenance efforts. Revenues over expenditures accounted in a \$11.1 million increase in net assets, a doubling over the previous year.

Net assets for the business-type activities increased \$36.4 million as result of revenues over expenditures in the individual enterprise funds. The implementation of GASB Statement No. 45 reduced net assets of the business-type activities by \$20.1 million.

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 \$30,388,000, a decrease of \$34,880,000 from the prior year. Of this total fund balance for general and special revenue funds, \$23,313,000 is unreserved. Additionally, the governmental funds include the debt service and capital project funds with a total fund balance of \$295,139,000 which will be spent on outstanding debt and capital projects of the County. The 2006 Transportation, Parks and Libraries Bond Capital Fund represents 62% of this fund balance and comprised 32% of its expenditures.

The general fund is the chief operating fund of the County. At the end of 2007, the unreserved, undesignated fund balance of the general fund was \$19,447,000, while the total fund balance was \$22,096,000. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 7% of the total general fund expenditures, while the total fund balance represents 8% of that same amount.

The fund balance in the General Fund decreased \$9,775,000 from the prior year. Fifty-one percent (51%) of this decrease was due to an additional \$5 million transfer to the Hospital Fund to fund the additional donation to the Fulton-DeKalb Hospital Authority.

The fund balances of the Special Tax District – Unincorporated Fund and the Special Tax District - Designated Services Fund were -\$4,490,000 and \$1,991,000, respectively. This resulted from a transfer from the Unincorporated Fund to the Designated Services Fund that was \$3,850,000 million larger than initially anticipated. The County attempts to level these two funds, but can not be exact as the final transfer is made prior to audit adjustments for receivables and payables.

The reduction in fund balance of the 2006 Transportation, Parks, and Libraries Bond Fund, a decrease of \$45,005,000, was directly in proportion to the amount spent on capital projects for which the fund was established, less the interest earned on funds waiting to be spent.

Proprietary Funds

The County's proprietary funds report the activities of the water and sewer, sanitation, airport, and stormwater utility services within the County and report the same level of activity, with an overall increase in net assets of \$33,192,000, as part of the business-type activities described earlier. The Water and Sewerage System had the smallest increase in net assets, \$4,120,000. As stated earlier, the System's revenues were flat due to drought conditions, and it was operating on the last year of a three year rate increase. The DeKalb County Board of Commissioners approved a staged rate increase from 2008-2011 which should double revenues over that period. The increase will facilitate an expanded capital improvement program geared primarily towards sewer treatment facility improvements. The Water and Sewerage System reports negative unrestricted net assets (-\$66,570,000) as its net assets are all currently restricted to debt, capital assets, and capital projects.

The Sanitation Fund's net assets increased by \$13,020,000, as revenues exceeded expenditures for the year. Operating revenues were up slightly over 2006. Expenditures levels would have been down 6% had it not been for the accrual of OPEB expenses starting 2007. The completion of landfill projects in 2006 have resulted in a decline in expenditures in these areas.

The Stormwater Utility Fund's assets increased \$11,135,000. Revenues increased with the help of grants from the Federal Emergency Management Agency (FEMA) and the Georgia Emergency Management Agency (GEMA). The increase in assets gained by the DeKalb Peachtree Airport Fund resulted from revenues exceeding expenses by \$4,518,000; and \$399,000 in interest income and transfers.

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

General Fund property taxes increased 6.8% in 2007 as a result of an increase in the overall digest and an improvement in the collection rates. All other general fund revenues were down 1.5% from 2006, but were within 99% of budget anticipations.

There were no significant changes between the original and final amended revenue budgets during the year. On the appropriation side, reserves were reduced and funds transferred to the Information Systems Department to cover the costs of additional professional contracts and IT maintenance. Reserves were also reduced to transfer funds to the Hospital Fund as previously mentioned.

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

The Police Department had expenditures significantly less than budget. This was due to large position vacancies. In addition, Information Systems did not complete a number of professional service contract payments for which their budget was increased. These expenditures will occur in 2008 and were accrued to 2007. The non-departmental expenses differed significantly from the final budget due to an unused budgetary reserve.

Capital Assets

The County's investment in capital assets as of year-end amounts to \$2,508,352,000 (net of accumulated depreciation). The investment in capital assets includes land, land improvements, buildings, plants, infrastructure, vehicles and portable equipment, other equipment, leaseholds, and construction in progress. The County continued to purchase land in 2007 under the Greenspace Program and the 2006 General Obligation Bond program, adding \$9 million in land assets. Governmental infrastructure assets increased by \$41 million relating to roads, sidewalks, and drainage improvements funded by the same general obligation bonds. The \$76 million increase in governmental buildings was the completion of a new \$35 million police and fire headquarters, and a new \$42 million juvenile court facility.

The Water and Sewer System (the System) placed into service a new 150 million gallon a day (MGD) water filtration treatment plant at a total construction cost of \$174 million. The new plant replaces the County's original 1942 plant, keeping only the final secondary disinfection process from that plant. The System is considering possible reuse options for the decommissioned 1942 plant. The new plant should supply all of the County's water demand until at least 2030. Readers should refer to note 5 of the financial statements for more information on capital asset activity.

Capital asset balances at year-end are as follows:

Capital Assets
December 31, 2007 and 2006
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 227,623	\$ 218,635	\$ 42,428	\$ 41,281	\$ 270,051	\$ 259,916
Land improvements	25,401	21,302	132,840	126,502	158,241	147,804
Buildings	301,008	225,290	4,328	4,659	305,336	229,949
Plants	-	-	266,380	95,029	266,380	95,029
Infrastructure	500,420	459,677	529,181	516,466	1,029,601	976,143
Vehicles and portable equipment	-	-	45,893	41,147	45,893	41,147
Other equipment	23,498	23,364	43,071	42,829	66,569	66,193
Leaseholds	-	-	138,415	141,892	138,415	141,892
Construction in progress	128,720	132,568	99,146	233,690	227,866	366,258
Total	<u>\$ 1,206,670</u>	<u>\$ 1,080,836</u>	<u>\$ 1,301,682</u>	<u>\$ 1,243,495</u>	<u>\$ 2,508,352</u>	<u>\$ 2,324,331</u>

Debt Administration

DeKalb County's financial condition is demonstrated by the current ratings of its bonds as of December 31, 2007:

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

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

On a budget basis, \$22,145,000 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 \$400,874,000. 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 \$26.4 billion, the County's net outstanding general obligation debt represented only 1.52% of gross assessed property values.

Outstanding Debt
December 31, 2007 and 2006
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
General obligation bonds	\$ 405,215	\$ 427,360	\$ -	\$ -	\$ 405,215	\$ 427,360
Certificates of participation	22,075	23,070	-	-	22,075	23,070
Revenue bonds	92,950	95,815	560,875	568,090	653,825	663,905
Capital leases payments	13,791	5,270	1,344	3,135	15,135	8,405
Total	\$ 534,031	\$ 551,515	\$ 562,219	\$ 571,225	\$1,096,250	\$1,122,740

In terms of bonded debt per capita, the net direct general obligation debt outstanding at year-end decreased as a result of debt retirement to \$558.32 per capita, compared to \$574.66 in the previous year. Total direct and overlapping debt applicable to the County at year-end was \$472,003,000, or \$657.02 per capita. This compares to \$679.60 at December 31, 2006. Details of direct and overlapping debt and legal debt margin are contained in the Statistical Section of this report.

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

Economic Factors and Next Year's Budgets and Rates

In accordance with the Homestead Option Sales Tax legislation, the County may allocate up to 20% of the previous year's receipts to capital outlay projects. The 2007 Budget adopted by the County provided for the use of 20 percent, or \$20.1 million, for capital outlay projects. As a result of the growth in the number and value of homesteads, the Homestead Exemption in 2007 increased to 60.8% from 56.0%.

Primarily due to historically low home mortgage interest rates, the number of homestead properties in the County has increased from 125,000 in 1999 to 148,330 in 2007, and an increase of .6% from 2006. Population has increased from 610,000 in 1999 to 718,400 in 2007. This increase has impacted the need for services, especially in the areas of public safety and the business-type activities (sanitation and water and sewer).

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Finance Director, 1300 Commerce Drive, Decatur, Georgia 30030, 404-371-2741.

DeKalb County, Georgia
Statement of Net Assets
December 31, 2007
(in thousands of dollars)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 387,721	\$ 143,216	\$ 530,937	\$ 5,734
Investments	-	-	-	754
Accounts receivable (net)	4,281	29,952	34,233	770
Taxes receivable (net)	40,369	-	40,369	-
Due from other governments	6,329	8,573	14,902	1,731
Inventories and prepaid items	908	5,755	6,663	38
Deferred bond issuance costs	2,431	4,229	6,660	-
Restricted assets:				
Cash and cash equivalents	-	121,494	121,494	388
Net pension assets	23,308	-	23,308	-
Capital assets not being depreciated	356,343	141,574	497,917	-
Capital assets net of accumulated depreciation	850,327	1,160,108	2,010,435	526
Total assets	<u>\$ 1,672,017</u>	<u>\$ 1,614,901</u>	<u>\$ 3,286,918</u>	<u>\$ 9,941</u>
LIABILITIES				
Accounts payable	\$ 43,899	\$ 11,747	\$ 55,646	\$ 209
Accrued interest payable	4,005	-	4,005	-
Other accrued liabilities	13,582	2,679	16,261	-
Advanced payments and deposits	3,796	226	4,022	-
Due to other governments	54	8,549	8,603	1,232
Due to others	1,187	-	1,187	-
Unearned revenue	330	-	330	4
Liabilities payable from restricted assets:				
Accrued interest on revenue bonds	-	6,898	6,898	-
Due to others	-	7,725	7,725	-
Noncurrent liabilities:				
Due within one year	73,114	17,150	90,264	277
Due in more than one year	580,837	593,665	1,174,502	1,131
Total liabilities	<u>\$ 720,804</u>	<u>\$ 648,639</u>	<u>\$ 1,369,443</u>	<u>\$ 2,853</u>
NET ASSETS				
Invested in capital assets, net of related debt	\$ 920,759	\$ 849,814	\$ 1,770,573	\$ 496
Restricted for debt service	341	8,230	8,571	-
Restricted for grants	2,222	-	2,222	-
Restricted for capital projects	7,215	111,776	118,991	388
Unrestricted	20,676	(3,558)	17,118	6,204
Total net assets	<u>\$ 951,213</u>	<u>\$ 966,262</u>	<u>\$ 1,917,475</u>	<u>\$ 7,088</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, 2007
(in thousands of dollars)

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 118,913	\$ 14,107	\$ 765	\$ 4,511	\$ (99,530)	\$ -	\$ (99,530)	\$ -
Public safety	224,885	33,529	2,000	-	(189,356)	-	(189,356)	-
Civil and criminal court system	163,121	46,038	1,616	801	(114,666)	-	(114,666)	-
Planning and development	2,339	9,787	-	-	7,448	-	7,448	-
Public works	63,773	4,509	945	38,510	(19,809)	-	(19,809)	-
Human and community development	12,685	-	1,883	-	(10,802)	-	(10,802)	-
Parks and recreation	24,819	3,634	508	6,980	(13,697)	-	(13,697)	-
Library	12,539	-	-	2,370	(10,169)	-	(10,169)	-
Health and welfare	45,623	235	3,574	6	(41,808)	-	(41,808)	-
Bond issuance expense	242	-	-	-	(242)	-	(242)	-
Interest on long-term debt	36,625	-	-	-	(36,625)	-	(36,625)	-
Total governmental activities	<u>705,564</u>	<u>111,839</u>	<u>11,291</u>	<u>53,178</u>	<u>(529,256)</u>	<u>-</u>	<u>(529,256)</u>	<u>-</u>
Business-type activities:								
Water	68,881	60,183	-	7,654	-	(1,044)	(1,044)	-
Sewer	87,666	76,596	-	9,742	-	(1,328)	(1,328)	-
Sanitation	57,061	69,554	-	-	-	12,493	12,493	-
DeKalb Peachtree Airport	3,805	8,375	-	-	-	4,570	4,570	-
Stormwater Utility	15,854	27,204	-	-	-	11,350	11,350	-
Total business-type activities	<u>233,267</u>	<u>241,912</u>	<u>-</u>	<u>17,396</u>	<u>-</u>	<u>26,041</u>	<u>26,041</u>	<u>-</u>
Total primary government	<u>\$ 938,831</u>	<u>\$ 353,751</u>	<u>\$ 11,291</u>	<u>\$ 70,574</u>	<u>(529,256)</u>	<u>26,041</u>	<u>(503,215)</u>	<u>-</u>
Component units:								
Board of health	29,019	11,517	13,066	-	-	-	-	(4,436)
Public library board	14,650	720	153	1,625	-	-	-	(12,152)
Total component units	<u>\$ 43,669</u>	<u>\$ 12,237</u>	<u>\$ 13,219</u>	<u>\$ 1,625</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16,588)</u>
General revenues:								
Sales tax					100,649	-	100,649	-
Property tax					272,850	-	272,850	-
Motor vehicle tax					26,039	-	26,039	-
Hotel / motel tax					7,471	-	7,471	-
Alcoholic beverage tax					4,403	-	4,403	-
Insurance premium tax					30,037	-	30,037	-
Business license tax					22,855	-	22,855	-
Payments from primary government					-	-	-	17,641
Unrestricted investment earnings					8,290	10,455	18,745	47
Grants and contributions not restricted to specific programs					15,407	-	15,407	1,225
Miscellaneous					-	-	-	247
Transfers					135	(135)	-	-
Total general revenues and transfers					<u>488,136</u>	<u>10,320</u>	<u>498,456</u>	<u>19,160</u>
Change in net assets					(41,120)	36,361	(4,759)	2,572
Net assets - beginning					992,333	929,901	1,922,234	4,516
Net assets - ending					<u>\$ 951,213</u>	<u>\$ 966,262</u>	<u>\$ 1,917,475</u>	<u>\$ 7,088</u>

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

DeKalb County, Georgia
 Governmental Funds
 Balance Sheet
 December 31, 2007
 (in thousands of dollars)

	Special Tax		2006		Other Governmental Funds	Total Governmental Funds
	General	District - Designated Services	Special Tax District - Unincorporated	Transportation, Parks, and Libraries Bonds		
ASSETS						
Cash and cash equivalents	\$ 33,818	\$ 5,965	\$ -	\$ 191,445	\$ 139,147	\$ 370,375
Taxes receivable (net)	5,450	1,778	28,830	-	4,311	40,369
Accounts receivable (net)	1,716	7	-	-	2,558	4,281
Due from other governments	-	-	-	50	6,279	6,329
Due from other funds	6,903	1,560	-	-	-	8,463
Inventories and prepaid items	46	-	-	-	-	46
Total assets	<u>\$ 47,933</u>	<u>\$ 9,310</u>	<u>\$ 28,830</u>	<u>\$ 191,495</u>	<u>\$ 152,295</u>	<u>\$ 429,863</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts and contracts payable	\$ 12,936	\$ 2,466	\$ 1,047	\$ 8,546	\$ 16,013	\$ 41,008
Other accrued liabilities	7,706	3,607	196	-	2,073	13,582
Advance payments and deposits	960	-	2,362	-	474	3,796
Due to other governments	-	-	54	-	-	54
Due to other funds	-	-	1,560	-	6,903	8,463
Due to others	392	-	-	-	795	1,187
Deferred revenue	3,843	1,246	28,101	-	3,056	36,246
Total liabilities	<u>25,837</u>	<u>7,319</u>	<u>33,320</u>	<u>8,546</u>	<u>29,314</u>	<u>104,336</u>
Fund balances:						
Reserved for encumbrances	2,603	2,194	-	12,892	24,798	42,487
Reserved for inventories and prepaid items	46	-	-	-	-	46
Unreserved, reported in:						
General fund	19,447	-	-	-	-	19,447
Special revenue funds	-	(203)	(4,490)	-	8,559	3,866
Debt service funds	-	-	-	-	4,346	4,346
Capital projects funds	-	-	-	170,057	85,278	255,335
Total fund balances (deficit)	<u>22,096</u>	<u>1,991</u>	<u>(4,490)</u>	<u>182,949</u>	<u>122,981</u>	<u>325,527</u>
Total liabilities and fund balances	<u>\$ 47,933</u>	<u>\$ 9,310</u>	<u>\$ 28,830</u>	<u>\$ 191,495</u>	<u>\$ 152,295</u>	<u>\$ 429,863</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, 2007

Total fund balances for governmental funds		\$ 325,527
Total net assets reported for governmental activities in the Statement of Net Assets differs from total fund balances for governmental funds because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,206,670	
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.	2,530	
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.	35,916	
Deferred bond issuance cost is not recognized as an asset in the governmental funds.	2,431	
Deferred gain on debt refunding is not recognized as an asset in the governmental funds.	2,850	
Net pension assets is not recognized as an asset in the governmental funds.	23,308	
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Assets.		
Accrued interest on bonds	\$ (4,005)	
Contractual obligations payable	(13,791)	
Certificates of participation payable	(22,075)	
General obligation bonds payable	(405,215)	
Revenue bonds payable	(92,950)	
Unamortized premium on bonds payable	(11,461)	
Claims and judgments not accounted for in the internal service funds	(300)	
Net other postemployment benefits (OPEB)	(64,118)	
Compensated absences	(34,104)	
Total long-term liabilities	(648,019)	(648,019)
Total net assets of governmental activities		\$ 951,213

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, 2007
 (in thousands of dollars)

<u>REVENUES</u>	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
Taxes	\$ 201,814	\$ 44,660	\$ 54,885	\$ -	\$ 129,070	\$ 430,429
Licenses and permits	193	1,136	22,170	-	9,497	32,996
Use of money and property	4,167	-	100	8,697	12,503	25,467
Intergovernmental	16,141	3,121	-	3,159	24,234	46,655
Fines and forfeitures	14,398	-	15,986	-	2,292	32,676
Charges for services	28,239	2,500	-	-	5,783	36,522
Miscellaneous	2,301	311	-	-	15,202	17,814
Total revenues	<u>267,253</u>	<u>51,728</u>	<u>93,141</u>	<u>11,856</u>	<u>198,581</u>	<u>622,559</u>
 <u>EXPENDITURES</u>						
Current:						
General government	87,161	3,696	1,445	-	8,686	100,988
Public safety	20,667	97,381	1,458	-	78,989	198,495
Civil and criminal court system	131,923	-	4,751	-	2,766	139,440
Planning and development	1,170	-	845	-	-	2,015
Public works	497	27,485	-	-	12,848	40,830
Human and community development	-	-	-	-	11,121	11,121
Parks and recreation	-	21,417	-	-	2,165	23,582
Library	13,141	-	-	-	-	13,141
Health and welfare	12,263	-	-	-	32,755	45,018
Debt service						
Principal	4,842	-	-	-	25,781	30,623
Interest	1,119	-	-	-	23,081	24,200
Capital outlay:						
General government	-	-	-	-	9,067	9,067
Public safety	-	-	-	-	9,536	9,536
Civil and criminal court system	-	-	-	-	10,902	10,902
Public works	-	-	-	35,135	35,830	70,965
Parks and recreation	-	-	-	15,963	7,209	23,172
Library	-	-	-	5,763	216	5,979
Total expenditures	<u>272,783</u>	<u>149,979</u>	<u>8,499</u>	<u>56,861</u>	<u>270,952</u>	<u>759,074</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (5,530)</u>	<u>\$ (98,251)</u>	<u>\$ 84,642</u>	<u>\$ (45,005)</u>	<u>\$ (72,371)</u>	<u>\$ (136,515)</u>
 <u>OTHER FINANCING SOURCES (USES)</u>						
Contractual purchase obligations	\$ 6,566	\$ -	\$ -	\$ -	\$ 5,289	\$ 11,855
Transfers in	22,165	97,298	-	-	38,019	157,482
Transfers out	(32,976)	(4,597)	(85,298)	-	(34,476)	(157,347)
Total other financing sources (uses)	<u>(4,245)</u>	<u>92,701</u>	<u>(85,298)</u>	<u>-</u>	<u>8,832</u>	<u>11,990</u>
Net change in fund balance	(9,775)	(5,550)	(656)	(45,005)	(63,539)	(124,525)
Fund balance (deficit) - beginning	31,871	7,541	(3,834)	227,954	186,520	450,052
Fund balance (deficit) - ending	<u>\$ 22,096</u>	<u>\$ 1,991</u>	<u>\$ (4,490)</u>	<u>\$ 182,949</u>	<u>\$ 122,981</u>	<u>\$ 325,527</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, 2007
 (in thousands of dollars)

Net change in fund balance - Total Governmental Funds \$ (124,525)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and reported as depreciation expense over their estimated useful lives. This is the amount by which capital outlays (\$132,100, net of \$568 that was not capitalized due to capitalization thresholds) and donated infrastructure assets (\$26,868) exceeded depreciation (\$32,566) in the current period: 125,834

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

Repayments of bonds	\$ 26,005	
Amortization of bond issuance expense	\$ (242)	
Amortization of premium on bond sales	\$ 1,176	
Amortization of loss on bond refunding	<u>\$ (462)</u>	26,477

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

Net pension obligation	\$ (4,527)	
Net other postemployment benefits (OPEB) obligations	(64,118)	
Claims and judgments	4,380	
Compensated absences	(2,038)	
Capital leases	(8,521)	
Accrued interest on bonds	<u>265</u>	(74,559)

Deferred revenue in governmental funds is susceptible to full accrual on the Statement of Activities. 3,027

An internal service fund is used by management to charge the costs of risk management to individual funds. The net revenue of the risk management fund is reported within governmental activities. 2,626

Change in net assets of governmental activities \$ (41,120)

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, 2007
Non-GAAP Budget Basis (in thousands of dollars)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:				
Property taxes	\$ 120,196	\$ 120,196	\$ 141,182	\$ 20,986
Sales taxes	61,600	61,600	60,380	(1,220)
Other taxes	5,700	5,700	6,467	767
Licenses and permits	175	175	193	18
Intergovernmental	15,919	15,919	14,236	(1,683)
Charges for services	26,935	27,248	28,325	1,077
Fines and forfeitures	16,054	16,054	14,320	(1,734)
Investment income	1,600	1,600	4,171	2,571
Miscellaneous	3,564	3,579	2,301	(1,278)
Total revenues	<u>251,743</u>	<u>252,071</u>	<u>271,575</u>	<u>19,504</u>
Expenditures:				
Current:				
General government:				
Chief executive officer	2,033	2,033	2,003	(30)
Board of commissioners	2,309	2,349	1,988	(361)
Law department	4,690	4,690	4,127	(563)
Ethics	2	2	-	(2)
Geographic information system	2,413	2,413	2,177	(236)
Facilities management	17,998	17,998	17,897	(101)
Purchasing	4,183	4,183	3,998	(185)
Human resources and merit system	3,919	3,919	3,258	(661)
Office of information systems	16,756	18,156	17,893	(263)
Finance	6,617	6,617	6,337	(280)
Property appraisal and assessments	5,247	5,247	4,524	(723)
Tax commissioner	7,089	7,089	6,925	(164)
Registrar and elections	2,338	2,651	2,476	(175)
Economic development	1,178	1,178	1,083	(95)
Cooperative extension	1,090	1,090	980	(110)
Citizens' help center	4,262	4,262	3,791	(471)
Non-departmental	32,108	29,581	16,119	(13,462)
Total general government	<u>114,232</u>	<u>113,458</u>	<u>95,576</u>	<u>(17,882)</u>
Public safety:				
Police	4,074	4,074	2,048	(2,026)
Fire and rescue services	15,937	15,937	15,065	(872)
Total public safety	<u>20,011</u>	<u>20,011</u>	<u>17,113</u>	<u>(2,898)</u>
Civil and criminal court system:				
Sheriff	72,141	72,141	72,288	147
Juvenile court	6,349	6,349	5,787	(562)
Superior court	8,467	8,467	8,244	(223)
Clerk, superior court	4,947	4,947	4,858	(89)
State court	11,986	11,986	11,670	(316)
Solicitor, state court	4,812	4,812	4,325	(487)
District attorney	11,210	11,210	10,589	(621)
Child advocate	1,596	1,596	1,496	(100)
Probate court	1,693	1,693	1,683	(10)
Medical examiner	2,462	2,462	2,312	(150)
Public defender	6,593	6,593	6,322	(271)
Magistrate court	2,533	2,548	2,346	(202)
Total civil and criminal court system	<u>134,789</u>	<u>134,804</u>	<u>131,920</u>	<u>(2,884)</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, 2007
Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Expenditures (continued):				
Current (continued):				
Planning and development	\$ 1,447	\$ 1,447	\$ 1,410	\$ (37)
Public works:				
Administration	510	510	503	(7)
Total public works	510	510	503	(7)
Library system	13,324	13,324	13,094	(230)
Health and welfare:				
Public health	5,261	5,261	5,223	(38)
Community service board	2,284	2,284	2,284	-
Human and community development	3,102	3,102	2,901	(201)
Family and children services	1,905	1,905	1,905	-
Total health and welfare	12,552	12,552	12,313	(239)
Total expenditures	296,865	296,106	271,929	(24,177)
Excess (deficiency) of revenues over expenditures	(45,122)	(44,035)	(354)	43,681
Other financing sources (uses):				
Transfers in	22,506	22,506	22,165	(341)
Transfers out	(25,250)	(26,337)	(32,976)	(6,639)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(47,866)	(47,866)	(11,165)	36,701
Fund balance, beginning of year	47,866	47,866	47,869	3
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>36,704</u>	<u>\$ 36,704</u>

Explanation of differences between budget basis and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	\$ (11,165)
Differences - budget basis to GAAP:	
Due to revenues:	
Accrued receivables 12-31-2006	(18,837)
Accrued receivables 12-31-2007	18,573
Deferred revenues 12-31-2006	6,396
Deferred revenues 12-31-2007	(3,888)
Due to expenditures:	
Accrued payables 12-31-2006	20,962
Accrued payables 12-31-2007	(32,146)
Due to encumbrances 12-31-2007	10,330
Net change in fund balance - GAAP basis	<u>\$ (9,775)</u>

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

DeKalb County, Georgia

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

For the Year Ended December 31, 2007
 Non-GAAP Budget Basis (in thousands of dollars)

	Major Special Revenue Funds Special Tax District - Designated Services				Major Special Revenue Funds Special Tax District - Unincorporated			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:								
Property taxes	\$ 65,164	\$ 65,164	\$ 45,394	\$ (19,770)	\$ 700	\$ 700	\$ 527	\$ (173)
Sales taxes	2,020	2,020	2,013	(7)	17,170	17,170	17,108	(62)
Other taxes	-	-	-	-	34,285	34,285	37,029	2,744
Licenses and permits	809	809	1,136	327	21,589	21,589	22,170	581
Intergovernmental	2,263	2,263	3,121	858	-	-	-	-
Charges for services	2,853	2,853	2,500	(353)	-	-	-	-
Fines and forfeitures	-	-	-	-	15,930	15,930	15,986	56
Investment income	150	150	-	(150)	250	250	100	(150)
Miscellaneous	227	227	314	87	-	-	-	-
Total revenues	73,486	73,486	54,478	(19,008)	89,924	89,924	92,920	2,996
Expenditures:								
Current:								
General government:								
Chief executive officer	-	-	-	-	175	175	175	-
Finance	-	-	-	-	1,264	1,264	1,268	4
Total general government	-	-	-	-	1,439	1,439	1,443	4
Public safety:								
Police	100,449	101,372	97,227	(4,145)	-	-	-	-
Code enforcement	-	-	-	-	1,847	1,847	1,444	(403)
Total public safety	100,449	101,372	97,227	(4,145)	1,847	1,847	1,444	(403)
Civil and criminal court system - recorders court	-	-	-	-	4,050	4,050	3,819	(231)
Planning and development	-	-	-	-	942	942	851	(91)
Public works:								
Transportation	4,195	4,195	4,023	(172)	-	-	-	-
Roads and drainage	25,868	25,868	24,754	(1,114)	-	-	-	-
Total public works	30,063	30,063	28,777	(1,286)	-	-	-	-
Parks and recreation	22,311	22,311	20,679	(1,632)	-	-	-	-
Arts, culture, and entertainment	1,139	1,139	1,026	(113)	-	-	-	-
Miscellaneous:								
Non-departmental	5,013	4,090	3,626	(464)	198	198	163	(35)
Total miscellaneous	5,013	4,090	3,626	(464)	198	198	163	(35)
Total expenditures	158,975	158,975	151,335	(7,640)	8,476	8,476	7,720	(756)
Excess (deficiency) of revenues over expenditures	(85,489)	(85,489)	(96,857)	(11,368)	81,448	81,448	85,200	3,752
Other financing sources (uses):								
Transfers in	81,448	81,448	97,297	15,849	-	-	-	-
Transfers out	(4,691)	(4,691)	(4,597)	94	(81,448)	(81,448)	(85,298)	(3,850)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(8,732)	(8,732)	(4,157)	4,575	-	-	(98)	(98)
Fund balance, beginning of year	8,732	8,732	8,732	-	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 4,575	\$ 4,575	\$ -	\$ -	\$ (98)	\$ (98)
Explanation of differences between budget basis and GAAP:								
Deficiency of revenues and other sources over expenditures and other uses - budget basis			\$ (4,157)				\$ (98)	
Differences - budget basis to GAAP:								
Due to revenues:								
Accrued receivables 12-31-2006			(1,978)				(27,233)	
Accrued receivables 12-31-2007			9				28,830	
Deferred revenues 12-31-2006			465				26,725	
Deferred revenues 12-31-2007			(1,246)				(28,101)	
Due to expenditures:								
Accrued payables 12-31-2006			3,253				398	
Accrued payables 12-31-2007			(6,350)				(1,275)	
Due to encumbrances 12-31-2007			4,454				98	
Net change in fund balance - GAAP basis			\$ (5,550)				\$ (656)	

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

DeKalb County, Georgia
 Proprietary Funds Statement of Net Assets
 December 31, 2007
 (in thousands of dollars)

<u>ASSETS</u>	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Current assets:					
Cash and cash equivalents	\$ 58,959	\$ 37,003	\$ 5,278	\$ 101,240	\$ 59,322
Restricted cash and cash equivalents	7,899	-	-	7,899	-
Accounts receivable (net)	24,137	4,605	1,210	29,952	-
Due from other funds	-	-	4,650	4,650	-
Due from other governments	844	-	7,729	8,573	-
Inventories and prepaid items	2,952	-	-	2,952	3,665
Total current assets	<u>94,791</u>	<u>41,608</u>	<u>18,867</u>	<u>155,266</u>	<u>62,987</u>
Noncurrent assets:					
Restricted cash and cash equivalents	113,595	-	-	113,595	-
Deferred bond issuance costs	4,229	-	-	4,229	-
Capital assets (net)	1,103,335	78,724	72,508	1,254,567	47,115
Total noncurrent assets	<u>1,221,159</u>	<u>78,724</u>	<u>72,508</u>	<u>1,372,391</u>	<u>47,115</u>
Total assets	<u>1,315,950</u>	<u>120,332</u>	<u>91,375</u>	<u>1,527,657</u>	<u>110,102</u>
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$ 6,551	\$ 1,840	\$ 600	\$ 8,991	\$ 5,647
Claims and judgments payable, current portion	-	-	-	-	9,110
Obligation under capital leases, current portion	-	-	-	-	626
Compensated absences payable	3,098	1,985	102	5,185	693
Other accrued liabilities	1,425	916	46	2,387	292
Advance payments and deposits	217	-	9	226	-
Due to other governments	8,549	-	-	8,549	-
Due to other funds	-	-	4,650	4,650	-
Payable from restricted assets:					
Revenue bonds payable, current portion	10,640	-	-	10,640	-
Accrued interest on revenue bonds	6,898	-	-	6,898	-
Due to others	7,725	-	-	7,725	-
Total current liabilities	<u>45,103</u>	<u>4,741</u>	<u>5,407</u>	<u>55,251</u>	<u>16,368</u>
Noncurrent liabilities:					
Claims and judgments payable, long-term portion	-	-	-	-	3,677
Landfill closure and postclosure cost	-	17,837	-	17,837	-
Obligation under capital leases, long-term portion	-	-	-	-	718
OPEB Obligation	10,206	5,566	472	16,244	3,849
Revenue bonds payable, long-term portion	550,235	-	-	550,235	-
Unamortized premium on bonds payable	29,034	-	-	29,034	-
Deferred loss on debt refunding	(24,246)	-	-	(24,246)	-
Total noncurrent liabilities	<u>565,229</u>	<u>23,403</u>	<u>472</u>	<u>589,104</u>	<u>8,244</u>
Total liabilities	<u>\$ 610,332</u>	<u>\$ 28,144</u>	<u>\$ 5,879</u>	<u>\$ 644,355</u>	<u>\$ 24,612</u>
<u>NET ASSETS</u>					
Invested in capital assets, net of related debt	\$ 652,182	\$ 78,415	\$ 72,102	\$ 802,699	\$ 47,115
Restricted for debt service	8,230	-	-	8,230	-
Restricted for capital projects	111,776	-	-	111,776	-
Unrestricted	(66,570)	13,773	13,394	(39,403)	38,375
Total net assets	<u>\$ 705,618</u>	<u>\$ 92,188</u>	<u>\$ 85,496</u>	<u>883,302</u>	<u>\$ 85,490</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				82,960	-
Net assets of business-type activities				<u>\$ 966,262</u>	-

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

DeKalb County, Georgia
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Net Assets
For the Year Ended December 31, 2007
(in thousands of dollars)

	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:					
Metered sales	\$ 136,023	\$ -	\$ -	\$ 136,023	\$ -
Collection and disposal fees	-	69,295	-	69,295	-
Rental fees	-	-	4,651	4,651	-
Intergovernmental	-	-	15,461	15,461	118
Charges for services	-	-	15,463	15,463	134,970
Miscellaneous	757	259	4	1,020	2,041
Total operating revenues	<u>136,779</u>	<u>69,554</u>	<u>35,579</u>	<u>241,912</u>	<u>137,129</u>
Operating expenses:					
Salaries and employee benefits	52,042	31,804	1,783	85,629	12,623
Supplies	23,312	2,030	3,173	28,515	13,668
Operating services and charges	21,831	21,257	14,445	57,533	89,164
Leasehold operating expenses	15,524	-	-	15,524	-
Miscellaneous	133	645	-	778	518
Depreciation and amortization	28,129	2,100	525	30,754	15,170
Labor, overhead, and vehicle charges capitalized	(5,608)	-	-	(5,608)	-
Total operating expenses	<u>135,363</u>	<u>57,836</u>	<u>19,926</u>	<u>213,125</u>	<u>131,143</u>
Operating income	1,416	11,718	15,653	28,787	5,986
Nonoperating revenues (expenses)					
Interest income	8,659	1,322	474	10,455	-
Interest expense	(23,311)	-	-	(23,311)	(94)
Loss on sale of capital assets	-	-	-	-	(97)
Income (loss) before capital donations and transfers	(13,236)	13,040	16,127	15,931	5,795
Capital donations	17,396	-	-	17,396	-
Transfers out	(40)	(20)	(75)	(135)	-
Change in net assets	4,120	13,020	16,052	33,192	5,795
Net assets - beginning	701,498	79,168	69,444		79,695
Net assets - ending	<u>\$ 705,618</u>	<u>\$ 92,188</u>	<u>\$ 85,496</u>		<u>\$ 85,490</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				3,169	
Change in net assets of business-type activities				<u>\$ 36,361</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, 2007
 (in thousands of dollars)

	Watershed System	Sanitation	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	\$ 133,198	\$ 68,691	\$ 22,085	\$ 223,974	\$ 132,392
Cash payments to suppliers for goods and services	(56,357)	(24,175)	(12,861)	(93,393)	(100,920)
Cash payments to employees for services	(41,696)	(25,988)	(1,308)	(68,992)	(8,491)
Other operating revenues	460	391	2,982	3,833	-
Net cash provided (used) by operating activities	<u>35,605</u>	<u>18,919</u>	<u>10,898</u>	<u>65,422</u>	<u>22,981</u>
Cash flows from noncapital financing activities:					
Transfers (to) from other funds	-	(20)	675	655	678
Net cash provided by noncapital financing activities	<u>-</u>	<u>(20)</u>	<u>675</u>	<u>655</u>	<u>678</u>
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(50,675)	(12,868)	(19,192)	(82,735)	(22,201)
Proceeds from sale of capital assets	-	-	-	-	1,781
Principal and interest paid on revenue bonds	(23,311)	-	-	(23,311)	-
Payments on leases	-	-	-	-	(1,886)
Decrease in escrow deposits	635	-	-	635	-
Capital donations	10,115	-	-	10,115	-
Net cash required by capital and related financing activities	<u>(63,236)</u>	<u>(12,868)</u>	<u>(19,192)</u>	<u>(95,296)</u>	<u>(22,306)</u>
Cash flows from investing activities:					
Interest on investments	8,661	1,322	474	10,457	-
Net cash provided by investing activities	<u>8,661</u>	<u>1,322</u>	<u>474</u>	<u>10,457</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(18,970)	7,353	(7,145)	(18,762)	1,353
Cash and cash equivalents at beginning of year	199,423	29,650	12,423	241,496	57,969
Cash and cash equivalents at end of year	<u>\$ 180,453</u>	<u>\$ 37,003</u>	<u>\$ 5,278</u>	<u>\$ 222,734</u>	<u>\$ 59,322</u>
Reconciliation of operating income to net cash provided (used) by operating activities:					
Operating income	\$ 1,416	\$ 11,718	\$ 15,653	\$ 28,787	\$ 5,986
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation and amortization	28,129	2,100	514	30,743	15,170
OPEB Obligation	10,206	5,566	472	16,244	3,849
Change in assets and liabilities:					
Increase in receivables	(3,903)	(791)	(9,767)	(14,461)	-
Increase in inventories	(740)	-	-	(740)	(314)
Increase (decrease) in payables	423	197	(627)	(7)	(1,729)
Increase in other liabilities	118	129	4,653	4,900	19
Increase in advance deposits	(44)	-	-	(44)	-
Net cash provided (used) by operating activities	<u>\$ 35,605</u>	<u>\$ 18,919</u>	<u>\$ 10,898</u>	<u>\$ 65,422</u>	<u>\$ 22,981</u>
Noncash capital donations	<u>\$ 7,281</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,281</u>	<u>\$ -</u>

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

DeKalb County, Georgia
 Fiduciary Funds
 Statement of Fiduciary Net Assets
 December 31, 2007
 (in thousands of dollars)

	<u>General Employees' Pension</u>	<u>Agency Funds</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 176,404	\$ 29,604
Investments:		-
US Government securities	154,620	-
Collateralized mortgage obligations	73,790	-
Corporate bonds	104,109	-
Corporate stocks	722,362	-
Accrued interest receivable	6,189	-
Taxes receivable	-	38,987
Total assets	<u>\$ 1,237,474</u>	<u>\$ 68,591</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 1,212	\$ -
Due to others	126	68,591
Total liabilities	<u>\$ 1,338</u>	<u>\$ 68,591</u>
<u>NET ASSETS</u>		
Held in trust for pension benefits and other purposes (see also Note 1A of Required Supplemental Information)	<u>\$ 1,236,136</u>	

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

DeKalb County, Georgia

Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

For the Year Ended December 31, 2007
(in thousands of dollars)

	General Employees' Pension
Additions:	
Contributions:	
Employer	\$ 19,026
Employee	10,408
Other	123
Total contributions	<u>29,557</u>
Investment earnings:	
Dividends and interest	27,741
Net increase in fair market value of investments	65,681
Total investment earnings	<u>93,422</u>
Less investment expense	<u>(4,421)</u>
Net investment earnings	<u>89,001</u>
Total additions	<u>118,558</u>
Deductions:	
Benefit payments	70,614
Refunds of contributions	762
Administrative expenses	399
Total deductions	<u>71,775</u>
Change in net assets	46,783
Net assets, beginning of year	<u>1,189,353</u>
Net assets, end of year	<u>\$ 1,236,136</u>

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

DeKalb County, Georgia

Component Units

Statement of Net Assets

December 31, 2007
(in thousands of dollars)

	Board of Health	Public Library Board	Total
ASSETS			
Cash and cash equivalents	\$ 3,262	\$ 2,472	\$ 5,734
Cash and cash equivalents, restricted	388	-	388
Investments	-	754	754
Accounts receivable (net)	732	38	770
Due from other governments	1,731	-	1,731
Prepaid items	38	-	38
Capital assets (net)	92	434	526
Total assets	<u>\$ 6,243</u>	<u>\$ 3,698</u>	<u>\$ 9,941</u>
LIABILITIES			
Accounts and contracts payable	\$ -	\$ 209	\$ 209
Due to other governments	1,232	-	1,232
Deferred revenue	4	-	4
Noncurrent liabilities:			
Due within one year	275	2	277
Due in more than one year	1,099	32	1,131
Total liabilities	<u>\$ 2,610</u>	<u>\$ 243</u>	<u>\$ 2,853</u>
NET ASSETS			
Invested in capital assets (net of related debt)	\$ 93	\$ 403	\$ 496
Restricted	388	-	388
Unrestricted	3,152	3,052	6,204
Total net assets	<u>\$ 3,633</u>	<u>\$ 3,455</u>	<u>\$ 7,088</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, 2007

(in thousands of dollars)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of Health	Public	Total
						Library Board	
Board of Health	\$ 29,019	\$ 11,517	\$ 13,066	\$ -	\$ (4,436)	\$ -	\$ (4,436)
Public Library Board	14,650	720	153	1,625	-	(12,152)	(12,152)
Total component units	<u>\$ 43,669</u>	<u>\$ 12,237</u>	<u>\$ 13,219</u>	<u>\$ 1,625</u>	<u>(4,436)</u>	<u>(12,152)</u>	<u>(16,588)</u>
General revenues:							
Intergovernmental, not restricted for specific programs					-	1,225	1,225
Payments from DeKalb County					5,145	12,496	17,641
Unrestricted investment earnings					-	47	47
Miscellaneous					77	170	247
Total general revenues					<u>5,222</u>	<u>13,938</u>	<u>19,160</u>
Change in net assets					786	1,786	2,572
Net assets - beginning					2,847	1,669	4,516
Net assets - ending					<u>\$ 3,633</u>	<u>\$ 3,455</u>	<u>\$ 7,088</u>

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

DEKALB COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

1. Summary of Significant Accounting Policies

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

(A) The Financial Reporting Entity

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

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

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

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

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

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

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

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

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

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

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

(B) Basis of presentation

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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

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

The County reports the following major governmental funds:

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

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

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

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

The County reports the following major proprietary funds:

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

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

The County reports the following fiduciary funds:

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

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

The County reports the following other fund types:

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

(C) Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met within the available period.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants which are recognized when all eligibility requirements have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

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

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

During fiscal year 2007, the County adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The objective of this Statement is to improve the representations and usefulness of information included in the financial reports regarding other postemployment benefits, such as postemployment healthcare benefits and life insurance.

During fiscal year 2007, the County adopted the provisions of GASB Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*. This pronouncement establishes criteria that governments will use to ascertain whether certain transactions should be regarded as sales or a collateralized borrowings. The statement also includes disclosure requirements for future revenues that are pledged or sold. The County has not engaged in the sale or exchange of future revenues or receivables.

(D) Budgetary Data

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

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

The annual budget cycle begins in August of the preceding year, when budget workbooks are distributed to each department. The County Code requires that the Chief Executive Officer of the County submit a proposed budget to the Board of Commissioners by December 15. 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 and prepaid items

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

(I) Restricted Assets

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

The government-wide statement of net assets reports \$129,784,000 of restricted net assets, of which \$99,267,000 is restricted by enabling legislation.

(J) Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets consist of the road network assets that were acquired or that received substantial improvements subsequent to January 1, 1980 and are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized. The County capitalized \$3,457,000 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	any amount
Equipment	5	5,000

(K) Claims, Judgments, and Compensated Absences

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

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

(L) Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its Seminole Road landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense during each period based on landfill capacity used as of each financial reporting date. The \$17,837,000 reported as landfill closure and postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 98% of the estimated capacity of the landfill, net of related expenditures to date of \$4,766,000. The County will recognize the remaining estimated cost of closure and postclosure care of \$461,000 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure in 2007. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Closure and postclosure care financial assurance requirements will be met by adjusting the sanitation rate structures in the enterprise fund as required. The County expects to close the current landfill cell in the year 2008, but has already acquired enough additional land to meet landfill needs through 2019.

(M) Management Estimates

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

2. Joint Ventures

DeKalb County is party to a contract with Fulton County, Georgia and the Fulton-DeKalb Hospital Authority (the "Hospital Authority") for the operation of Grady Memorial Hospital (the "Hospital"). The Hospital provides health services to indigent citizens of both counties. Three members of the Hospital Authority's Board of Trustees are appointed by the DeKalb County Board of Commissioners with another seven members appointed by the Fulton County Board of Commissioners. The entire operations of the Hospital Authority are disclosed as a component unit

in the Fulton County, Georgia Comprehensive Annual Financial Report. DeKalb County has a financial interest in the Hospital Authority because operating deficits of the Hospital, up to an annually predetermined amount relating to indigent care, must be funded by Fulton County or DeKalb County under the terms of the contract. The funding formula is based on the ratio of patient levels between the two counties. For the year 2007, DeKalb County funded \$19,522,000 of the Hospital's operating deficit. DeKalb County has limited control over the operating budget of the Hospital, but must approve any debt issuance of the Hospital Authority. The Hospital Authority's debt is secured by a pledge of the operating revenues of the Hospital. Payments to the Hospital Authority are made from the County's other governmental funds. For the year 2007, DeKalb County paid an additional \$6,431,000 towards the Hospital Authority's debt service. Separate financial statements may be obtained from: Fulton-DeKalb Hospital Authority; 80 Butler St. SE; Atlanta, Georgia 30314.

Condensed financial information for the Hospital Authority as of and for the year ended December 31, 2006 (December 31, 2007 amounts are unavailable) is as follows (in thousands of dollars):

Total Assets	\$ 475,659	Total Operating Revenues	\$ 509,225
Total Liabilities	491,326	Total Operating Expenses	655,258
Total Net Deficit	(15,667)	Non-operating Revenue (Net)	(10,328)
Current Debt	16,562	Fulton County and DeKalb County Contributions	104,636
Long-term Debt	235,870	Decrease in Net Assets	(39,324)

The Atlanta Regional Commission (ARC) is the regional planning and intergovernmental coordination agency for the 10-county metropolitan area. Under Georgia law, the County, in conjunction with other cities and counties in metropolitan Atlanta, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto. During 2007, the County paid \$692,960 in such dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any obligations of the ARC. Separate financial statements may be obtained from: Atlanta Regional Commission; 40 Courtland St NE; Atlanta, Georgia 30303.

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

3. Budget Basis of Accounting

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

The major differences between the budget basis and GAAP are:

- (1) Revenues (principally property taxes, accounts receivable, grants, and interest receivables) are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);
- (2) Expenditures (principally payroll, workers' compensation, and purchases) are recorded when paid (budget basis) as opposed to when incurred (GAAP);
- (3) Debt service requirements due January 1, 2008 are recorded as expenditures in 2007 when paid (budget basis) as opposed to 2008 when obligations are due (GAAP);

4. Cash, Cash Equivalents, and Investments

Following are the components of the County's cash, cash equivalents, and investments (including the General Employees' Pension Fund and the Component Units) at December 31, 2007 (in thousands of dollars).

	Unrestricted	Restricted	Pension Restricted	Agencies Unrestricted	Total	Component Units
Cash and Cash Equivalents	\$ 530,937	\$ 121,494	\$ 176,404	\$ 29,604	\$ 858,439	\$ 6,122
Investments	-	-	1,054,881	-	1,054,881	754
	<u>\$ 530,937</u>	<u>\$ 121,494</u>	<u>\$ 1,231,285</u>	<u>\$ 29,604</u>	<u>\$ 1,913,320</u>	<u>\$ 6,876</u>

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

sensitive to prepayments by mortgages, which may result from a decline in interest rates. The County invests in these securities in part to maximize yields and in part to hedge against a rise in interest rates.

Custodial Credit Risk - Deposits

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

Concentration of Credit Risk

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

As of December 31, 2007, the County's reporting entity had the following investments:
(in thousands of dollars)

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Primary Government					
Georgia Fund I	\$ 484,061	\$ 484,061	-	-	-
Restricted Trust Accounts	151,714	151,714	-	-	-
Total Primary Government (non-fiduciary)	635,775	635,775	-	-	-
Fiduciary Fund					
Pension Trust Fund:					
Corporate Stocks	722,362	n/a	n/a	n/a	n/a
Mutual Funds	176,404	n/a	n/a	n/a	n/a
U.S. Government Securities	154,620	1,515	30,549	19,230	103,326
CMOs	73,790	-	800	1,117	71,873
Corporate Bonds	104,109	3,323	42,362	35,170	23,253
Total Fiduciary Fund	\$ 1,231,285	\$ 4,838	\$ 73,711	\$ 55,517	\$ 198,452

Credit Risk - Investments

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

The County's investment policy requires that repurchase agreements be "marked to Market," i.e., the current market value of securities purchased must meet or exceed the cost of investment plus anticipated interest earnings. The County did not hold repurchase agreements in 2007.

The County's pension trust fund (the Plan) investment policy requires that the fixed income portfolio be of high quality and chosen with respect to maturity ranges, coupon levels, refunding characteristics, and marketability. Fixed income managers are engaged to reduce volatility of the Plan's assets, provide a deflation hedge, and produce a highly predictable and dependable source of income. The quality rating of the overall portfolio must be A or better at all times. As of December 31, 2007, the weighted average of the fixed income portfolio was AA+ by Standard & Poor's Rating Service.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the duration method. This method is used in the management of fixed income portfolios to quantify the portfolios' sensitivity to interest rate changes. As of December 31, 2007, the weighted average of the Option Adjusted Duration of the pension fund's fixed income portfolio was 4.53 years, as compared to the benchmark LB Aggregate Bond Index duration of 4.41 years.

Georgia's State Depository Board through the Director of the Office Treasury and Fiscal Services is the oversight agency for Georgia Fund I. The primary investment objectives of the Georgia Fund I are safety of capital, liquidity, yield, and diversification with primary emphasis of safety of capital and liquidity. Georgia Fund I is rated AAAM by Standard and Poor's and had a WAM (weighted average maturity) of 31 days as of December 31, 2007. The County's fair value in the pool is the same as the value of the pool shares.

5. Capital Assets

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

	Balance 12/31/2006	Additions	Deletions	Balance 12/31/2007	Accumulated Depreciation and Amortization 12/31/2006	Additions	Deletions	Accumulated Depreciation and Amortization 12/31/2007	Book Value 12/31/2007
Governmental activities									
Not depreciated:									
Land	\$ 218,635	\$ 8,988	\$ -	\$ 227,623					\$ 227,623
Construction in progress	132,568	123,446	(127,294)	128,720					128,720
Depreciated:									
Land improvements	33,620	4,613	-	38,233	\$ 12,318	\$ 514	\$ -	\$ 12,832	25,401
Buildings	310,996	84,226	-	395,222	85,706	8,508	-	94,214	301,008
Infrastructure	605,161	55,819	-	660,980	145,484	15,076	-	160,560	500,420
Other equipment	41,663	8,603	(7,239)	43,027	18,299	8,469	(7,239)	19,529	23,498
Totals	<u>\$ 1,342,643</u>	<u>\$ 285,695</u>	<u>\$ (134,533)</u>	<u>\$ 1,493,805</u>	<u>261,807</u>	<u>32,567</u>	<u>(7,239)</u>	<u>287,135</u>	<u>\$ 1,206,670</u>
Business-type activities									
Not depreciated:									
Land	\$ 41,281	\$ 1,147	\$ -	\$ 42,428					\$ 42,428
Construction in progress	233,690	76,514	(211,058)	99,146					99,146
Depreciated:									
Land improvements	144,539	8,511	-	153,050	\$ 18,037	\$ 2,172	\$ -	\$ 20,209	132,841
Buildings	11,733	-	-	11,733	7,074	332	-	7,406	4,327
Plants	159,864	174,479	-	334,343	64,835	3,127	-	67,962	266,381
Lines	715,671	27,290	(1,062)	741,899	199,204	14,576	(1,062)	212,718	529,181
Water meters	61,406	3,773	(947)	64,232	25,001	4,197	(947)	28,251	35,981
Vehicles and portable equipment	145,782	19,723	(12,836)	152,669	104,635	14,879	(12,739)	106,775	45,894
Other equipment	19,705	3,558	(7,707)	15,556	13,281	2,893	(7,707)	8,467	7,089
Leaseholds	169,411	-	-	169,411	27,520	3,477	-	30,997	138,414
Totals	<u>\$ 1,703,082</u>	<u>\$ 314,995</u>	<u>\$ (233,610)</u>	<u>\$ 1,784,467</u>	<u>\$ 459,587</u>	<u>\$ 45,653</u>	<u>\$ (22,455)</u>	<u>\$ 482,785</u>	<u>\$ 1,301,682</u>
Component units									
Depreciated:									
Other equipment	\$ 1,337	\$ 306	\$ (251)	\$ 1,392	\$ 772	\$ 402	\$ (308)	\$ 866	\$ 526

During fiscal year 2007, the County did not experience any capital asset impairment loss with respect to the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*.

Depreciation was charged to functions / programs of the primary government during 2007 as follows (in thousands of dollars):

<u>Governmental activities:</u>		<u>Business-type activities</u>	
General government	\$ 4,705	Water and sewerage system	\$ 27,858
Public safety	4,456	Sanitation	2,100
Civil and criminal court system	5,154	DeKalb Peachtree Airport	514
Planning & Development	38	Stormwater	11
Public works	15,298	Vehicle maintenance	291
Community development	162	Vehicle replacement	14,879
Library	818		<u>\$ 45,653</u>
Parks and recreation	1,085		
Health and welfare	851		
	<u>\$ 32,567</u>		

Construction in progress at December 31, 2007 is composed of the following (in thousands of dollars):

	<u>Project</u> <u>Authoriza-</u> <u>tion</u>	<u>Expended</u> <u>as of</u> <u>12/31/2007</u>	<u>Committed</u>
<u>Governmental activities</u>			
Parks and recreation facilities	\$ 149,434	\$ 24,107	\$ 125,327
Infrastructure	159,017	77,369	81,648
Court facilities	41,192	4,595	36,597
Public safety facilities	22,945	11,803	11,142
General government facilities	12,975	5,109	7,866
Library facilities	54,390	5,641	48,749
Health centers	96	96	-
Totals	<u>\$ 440,049</u>	<u>\$ 128,720</u>	<u>\$ 311,329</u>
<u>Business-type activities</u>			
Water and sewer facilities	\$ 81,645	\$ 28,519	\$ 53,126
Sanitation facilities	69,943	41,421	28,522
Airport facilities	22,082	12,200	9,882
Stormwater facilities	22,524	16,935	5,589
Vehicle maintenance	389	71	318
Totals	<u>\$ 196,583</u>	<u>\$ 99,146</u>	<u>\$ 97,437</u>

6. Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2007 are as follows (in thousands of dollars):

	Balance 12/31/2006	Additions	Payments/ Retirements	Balance 12/31/2007	Current Portion	Long-term Portion
<u>Governmental activities</u>						
Claims and judgments payable	\$ 16,749	\$ 74,686	\$ (78,348)	\$ 13,087	\$ 9,410	\$ 3,677
Net OPEB obligation	-	74,846	(10,728)	64,118	-	64,118
Compensated absences payable	32,066	30,765	(28,727)	34,104	30,765	3,339
Capital leases (equipment)	5,270	11,856	(3,335)	13,791	4,417	9,374
General obligation bonds payable	427,360	-	(22,145)	405,215	23,835	381,380
Revenue bonds payable	95,815	-	(2,865)	92,950	2,975	89,975
Certificates of participation payable	23,070	-	(995)	22,075	1,020	21,055
Unamortized premium on bonds payable	12,637	-	(1,176)	11,461	1,129	10,332
Deferred gain on bond refunding	(3,312)	-	462	(2,850)	(437)	(2,413)
Totals	<u>\$ 609,655</u>	<u>\$ 192,153</u>	<u>\$ (147,857)</u>	<u>\$ 653,951</u>	<u>\$ 73,114</u>	<u>\$ 580,837</u>
<u>Business-type activities</u>						
Claims and judgments payable	\$ 5,600	\$ -	\$ (5,600)	\$ -	\$ -	\$ -
Landfill closure and postclosure cost	13,785	4,052	-	17,837	-	17,837
Net OPEB obligation	-	23,454	(3,361)	20,093	-	20,093
Compensated absences payable	5,744	6,573	(6,439)	5,878	5,878	-
Capital leases (vehicles)	3,136	-	(1,792)	1,344	626	718
Revenue bonds payable	568,090	-	(7,215)	560,875	10,640	550,235
Unamortized premium on bonds payable	30,695	-	(1,661)	29,034	1,652	27,382
Deferred gain on bond refunding	(25,919)	-	1,673	(24,246)	(1,646)	(22,600)
Totals	<u>\$ 601,131</u>	<u>\$ 34,079</u>	<u>\$ (24,395)</u>	<u>\$ 610,815</u>	<u>\$ 17,150</u>	<u>\$ 593,665</u>
<u>Component Units</u>						
Compensated absences payable	\$ 1,525	\$ -	\$ (117)	\$ 1,408	\$ 277	\$ 1,131
	<u>\$ 1,525</u>	<u>\$ -</u>	<u>\$ (117)</u>	<u>\$ 1,408</u>	<u>\$ 277</u>	<u>\$ 1,131</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 of future minimum installment purchase payments on capital leases (equipment) in the governmental activities with the present value of the net minimum payments as of December 31, 2007 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 4,417	\$ 501	\$ 4,918
2009	3,454	410	3,864
2010	2,740	190	2,930
2011	1,628	101	1,729
2012	1,552	32	1,584
Totals	\$ 13,791	\$ 1,234	\$ 15,025

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

The following is a summary of the County's outstanding general obligation bond issues at December 31, 2007 (in thousands of dollars):

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
1992	Refunding issue	6.00	1-1 7-1	12/01/92	01/01/09	\$ 64,775	\$ 55,705	\$ 9,070
1998	Jail	5.00	1-1 7-1	08/01/98	01/01/20	2,000	-	2,000
2001	Parks	3.50-5.00	6-1 12-1	10/01/01	12/01/15	125,000	47,310	77,690
2003A	Refunding issue	3.00-5.00	1-1 7-1	07/22/03	01/01/20	53,295	22,840	30,455
2003B	Refunding issue	4.00-5.00	1-1 7-1	12/05/03	01/01/20	74,620	7,365	67,255
2006	Parks, Libraries, Transportation	3.30-5.00	6-1 12-1	02/07/06	12/01/30	230,000	11,255	218,745
	Totals					\$ 549,690	\$ 144,475	\$ 405,215

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

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

The proceeds of the General Obligation Refunding Bonds, Series 2003B, were used to refund: (1) \$77,410,000 of the Series 1993 General Obligation Refunding Bonds. The Series 1993 General Obligation Refunding Bonds had partially refunded the Series 1991 General Obligation Bonds (issued to fund jail capital improvements).

The following is a summary of general obligation bonds debt service requirements to maturity as of December 31, 2007 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 23,835	\$ 18,097	\$ 41,932
2009	24,635	17,022	41,657
2010	25,440	15,922	41,362
2011	22,220	15,020	37,240
2012	23,310	14,036	37,346
2013-2017	109,895	53,191	163,086
2018-2022	75,965	31,331	107,296
2023-2027	58,220	17,988	76,208
2028-2030	41,695	3,861	45,556
Totals	\$ 405,215	\$ 186,468	\$ 591,683

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 \$400,863,000. The statutory limit at that date was \$2,640,000,000, providing a debt margin of \$2,239,137,000.

The following is a summary of the County's outstanding Certificates of Participation at December 31, 2007 (in thousands of dollars):

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
2003	Office building and courthouse	2.875-4.75	6-1 & 12-1	10/14/03	12/01/23	\$ 25,000	\$ 2,925	\$ 22,075

The following is a summary of Certificates of Participation debt service requirements to maturity as of December 31, 2007 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2008	2.875	\$ 1,020	\$ 937	\$ 1,957
2009	3.125	1,045	907	1,952
2010	4.0	1,080	874	1,954
2011	4.0	1,120	831	1,951
2012	4.5	1,165	786	1,951
2013-2017	4.00-4.30	6,615	3,157	9,772
2018-2022	4.40-4.75	8,165	1,606	9,771
2023	4.75	1,865	89	1,954
Totals		\$ 22,075	\$ 9,187	\$ 31,262

The following is a summary of the County's outstanding governmental activities revenue bond issues at December 31, 2007 (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	12/01/23	\$ 15,000	\$ 2,390	\$ 12,610
2004	Public Safety and Judicial Facilities	3.0-5.0	6-1 & 12-1	12/29/04	12/01/34	50,000	2,875	47,125
2005	Juvenile Justice Center	3.0-5.0	6-1 & 12-1	07/14/05	12/01/25	35,670	2,455	33,215
						\$ 100,670	\$ 7,720	\$ 92,950

The following is a summary of the County's governmental activities revenue bonds debt service requirements to maturity as of December 31, 2007 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2008	2.0-3.0	\$ 2,975	\$ 3,835	\$ 6,810
2009	2.5-3.0	3,060	3,752	6,812
2010	2.5-3.0	3,145	3,663	6,808
2011	2.63-5.0	3,235	3,574	6,809
2012	3.0-3.25	3,360	3,448	6,808
2013-2017	3.0-5.0	18,755	15,290	34,045
2018-2022	3.7-5.0	22,645	11,400	34,045
2023-2027	4.0-5.0	17,870	6,584	24,454
2028-2032	5.0	12,155	3,320	15,475
2033-2034	5.0	5,750	435	6,185
Totals		\$ 92,950	\$ 55,301	\$ 148,251

Business-type activities:

The following is a schedule of future minimum installment purchase payments on capital leases for vehicles in the business-type activities with the present value of the net minimum payments as of December 31, 2007 (in thousands of dollars):

<u>Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 626	\$ 42	\$ 668
2009	337	25	362
2010	351	10	361
2011	30	-	30
Totals	\$ 1,344	\$ 77	\$ 1,421

The following is a summary of the County's outstanding business-type activities revenue bond issues as of December 31, 2007 (in thousands of dollars):

<u>Series</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>Out-standing</u>	<u>Callable</u>	<u>Call Premiums</u>
1999	4.25-4.625	4-1 10-1	05/01/99	10/01/11	\$ 96,345	\$ 91,525	\$ 4,820	\$ 3,800	0-1%
2000	4.625-5.25	4-1 10-1	11/01/00	10/01/11	214,525	200,835	13,690	3,660	1%
2003	2.5-5.0	4-1 10-1	11/18/03	10/01/35	179,865	2,720	177,145	145,875	0%
2006A	4.0-5.0	4-1 10-1	04/27/06	10/01/35	94,990	1,665	93,325	75,020	0%
2006B	4.25-5.25	4-1 10-1	04/27/06	10/01/35	271,895	-	271,895	244,190	0%
Totals					\$ 857,620	\$ 296,745	\$ 560,875	\$ 472,545	

The following is the purpose of each series of the County's outstanding business-type activities revenue bond issues as of December 31, 2007:

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

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

For financial accounting and reporting purposes, all revenue bonds defeased (\$7,215,000 in 2007) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. As of December 31, 2007, the County believes it was in compliance with all such significant limitations and restrictions.

The following is a summary of the County's outstanding business-type activities revenue bonds debt service requirements to maturity as of December 31, 2007 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2008	\$ 10,640	\$ 28,020	\$ 38,660
2009	11,245	27,593	38,838
2010	11,705	27,133	38,838
2011	12,190	26,644	38,834
2012	12,595	26,073	38,668
2013-2017	72,465	120,882	193,347
2018-2022	92,320	101,013	193,333
2023-2027	119,485	74,726	194,211
2028-2032	128,485	42,218	170,703
2033-2035	89,745	9,120	98,865
Totals	<u>\$ 560,875</u>	<u>\$ 483,422</u>	<u>\$ 1,044,297</u>

7. Leases

Operating Leases

The County leases building and office facilities and equipment under leases and rental agreements which are cancelable annually. In 2007, the County paid \$3,632,445 to lease office space for Tax Commissioner, Police, Registrar, Economic Development, Workforce Development, and the DeKalb Development Authority. The County leases office equipment, emergency construction, and event equipment on an as needed basis. In 2007, equipment rentals totaled \$3,010,886.

The Development Authority of DeKalb County issued the Series 2006 Revenue Bonds for the purpose of financing the costs of the acquisition, design, construction, installation and equipping of a performing arts center facility and related parking deck. The Series 2006 Bonds are secured by a pledge of the Development Authority's right, title and interest in the rents and other payments derived by the Development Authority pursuant to a lease agreement between the Development Authority and the County. Under the lease agreement, the County is obligated to make rental payments to the Development Authority in amounts sufficient to pay the principal, premium and interest on the 2006 Bonds. In 2007, that amount was \$669,143. The future minimum lease payments as of December 31, 2007 are as follows:

Year Payable	Amount
2008	\$ 706
2009	708
2010	710
2011	705
2012	709
2013-2017	3,533
	<u>\$ 7,071</u>

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

Capital Leases

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

In 2007 the County entered into four new capital leases with GE Capital totalling \$11,855,542. The first two leases were for the purchase and installation of a computer assisted mass appraisal tax assessor program at \$2,320,416; and the purchase and installation of a Superior Court records imaging project at \$1,740,047. The largest lease, with a principal amount of \$6,566,244, was for the replacement of analog radios countywide with digital radios. The last lease, with a principal amount of \$1,228,835, was for purchase Zoll Defibrillators for Fire and Rescue Services. All leases are five (5) year leases.

The following is a schedule summarizing future lease payments by the following major asset classes as of December 31, 2007 (in thousands of dollars):

	<u>Equipment</u>	<u>Vehicles</u>	<u>Total</u>
Governmental activities:	\$ 13,791	\$ -	\$ 13,791
Business-type activities:	-	1,344	1,344
	<u>\$ 13,791</u>	<u>\$ 1,344</u>	<u>\$ 15,135</u>

8. Employee Benefits

(A) Defined Benefit Pension Plan Description

The County provides pension benefits for substantially all of its full-time and permanent part-time employees through a single employer defined benefit plan (the "Plan"). The Plan is administered by the DeKalb County Pension Board (the "Board"), composed of seven voting members (the Chief Executive Officer of DeKalb County, two members elected by County employees, two members selected by the DeKalb County Board of Commissioners, one member elected by County retirees, and one member appointed by the other voting members of the Board) and two non-voting members (the County Director of Finance and the County Merit System Director). The Plan does not issue separate financial statements. The County's payroll for employees covered by the Plan for the year was \$315,072,000, as compared to a total County payroll of \$330,932,000.

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

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

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

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

Retirement benefits are payable monthly for life (ten years guaranteed) with survivor options available subject to reduced monthly benefits. The Plan also provides disability benefits. These benefit provisions and all other requirements are established by State statute and by the DeKalb Pension Act. Any changes to the Plan benefits must be approved by the DeKalb County Board of Commissioners. Contribution levels to the Plan are determined using the actuarial basis specified by statute. Contribution levels in 2007, as approved by the DeKalb County Board of Commissioners, are employee 3.5% and County 6.5% 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:

Active vested employees covered by the Plan	2,323
Active nonvested employees covered by the Plan	4,368
Retirees currently receiving normal retirement benefits	2,383
Retirees currently receiving disability benefits	115
Beneficiaries of deceased retirees currently receiving benefits	230
Terminated employees entitled to benefits, but not yet receiving them because of age	400
Total members	<u>9,819</u>

(B) Actuarial assumptions

The actuarial accrued liability was computed as part of an actuarial valuation performed as of April 1, 2007. Significant actuarial assumptions used in the valuation include: (a) rate of return on investment of present and future assets of 8.0% per year compounded annually, (b) projected salary increases of 3.5% to 7.8% for inflation plus 3.5% for merit / seniority based on an age-graduated scale, compounded annually, (c) no postretirement benefit increases were assumed.

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

The Plan's funding policy provides for actuarially determined contributions at rates that, for individual employees, are a level percentage of payroll. The contribution rate for normal rate for normal cost was changed from the projected unit credit cost method to the entry age normal method for 2006. The recommended contribution calculated under the entry age normal cost method is less than the contribution calculated under projected unit credit. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the actuarial accrued liability as described above. The actuaries used an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable. To develop the Annual Required Contribution, the UAL has been amortized over 10 years using level dollar amortization in years when an overfunding existed, and over 30 years as a level percentage of payroll in years of underfunding. The total contributions to the Plan for the year were made in accordance with actuarially determined requirements computed through an actuarial valuation performed April 1, 2007. The April 2007 valuation report was revised from previously issued reports pursuant to action by the County to bring the Plan into compliance with State funding requirements. Some of the historical information in this report has been revised to reflect changes made to meet such compliance standards.

The April 1, 2007 valuation is used to determine the recommended contribution for the fiscal year beginning January 1, 2009. The recommended contribution is the minimum amount required to satisfy the minimum funding standards under Georgia law by virtue of Code section 47-20-10. The minimum required contribution under Georgia law is based on the Plan's normal cost plus the sum of individual bases established for experience gains and losses, plan amendments, assumption changes and method changes. Georgia Code Section 47-20-10(b) also allows a Plan to be in compliance if the sponsor makes contributions equal to the Annual required Contribution (ARC) under GASB.

Based on the April 1, 2007 valuation, employer contributions of \$19,043,000 represent 78% of the employer annual required contribution. The net pension asset of \$23,308,000 was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. The amortization period for the County's actuarial accrued surplus is open.

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

	2007	2006	2005
Annual required contribution (ARC)	\$ 24,482	\$ 13,091	\$ 6,253
Annual employer contributions made	\$ 19,043	\$ 13,101	\$ 9,385
Interest on net pension obligation	\$ (2,441)	\$ (2,591)	\$ (2,484)
Annual required contribution adjustment	\$ (4,211)	\$ (4,469)	\$ (4,285)
Amortization factor	7.2469	7.2469	7.2469
Annual pension cost	\$ 26,252	\$ 14,969	\$ 8,054
Change in net pension obligation	\$ 7,209	\$ 1,868	\$ (1,331)
Net pension asset	\$ 23,308	\$ 30,517	\$ 32,385
Percentage of annual employer contributions made to annual required contributions	77.78%	100.00%	100.00%
Percentage of annual employer contributions made to annual pension cost	72.54%	87.52%	100.00%

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

(D) Schedule of contributions as a percentage of salary

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Employee	3.5%	2.5%	1.5%	.5%	.5%	.5%	.5%	.5%	.5%	.5%
Employer	6.5%	4.0%	3.0%	.5%	.5%	.5%	.5%	.5%	.5%	.5%

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

	2009	2008
Employee	4.5%	4.0%
Employer	9.5%	8.0%

(E) Other Postretirement Benefits

Group health benefits are available to all retirees, beneficiaries of, and dependents of retirees, with the County paying up to 70% of the total cost and the retiree paying the remaining amount. Life insurance in the amount of \$5,000 is provided to all retirees without cost to the retiree. These benefits are provided by the DeKalb County Board of Commissioners each year and are not statutory, contractual, or required by other authority. The total cost of retiree health benefits (including retirees' portions), \$19,671,000 for the year, is recognized as an expense in the Internal Service Funds as claims are incurred. The enterprise funds and major governmental funds reimburse the Internal Service Funds for their share of these expenses. Currently 3,298 retirees, beneficiaries, and dependents of retirees are receiving group health benefits under the Plan.

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

The County's annual other postemployment benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined

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

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

	Governmental Funds	Business-type Funds	2007
Annual required contribution (ARC) for other postemployment benefits (OPEB)	\$ 71,967	\$ 22,552	\$ 94,519
Interest on annual required contribution	2,879	902	3,781
Interest on net OPEB obligation	-	-	-
Annual required contribution adjustment	-	-	-
Annual OPEB cost	\$ 74,846	\$ 23,454	\$ 98,300
Annual employer contributions made	(10,728)	(3,361)	(14,089)
Change in net OPEB obligation	64,118	20,093	84,211
Net OPEB obligation - January 1	-	-	-
Net OPEB obligation - December 31	\$ 64,118	\$ 20,093	\$ 84,211
Percentage of annual contributions made to annual required contributions	14.33%	14.33%	14.33%

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

For the December 31, 2007 actuarial valuation, the projected unit credit method was used. This method allocates benefits of each individual by a consistent formula to valuation years. The amortization amount of the unfunded actuarial accrued liability (UAAL) has been computed as a level percentage of payroll using a 30-year amortization period.

The investment return assumption (or discount rate) is to be selected as the estimated long-term investment return on the investments that are expected to be used to finance the payment of benefits. For funded plans, the considerations in selecting this rate would be similar to selecting the funding interest rate for a pension plan. However, for unfunded plans such as DeKalb County's, the discount rate should be determined with reference to the employer's general assets. In this instance, governmental unrestricted general assets are invested in very short-term fixed instruments. This asset allocation leads to a low discount rate. For the purposes of the 2007 actuarial valuation, a discount rate of 4.00% has been used.

(F) Deferred Compensation Plan

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

9. Risk Management

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

DeKalb County has a Risk Management Fund to account for and to finance its purchase of insurance and coverage of uninsured risks of loss when immunity cannot be asserted. Under this program, the Risk Management Fund finances two reserves: workers' compensation and incurred but unpaid claims under a self-funded employee medical benefit program. The County retains the first \$500,000 of expense for each occurrence of workers' compensation injuries, and it retains the first \$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 as follows: (1) an estimate of future expenses for known claims and known treatment needs, and (2) a statistical projection of incurred but unreported claims, based on recent historical experience of loss development in the County's claims.

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

Buildings and contents are insured through an "all risk" property damage insurance policy, and the County retains the first \$100,000 of each loss, with no aggregate limits. This retention level is funded by an annual appropriation of \$300,000 which, historically, has been adequate to cover all claims.

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

	2007	2006	2005	2004	2003
Workers' compensation:					
Incurred claims, net of any changes	\$ 3,987	\$ 4,292	\$ 2,952	\$ 5,380	\$ 3,493
Payments	(4,097)	(4,456)	(3,244)	(3,026)	(2,887)
Ending balance	<u>7,067</u>	<u>7,177</u>	<u>7,341</u>	<u>7,633</u>	<u>5,279</u>
Health and dental:					
Incurred claims, net of any changes	70,699	64,233	57,424	53,631	46,552
Payments	(69,871)	(63,723)	(57,883)	(53,803)	(45,461)
Ending balance	<u>5,720</u>	<u>4,892</u>	<u>4,382</u>	<u>4,841</u>	<u>5,013</u>
Total liability for self-insurance	<u>\$ 12,787</u>	<u>\$ 12,069</u>	<u>\$ 11,723</u>	<u>\$ 12,474</u>	<u>\$ 10,292</u>

10. Proprietary Funds

Contracts and agreements

The County has a shared interest in various water pollution control plants with the City of Atlanta, Gwinnett County, and Fulton County. Each of these agreements requires the County to pay a pro rata share of the plants' operating costs and additional capital improvements which may be made by the other equity interest. During 2007, the County incurred the following operating costs (no capital costs were incurred) (in thousands of dollars):

R. M. Clayton Plant - City of Atlanta	\$ 9,393
Big Creek Plant, John's Creek Plant & Marsh Creek Plant - Fulton County	696
Jackson Creek Plant - Gwinnett County	765
Total	<u>\$ 10,854</u>

11. Allowance For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2007 are as follows (in thousands of dollars):

	Gross Receivables	Uncollectible Receivables	Net Receivables
Governmental activities:			
Taxes receivable	\$ 41,613	\$ 1,244	\$ 40,369
Accounts receivable	13,170	8,889	4,281
	<u>\$ 54,783</u>	<u>\$ 10,133</u>	<u>\$ 44,650</u>
Business-type activities:			
Accounts receivable	<u>\$ 36,532</u>	<u>\$ 6,580</u>	<u>\$ 29,952</u>

12. Due From Other Governments

Amounts due from other governments at December 31, 2007 are as follows (in thousands of dollars):

Governmental activities:		Business-type activities:	
Georgia Department of Transportation	\$ 2,605	Georgia Emergency Management Agency	\$ 3,901
U. S. Department of Labor	1,124	Federal Emergency Management Agency	2,587
Office of National Drug Control	628	Federal Aviation Administration	998
Criminal Justice Coordinating Council	464	Georgia Department of Transportation	243
U. S. Department of Health and Human Services	430	Other local governments	844
Atlanta Regional Commission	278	Total	<u>\$ 8,573</u>
Federal Emergency Management Agency	172		
Georgia Department of Natural Resources	125	Component units:	
Children and Youth Coordinating Council	117	Miscellaneous State Agencies	<u>\$ 1,731</u>
Georgia Emergency Management Agency	116		
Georgia Department of Motor Vehicle Safety	107		
U. S. Department of Housing & Urban Development	93		
Others	70		
Total	<u>\$ 6,329</u>		

13. Interfund Balances and Activity

(A) Balances Due To / From Other Funds

Balances due to / from other funds at December 31, 2007 consist of the following (in thousands of dollars):

Due to the General Fund from other governmental funds representing short-term loans.	\$ 6,903
Due to the Special Tax District Designated Services Fund from the Special Tax District Unincorporated Fund, representing a short-term loan.	1,560
Due between Nonmajor Enterprise Funds, representing a short-term loan.	4,650
Total	<u>\$ 13,113</u>

(B) Transfers to / from Other Funds

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

Transfer from General Fund to other Nonmajor Governmental funds to match federal and state grants.	\$ 1,620
Transfer from General Fund to other Nonmajor Governmental funds to fund operations	5,000
Transfer from General Fund to other Nonmajor Governmental funds for capital projects.	26,356
Transfer from Special Tax District Designated Services Fund to other Nonmajor Governmental funds to match federal and state grants.	4,597
Transfer from Special Tax District Unincorporated Fund to Special Tax District Designated Services Fund to fund operations.	85,298
Transfer from other Nonmajor Governmental funds to General Fund to fund programs.	22,030
Transfer from other Nonmajor Governmental funds to Special Tax District Unincorporated Fund to fund programs.	12,000
Transfer between other Nonmajor Governmental funds for capital projects	434
Transfer between other Nonmajor Governmental funds to match grants	12
Transfer from Water & Sewer Enterprise Fund to General Fund to fund operations	40
Transfer from Sanitation Enterprise Fund to General Fund to fund operations	20
Transfer from other Nonmajor Enterprise funds to General Fund to fund operations	75
	<u>\$ 157,482</u>

14. Commitments and Contingencies

The County is required by state law to spend 2% of the 5% hotel / motel tax collected on contracts promoting tourism. In fiscal year 2006, the County Board of Commissioners voted to appropriate this 2% portion of the hotel / motel tax collected by the County to the DeKalb County Convention and Visitors Bureau ("DCCVB"). During 2007, the County paid \$2,758,852 to the DCCVB.

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

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

15. Fund Deficits

The Special Tax District - Unincorporated Fund ended fiscal 2007 with a fund balance deficit of \$4,490,000. The County attempts to equalize and reduce the fund balances in the Special Tax District - Unincorporated Fund and the Special Tax District - Designated Services Fund. The County will reduce the transfer to the Special Tax District - Designated Services Fund in future years to eliminate this deficit. The Nonmajor Special Revenue - Development Fund ended fiscal 2007 with a fund balance deficit of \$243,000. As development activity has slowed due to the mortgage financial crisis, the County will be required to reduce expenditures in the Development Fund. Some fees will also be increased. The Nonmajor Special Revenue - Recreation Fund ended fiscal 2007 with a fund balance deficit of \$444,000. The County will reduce expenditures to match anticipated income from charges for services at pools and parks. The Nonmajor Special Revenue - Fire Fund ended fiscal 2007 with a fund balance deficit of \$1,435,000. The tax allocation to the fund will be increased to cover growth in expenditures. The Nonmajor Special Revenue - 2004 Local Law Enforcement Block Grant Fund ended fiscal 2007 with a fund balance deficit of \$8,000. The 2001-2004 Local Law Enforcement Block Grants are essentially complete and the funds are being reconciled for closure. The Nonmajor Public Safety Judicial Authority Debt Service Fund ended fiscal 2007 with a fund balance deficit of \$12,000. This deficit will be eliminated through future interest earnings.

16. Budget Information

The County exceeded the legal level of budgeted expenditures in the following departments during 2007 (in thousands of dollars):

Fund	Department	Amount
General	Sheriff	\$ 147
Special Revenue - Special Tax District - Unincorporated	Finance	4
Nonmajor Special Revenue - Emergency Telephone System	Police	256
Nonmajor Special Revenue - Grant-in-Aid	Police	1,025
Nonmajor Special Revenue - Grant-in-Aid	Fire & Rescue Services	20

The overages in the General Fund were a result of the Sheriff's Department having to utilize additional overtime to compensate for staff shortages. The overages in the Special Revenue - Special Tax District - Unincorporated Fund were the result of additional overtime required to reconcile business license accounts during the implementation of a new software installation. The additional costs in the Nonmajor Special Revenue - Emergency Telephone System Fund relate to cost overruns associated with the installation of a computer aided dispatch system. The overages in the Nonmajor Special Revenue - Grant-in-Aid Fund were a result of the County having to expend on grants prior to receiving reimbursement. The County has implemented absolute funds monitoring within its Financial Management and Purchasing System; however this does not apply to the special nature of pre-expenditure grants.

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

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	2006 Transportation, Parks, and Libraries Bonds	HOST Capital Projects
Project-length revenues:						
Budget	\$ 116	\$ 2,327	\$ 112	\$ 43,894	\$ 218,536	\$ 34,685
Actual	6	124	6	2,531	10,721	4,542
Project-length expenditures:						
Budget	116	2,327	112	43,894	218,536	34,685
Actual	-	124	-	4,769	48,935	12,369

	Capital Improvement Projects	COPS Bonds	Community Greenspace Program	Public Safety Judicial Facilities Authority	Building Authority Juvenile Court Project	Total
Project-length revenues:						
Budget	\$ 77,986	\$ 10,829	\$ 72	\$ 19,046	\$ 32,432	\$ 440,035
Actual	27,425	371	-	678	245	46,649
Project-length expenditures:						
Budget	77,986	10,829	72	19,046	32,432	440,035
Actual	22,679	1,820	-	8,346	9,785	108,827

17. Fund Balance Reserves

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

	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
Reserved for encumbrances	\$ 2,603	\$ 2,194	\$ -	\$ 12,892	\$ 24,798	\$ 42,487
Reserved for inventories	46	-	-	-	-	46
Total reserved	<u>\$ 2,649</u>	<u>\$ 2,194</u>	<u>\$ -</u>	<u>\$ 12,892</u>	<u>\$ 24,798</u>	<u>\$ 42,533</u>

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2007

(Unaudited)

1. Pension Plan

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

	Valuation Date					
	4-1-2007	4-1-2006	4-1-2005	4-1-2004	4-1-2003	4-1-2002
Actuarial value of plan assets	\$ 1,266,830	\$ 1,243,750	\$ 1,225,338	\$ 1,211,522	\$ 1,200,580	\$ 1,185,485
Actuarial accrued liability	\$ 1,495,475	\$ 1,415,719	\$ 1,140,305	\$ 1,038,214	\$ 983,393	\$ 978,606
Percentage funded	84.71%	87.85%	107.46%	116.69%	122.09%	121.14%
Assets in excess/shortage of actuarial accrued liability (UAAL)	\$ (228,645)	\$ (171,969)	\$ 85,033	\$ 173,308	\$ 217,187	\$ 206,879
Annual covered payroll	\$ 292,963	\$ 284,989	\$ 266,022	\$ 261,248	\$ 254,259	\$ 249,746
UAAL as a percentage of covered payroll (not less than zero)	78.05%	60.34%	0.00%	0.00%	0.00%	0.00%

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

	Fiscal Year					
	2007	2006	2005	2004	2003	2002
Annual required contribution / annual pension cost	\$ 24,482	\$ 13,091	\$ 6,253	\$ 3,254	\$ (7,005)	\$ (15,194)
Annual employer contributions made	\$ 19,043	\$ 13,101	\$ 9,385	\$ 2,093	\$ 1,297	\$ 1,298
Interest on net pension obligation	\$ (2,441)	\$ (2,591)	\$ (2,484)	\$ (2,736)	\$ (2,199)	\$ (934)
Annual required contribution adjustment	\$ (4,211)	\$ (4,469)	\$ (4,285)	\$ (4,719)	\$ (3,793)	\$ (1,610)
Amortization	7,2469	7,2469	7,2469	7,2469	7,2469	7,2469
Pension cost	\$ 26,252	\$ 14,969	\$ 8,054	\$ 5,237	\$ (5,411)	\$ (14,518)
Change in net pension obligation	\$ 7,209	\$ 1,868	\$ (1,331)	\$ 3,144	\$ (6,708)	\$ (15,816)
Net pension obligation (NPO) / asset	\$ (23,308)	\$ (30,517)	\$ (32,385)	\$ (31,054)	\$ (34,198)	\$ (27,490)
Percentage of annual employer contributions made to annual required contributions	77.78%	100.00%	100.00%	64.32%	100.00%	100.00%
Percentage of annual employer contributions made to annual pension cost	72.54%	87.52%	116.53%	39.97%	-23.97%	-8.94%

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2007

(Unaudited)

2. Other Postemployment Benefits (OPEB)

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

Unfunded accrued liability (UAAL)	\$ 1,041,604
Amortization of unfunded accrued liability (UAAL)	37,200
Normal cost at beginning of year	57,319
Interest on annual required contribution	<u>3,781</u>
Annual required contribution (ARC)/Annual OPEB Cost	98,300
Annual employer contributions made	<u>(14,089)</u>
Change in net OPEB obligation	\$ 84,211
Net OPEB obligation - December 31	\$ 84,211
Covered Payroll	\$ 315,072
UAAL as a percentage of Covered Payroll	330.6%

DEKALB COUNTY, GEORGIA

COMBINING STATEMENTS AND SCHEDULES

DEKALB COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

DeKalb County, Georgia
 Nonmajor Governmental Funds
 Combining Balance Sheet
 December 31, 2007
 (in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 17,241	\$ 3,655	\$ 118,251	\$ 139,147
Taxes receivable (net)	2,573	1,738	-	4,311
Accounts receivable (net)	2,558	-	-	2,558
Due from other governments	3,466	-	2,813	6,279
Total assets	<u>\$ 25,838</u>	<u>\$ 5,393</u>	<u>\$ 121,064</u>	<u>\$ 152,295</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and contracts payable	\$ 2,790	\$ 3	\$ 13,220	\$ 16,013
Other accrued liabilities	2,073	-	-	2,073
Advance payments and deposits	474	-	-	474
Due to other funds	6,891	12	-	6,903
Due to others	795	-	-	795
Deferred revenue	2,024	1,032	-	3,056
Total liabilities	<u>15,047</u>	<u>1,047</u>	<u>13,220</u>	<u>29,314</u>
Fund balances:				
Reserved	2,232	-	22,566	24,798
Unreserved	8,559	4,346	85,278	98,183
Total fund balances	<u>10,791</u>	<u>4,346</u>	<u>107,844</u>	<u>122,981</u>
Total liabilities and fund balances	<u>\$ 25,838</u>	<u>\$ 5,393</u>	<u>\$ 121,064</u>	<u>\$ 152,295</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Governmental Funds

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

For the Year Ended December 31, 2007
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 79,780	\$ 49,290	\$ -	\$ 129,070
Licenses and permits	9,497	-	-	9,497
Use of money and property	742	7,563	4,198	12,503
Intergovernmental	15,730	-	8,504	24,234
Fines and forfeitures	2,292	-	-	2,292
Charges for services	5,783	-	-	5,783
Miscellaneous	14,984	-	218	15,202
Total revenues	<u>128,808</u>	<u>56,853</u>	<u>12,920</u>	<u>198,581</u>
EXPENDITURES				
Current:				
General government	8,676	10	-	8,686
Public safety	78,989	-	-	78,989
Civil and criminal court system	2,766	-	-	2,766
Public works	12,848	-	-	12,848
Community development	11,121	-	-	11,121
Parks and recreation	2,165	-	-	2,165
Health and welfare	32,755	-	-	32,755
Debt service				
Principal	555	25,013	213	25,781
Interest	47	23,006	28	23,081
Capital outlay:				
General government	-	-	9,067	9,067
Public safety	-	-	9,536	9,536
Civil and criminal court system	-	-	10,902	10,902
Public works	-	-	35,830	35,830
Parks and recreation	-	-	7,209	7,209
Library	-	-	216	216
Total expenditures	<u>149,922</u>	<u>48,029</u>	<u>73,001</u>	<u>270,952</u>
Excess (deficiency) of revenues over expenditures	<u>(21,114)</u>	<u>8,824</u>	<u>(60,081)</u>	<u>(72,371)</u>
OTHER FINANCING SOURCES (USES)				
Contractual purchase obligations	1,229	-	4,060	5,289
Transfers in	11,228	-	26,791	38,019
Transfers out	(10,242)	(23,800)	(434)	(34,476)
Total other financing sources (uses)	<u>2,215</u>	<u>(23,800)</u>	<u>30,417</u>	<u>8,832</u>
Net change in fund balance	(18,899)	(14,976)	(29,664)	(63,539)
Fund balance - beginning	29,690	19,322	137,508	186,520
Fund balance - ending	<u>\$ 10,791</u>	<u>\$ 4,346</u>	<u>\$ 107,844</u>	<u>\$ 122,981</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
Nonmajor Special Revenue Funds

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

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

- Development Fund - to account for operations of the County's development department, whose financing is provided by license and permit fees.
- PEG Support Fund - to account for monies collected from cable companies to provide infrastructure for government access channels.
- County Jail Fund - to account for monies collected as a result of a 10% penalty on certain court cases, which are used for the construction, operation, and staffing of County detention facilities.
- Victim Assistance Fund - to account for fines assessed in State and Superior Courts in DeKalb County which are used for victim assistance programs.
- Recreation Fund - to account for the operations of various recreational activities provided by the County whose financing is through user fees.
- Juvenile Services Fund - to account for monies collected under Georgia law for probation services to juvenile offenders which are used for providing treatment to juvenile offenders.
- Drug Abuse Treatment and Education Fund - to account for monies collected under Georgia law related to additional penalties on controlled substances offenses which are used for drug abuse treatment and education programs relating to controlled substances and marijuana.
- Law Enforcement Confiscated Monies Fund - to account for monies confiscated under Georgia law by DeKalb law enforcement officers related to controlled substances offenses which are used to defray the cost of complex investigations and to purchase equipment relating to said investigations.
- Street Lights Fund - to account for street light assessments on County residents and businesses which are used for providing street light services for the County's citizens.
- Speed Humps Fund - to account for speed hump assessments on County residents which are used for providing speed hump services for the County's citizens.
- Emergency Telephone System Fund - to account for monies collected under Georgia law by the telephone company on behalf of DeKalb County which are used for providing emergency 911 services to residents of the County.
- Grant-in-Aid Fund - to account for operations of various grant-in-aid programs. Financing is provided by contributions from various governmental agencies. Such contributions are used only to finance expenditures permitted by the various grant-in-aid contracts and agreements.
- 2001 Local Law Enforcement Block Grant Fund - to account for year 2001 local law enforcement block grant monies which are used to support law enforcement in the County.
- 2002 Local Law Enforcement Block Grant Fund - to account for year 2002 local law enforcement block grant monies which are used to support law enforcement in the County.
- 2003 Local Law Enforcement Block Grant Fund - to account for year 2003 local law enforcement block grant monies which are used to support law enforcement in the County.
- 2004 Local Law Enforcement Block Grant Fund - to account for year 2004 local law enforcement block grant monies which are used to support law enforcement in the County.
- 2005 Justice Assistance Grant Fund (formerly LLEBG) - to account for year 2005 local law enforcement block grant monies which are used to support law enforcement in the County.
- Fire Fund - to account for operations of the County's fire department whose financing is provided by a specific annual property tax levy. Such property taxes are used to provide fire protection for all residents of the County not protected by municipal fire departments.
- Hospital Fund - to account for contractual payments made by the County to the Fulton DeKalb Hospital Authority whose financing is provided by a specific annual property tax levy.
- Hotel/Motel Tax Fund - to account for taxes collected by hotels and motels within the County which are used for the promotion of the tourism and convention trade within the County.
- Rental Motor Vehicle Tax Fund - to account for taxes collected on motor vehicles rented within the County which is used to fund rental payments on the South DeKalb Arts Center.
- Law Library - to account for fees received from State and Superior Courts and used to finance the Law Library's operation and purchase of reference materials.
- Alternative Dispute Resolution - to account for fees received from State, Magistrate, Probate, and Superior Courts and used to fund dispute resolution matters.

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2007
 (in thousands of dollars)

	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law Enforcement Confiscated Monies	Street Lights	Speed Humps	Emergency Telephone System	Grant-in-Aid
ASSETS												
Cash and cash equivalents	\$ -	\$ 1,642	\$ -	\$ 52	\$ -	\$ 198	\$ 53	\$ 4,831	\$ 82	\$ 1,189	\$ 1,270	\$ 4,928
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable (net)	1,180	-	-	-	-	-	-	-	221	9	990	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	3,466
Total assets	\$ 1,180	\$ 1,642	\$ -	\$ 52	\$ -	\$ 198	\$ 53	\$ 4,831	\$ 303	\$ 1,198	\$ 2,260	\$ 8,394
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ 111	\$ 14	\$ -	\$ 23	\$ 70	\$ -	\$ -	\$ 237	\$ 7	\$ -	\$ 377	\$ 1,500
Other accrued liabilities	254	1	-	-	32	-	-	-	3	-	-	386
Advance payments and deposits	-	-	-	-	-	-	-	474	-	-	-	-
Due to other funds	1,058	-	-	-	342	-	-	-	-	-	-	4,722
Due to others	-	-	-	-	-	-	-	791	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	1,423	15	-	23	444	-	-	1,502	10	-	377	6,608
Fund balances:												
Reserved	52	10	-	39	104	2	-	107	-	-	207	1,497
Unreserved	(295)	1,617	-	(10)	(548)	196	53	3,222	293	1,198	1,676	289
Total fund balances (deficit)	(243)	1,627	-	29	(444)	198	53	3,329	293	1,198	1,883	1,786
Total liabilities and fund balances	\$ 1,180	\$ 1,642	\$ -	\$ 52	\$ -	\$ 198	\$ 53	\$ 4,831	\$ 303	\$ 1,198	\$ 2,260	\$ 8,394

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2007
 (in thousands of dollars)
 (continued)

	2001 Local Law Enforcement Block Grant	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
ASSETS												
Cash and cash equivalents	\$ 1	\$ 8	\$ 107	\$ -	\$ 660	\$ -	\$ 188	\$ 267	\$ 133	\$ 217	\$ 1,415	\$ 17,241
Taxes receivable (net)	-	-	-	-	-	1,657	641	198	77	-	-	2,573
Accounts receivable (net)	-	-	-	-	-	101	-	-	-	7	50	2,558
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	3,466
Total assets	\$ 1	\$ 8	\$ 107	\$ -	\$ 660	\$ 1,758	\$ 829	\$ 465	\$ 210	\$ 224	\$ 1,465	\$ 25,838
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 451	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,790
Other accrued liabilities	-	-	-	-	2	1,395	-	-	-	-	-	2,073
Advance payments and deposits	-	-	-	-	-	-	-	-	-	-	-	474
Due to other funds	-	-	-	8	-	107	-	-	-	-	654	6,891
Due to others	-	-	-	-	-	-	-	-	-	4	-	795
Deferred revenue	-	-	-	-	330	1,240	454	-	-	-	-	2,024
Total liabilities	-	-	-	8	332	3,193	454	-	-	4	654	15,047
Fund balances:												
Reserved	-	-	-	-	-	214	-	-	-	-	-	2,232
Unreserved	1	8	107	(8)	328	(1,649)	375	465	210	220	811	8,559
Total fund balances (deficit)	1	8	107	(8)	328	(1,435)	375	465	210	220	811	10,791
Total liabilities and fund balances	\$ 1	\$ 8	\$ 107	\$ -	\$ 660	\$ 1,758	\$ 829	\$ 465	\$ 210	\$ 224	\$ 1,465	\$ 25,838

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2007
 (in thousands of dollars)

REVENUES	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law	Street Lights	Speed Humps	Emergency Telephone System	Grant-in-Aid
								Enforcement Confiscated Monies				
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	9,497	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	8	84	-	-	-	8	2	239	-	51	247	-
Intergovernmental	-	-	85	158	-	-	-	2,436	-	-	-	9,122
Fines and forfeitures	-	-	1,499	717	-	-	76	-	-	-	-	-
Charges for services	109	-	-	-	1,304	61	-	-	4,069	240	-	-
Miscellaneous	-	105	-	-	-	-	-	2	-	-	12,667	1,398
Total revenues	9,614	189	1,584	875	1,304	69	78	2,677	4,069	291	12,914	10,520
EXPENDITURES												
Current:												
General government	-	210	-	-	-	-	-	-	-	-	-	5,039
Public safety	-	-	-	-	-	-	-	3,043	-	-	10,153	6,063
Civil and criminal court system	-	-	-	391	-	5	58	163	-	-	-	1,424
Public works	9,752	-	-	-	-	-	-	-	3,087	9	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	11,121
Parks and recreation	-	-	-	-	1,697	-	4	-	-	-	-	464
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	5,236
Debt Service												
Principle	537	-	-	-	-	-	-	-	-	-	-	-
Interest	43	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	10,332	210	-	391	1,697	5	62	3,206	3,087	9	10,153	29,347
Excess (deficiency) of revenues over expenditures	(718)	(21)	1,584	484	(393)	64	16	(529)	982	282	2,761	(18,827)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	6,041
Transfers out	-	-	(1,584)	(846)	-	-	-	(12)	-	-	(7,800)	-
Total other financing sources (uses)	-	-	(1,584)	(846)	-	-	-	(12)	-	-	(7,800)	6,041
Net change in fund balance	(718)	(21)	-	(362)	(393)	64	16	(541)	982	282	(5,039)	(12,786)
Fund balance - beginning	475	1,648	-	391	(51)	134	37	3,870	(689)	916	6,922	14,572
Fund balance - ending	\$ (243)	\$ 1,627	\$ -	\$ 29	\$ (444)	\$ 198	\$ 53	\$ 3,329	\$ 293	\$ 1,198	\$ 1,883	\$ 1,786

(continued)

DeKalb County, Georgia
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 For the Year Ended December 31, 2007
 (in thousands of dollars)
 (continued)

	2001 Local Law Enforcement Block Grant	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
REVENUES												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,964	\$ 21,210	\$ 2,740	\$ 866	\$ -	\$ -	\$ 79,780
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	9,497
Use of money and property	-	-	-	-	28	-	-	-	13	5	57	742
Intergovernmental	-	-	-	-	65	2,817	1,047	-	-	-	-	15,730
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	2,292
Charges for services	-	-	-	-	-	-	-	-	-	-	-	5,783
Miscellaneous	-	-	-	-	-	22	-	-	-	104	686	14,984
Total revenues	-	-	-	-	93	57,803	22,257	2,740	879	109	743	128,808
EXPENDITURES												
Current:												
General government	-	-	-	-	-	-	-	2,758	669	-	-	8,676
Public safety	-	-	-	40	75	59,615	-	-	-	-	-	78,989
Civil and criminal court system	-	-	-	-	-	-	-	-	-	67	658	2,766
Public works	-	-	-	-	-	-	-	-	-	-	-	12,848
Community development	-	-	-	-	-	-	-	-	-	-	-	11,121
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	2,165
Health and welfare	-	-	-	-	-	-	27,519	-	-	-	-	32,755
Debt Services												
Principle	-	-	-	-	-	18	-	-	-	-	-	555
Interest	-	-	-	-	-	4	-	-	-	-	-	47
Total expenditures	-	-	-	40	75	59,637	27,519	2,758	669	67	658	149,922
Excess (deficiency) of revenues over expenditures	-	-	-	(40)	18	(1,834)	(5,262)	(18)	210	42	85	(21,114)
OTHER FINANCING SOURCES (USES)												
Contractual purchase obligations	-	-	-	-	-	1,229	-	-	-	-	-	1,229
Transfers in	-	-	-	-	187	-	5,000	-	-	-	-	11,228
Transfers out	-	-	-	-	-	-	-	-	-	-	-	(10,242)
Total other financing sources (uses)	-	-	-	-	187	1,229	5,000	-	-	-	-	2,215
Net change in fund balance	-	-	-	(40)	205	(605)	(262)	(18)	210	42	85	(18,899)
Fund balance - beginning	1	8	107	32	123	(830)	637	483	-	178	726	29,690
Fund balance - ending	\$ 1	\$ 8	\$ 107	\$ (8)	\$ 328	\$ (1,435)	\$ 375	\$ 465	\$ 210	\$ 220	\$ 811	\$ 10,791

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2007

Non-GAAP Budget Basis (in thousands of dollars)

	Development			PEG Support		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Licenses and permits	\$ 9,776	\$ 9,497	\$ (279)	\$ -	\$ -	\$ -
Charges for services	216	109	(107)	-	-	-
Investment income	105	8	(97)	10	84	74
Miscellaneous	13	-	(13)	83	106	23
Total revenues	<u>10,110</u>	<u>9,614</u>	<u>(496)</u>	<u>93</u>	<u>190</u>	<u>97</u>
Expenditures:						
Current:						
General government	-	-	-	1,576	84	(1,492)
Planning & development	10,609	10,099	(510)	-	-	-
Total expenditures	<u>10,609</u>	<u>10,099</u>	<u>(510)</u>	<u>1,576</u>	<u>84</u>	<u>(1,492)</u>
Excess (deficiency) of revenues over expenditures	(499)	(485)	14	(1,483)	106	1,589
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(499)	(485)	14	(1,483)	106	1,589
Fund balance, beginning of year	499	499	-	1,483	1,482	(1)
Fund balance, end of year	<u>\$ -</u>	<u>\$ 14</u>	<u>\$ 14</u>	<u>\$ -</u>	<u>\$ 1,588</u>	<u>\$ 1,588</u>
Explanation of differences between budget basis and GAAP:						
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (485)		\$ 106		
Differences - budget basis to GAAP:						
Due to expenditures:						
Accrued payables 12-31-2006		237		14		
Accrued payables 12-31-2007		(531)		(190)		
Due to encumbrances 12-31-2007		61		49		
Net change in fund balance - GAAP basis		<u>\$ (718)</u>		<u>\$ (21)</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, 2007

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

	County Jail			Victim Assistance			Recreation		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 100	\$ 85	\$ (15)	\$ 50	\$ 158	\$ 108	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	1,777	1,323	(454)
Fines and forfeitures	1,764	1,499	(265)	1,100	717	(383)	-	-	-
Total revenues	<u>1,864</u>	<u>1,584</u>	<u>(280)</u>	<u>1,150</u>	<u>875</u>	<u>(275)</u>	<u>1,777</u>	<u>1,323</u>	<u>(454)</u>
Expenditures:									
Current:									
Civil and criminal court system - district attorney	-	-	-	383	380	(3)	-	-	-
Parks and recreation	-	-	-	-	-	-	1,886	1,780	(106)
Total expenditures	-	-	-	383	380	(3)	1,886	1,780	(106)
Excess (deficiency) of revenues over expenditures	1,864	1,584	(280)	767	495	(272)	(109)	(457)	(348)
Other financing sources (uses):									
Transfers out	(1,864)	(1,584)	280	(1,169)	(845)	324	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	(402)	(350)	52	(109)	(457)	(348)
Fund balance, beginning of year	-	-	-	402	402	-	109	(56)	(165)
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52</u>	<u>\$ 52</u>	<u>\$ -</u>	<u>\$ (513)</u>	<u>\$ (513)</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ -			\$ (350)			\$ (457)	
Differences - budget basis to GAAP:									
Due to expenditures:									
Accrued payables 12-31-2006		-			11			33	
Accrued payables 12-31-2007		-			(23)			(119)	
Due to encumbrances 12-31-2007		-			-			150	
Net change in fund balance - GAAP basis		<u>\$ -</u>			<u>\$ (362)</u>			<u>\$ (393)</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, 2007

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

	Juvenile Services			Drug Abuse Treatment & Education			Law Enforcement Confiscated Monies		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,388	\$ 2,436	\$ 48
Charges for services	270	62	(208)	-	-	-	-	-	-
Fines and forfeitures	-	-	-	50	76	26	-	-	-
Investment income	2	8	6	1	2	1	-	237	237
Miscellaneous	-	-	-	-	-	-	-	2	2
Total revenues	<u>272</u>	<u>70</u>	<u>(202)</u>	<u>51</u>	<u>78</u>	<u>27</u>	<u>2,388</u>	<u>2,675</u>	<u>287</u>
Expenditures:									
Current:									
Public safety - police	-	-	-	-	-	-	4,858	2,689	(2,169)
Civil and criminal court system - sheriff	-	-	-	-	-	-	757	121	(636)
Civil and criminal court system - juvenile court	407	9	(398)	-	-	-	-	-	-
Civil and criminal court system - district attorney	-	-	-	-	-	-	414	104	(310)
Health and welfare	-	-	-	88	77	(11)	-	-	-
Total expenditures	<u>407</u>	<u>9</u>	<u>(398)</u>	<u>88</u>	<u>77</u>	<u>(11)</u>	<u>6,029</u>	<u>2,914</u>	<u>(3,115)</u>
Excess (deficiency) of revenues over expenditures	(135)	61	196	(37)	1	38	(3,641)	(239)	3,402
Other financing sources (uses):									
Transfers out	-	-	-	-	-	-	(12)	(12)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(135)	61	196	(37)	1	38	(3,653)	(251)	3,402
Fund balance, beginning of year	135	135	-	37	37	-	3,653	3,461	(192)
Fund balance, end of year	<u>\$ -</u>	<u>\$ 196</u>	<u>\$ 196</u>	<u>\$ -</u>	<u>\$ 38</u>	<u>\$ 38</u>	<u>\$ -</u>	<u>\$ 3,210</u>	<u>\$ 3,210</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 61			\$ 1			\$ (251)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		-			-			2	
Due to expenditures:									
Accrued payables 12-31-2006		1			-			22	
Accrued payables 12-31-2007		-			-			(533)	
Due to encumbrances 12-31-2007		2			15			219	
Net change in fund balance - GAAP basis		<u>\$ 64</u>			<u>\$ 16</u>			<u>\$ (541)</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, 2007

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

	Street Lights			Speed Humps			Emergency Telephone System		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Charges for services	\$ 4,128	\$ 4,018	\$ (110)	\$ 120	\$ 238	\$ 118	\$ -	\$ -	\$ -
Investment income	30	-	(30)	30	51	21	75	248	173
Miscellaneous	-	-	-	-	-	-	11,900	12,473	573
Total revenues	<u>4,158</u>	<u>4,018</u>	<u>(140)</u>	<u>150</u>	<u>289</u>	<u>139</u>	<u>11,975</u>	<u>12,721</u>	<u>173</u>
Expenditures:									
Current:									
Public safety	-	-	-	-	-	-	10,019	10,275	256
Public works - transportation	3,306	3,085	(221)	-	-	-	-	-	-
Public works - roads and drainage	-	-	-	1,062	12	(1,050)	-	-	-
Total expenditures	<u>3,306</u>	<u>3,085</u>	<u>(221)</u>	<u>1,062</u>	<u>12</u>	<u>(1,050)</u>	<u>10,019</u>	<u>10,275</u>	<u>256</u>
Excess (deficiency) of revenues over expenditures	852	933	81	(912)	277	1,189	1,956	2,446	(83)
Other financing sources (uses):									
Transfers out	-	-	-	-	-	-	(8,156)	(7,800)	356
Excess (deficiency) of revenues and other sources over expenditures and other uses	852	933	81	(912)	277	1,189	(6,200)	(5,354)	273
Fund balance, beginning of year	(852)	(852)	-	912	912	-	6,200	6,200	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 81</u>	<u>\$ 81</u>	<u>\$ -</u>	<u>\$ 1,189</u>	<u>\$ 1,189</u>	<u>\$ -</u>	<u>\$ 846</u>	<u>\$ 273</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 933			\$ 277			\$ (5,354)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2006		(170)			(7)			(796)	
Accrued receivables 12-31-2007		221			9			990	
Due to expenditures:									
Accrued payables 12-31-2006		8			3			73	
Accrued payables 12-31-2007		(10)			-			(373)	
Due to encumbrances 12-31-2007		-			-			421	
Net change in fund balance - GAAP basis		<u>\$ 982</u>			<u>\$ 282</u>			<u>\$ (5,039)</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, 2007

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

	Grant-in-Aid			2001 Local Law Enforcement Block Grant			2002 Local Law Enforcement Block Grant		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 25,659	\$ 9,346	\$ (16,313)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deferred revenue	16,237	1,398	(14,839)	-	-	-	-	-	-
Total revenues	41,896	10,744	(31,152)	-	-	-	-	-	-
Expenditures:									
Current:									
General government:									
Registrar and elections	3	-	(3)	-	-	-	-	-	-
Cooperative extension	156	11	(145)	-	-	-	-	-	-
Keep DeKalb beautiful	19	-	(19)	-	-	-	-	-	-
Arts, culture, and entertainment	30	-	(30)	-	-	-	-	-	-
Workforce development	11,448	4,645	(6,803)	-	-	-	-	-	-
Total general government	11,656	4,656	(7,000)	-	-	-	-	-	-
Public safety:									
Police	4,625	5,650	1,025	1	-	(1)	20	20	-
Fire and rescue services	-	20	20	-	-	-	-	-	-
Total public safety	4,625	5,670	1,045	1	-	(1)	20	20	-
Civil and criminal court system:									
Sheriff	549	176	(373)	-	-	-	-	-	-
Juvenile court	638	306	(332)	-	-	-	-	-	-
Superior court	347	(467)	(814)	-	-	-	-	-	-
State court	5	1	(4)	-	-	-	-	-	-
Solicitor	336	123	(213)	-	-	-	-	-	-
District attorney	620	620	-	-	-	-	-	-	-
Magistrate court	6	-	(6)	-	-	-	-	-	-
Total civil and criminal court system	2,501	759	(1,742)	-	-	-	-	-	-
Public works:									
Administration	31	-	(31)	-	-	-	-	-	-
Fleet maintenance	23	-	(23)	-	-	-	-	-	-
Sanitation	57	-	(57)	-	-	-	-	-	-
Total public works	111	-	(111)	-	-	-	-	-	-
Human and community development	24,961	13,898	(11,063)	-	-	-	-	-	-
Parks and recreation	1,431	498	(933)	-	-	-	-	-	-
Health and welfare:									
Public health	22	-	(22)	-	-	-	-	-	-
Senior citizens services	3,631	3,509	(122)	-	-	-	-	-	-
Human and community development	233	197	(36)	-	-	-	-	-	-
Family and children services	3,671	1,617	(2,054)	-	-	-	-	-	-
Total health and welfare	7,557	5,323	(2,234)	-	-	-	-	-	-
Non-departmental	2,380	80	(2,300)	-	-	-	-	-	-
Total expenditures	55,222	30,884	(24,338)	1	-	(1)	20	20	-
Excess (deficiency) of revenues over expenditures	(13,326)	(20,140)	(6,814)	(1)	-	1	(20)	(20)	-
Other financing sources (uses):									
Transfers in	6,231	6,041	(190)	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(7,095)	(14,099)	(7,004)	(1)	-	1	(20)	(20)	-
Fund balance, beginning of year	7,095	7,095	-	1	1	-	20	20	-
Fund balance, end of year	\$ -	\$ (7,004)	\$ (7,004)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Explanation of differences between budget basis and GAAP:		(7,004)							
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (14,099)			\$ -		\$ (20)		
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2006		(8,618)							
Accrued receivables 12-31-2007		8,394							
Due to expenditures:									
Accrued payables 12-31-2006		1,141							
Accrued payables 12-31-2007		(1,788)							
Due to encumbrances 12-31-2007		2,164							
Net change in fund balance - GAAP basis		\$ (12,786)			\$ -		\$ -		

(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, 2007

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

	2003 Local Law Enforcement Block Grant			2004 Local Law Enforcement Block Grant			2005 Justice Assistance Grant		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	\$ 98	\$ -	\$ (98)	\$ 188	\$ -	\$ (188)	\$ 892	\$ 65	\$ (827)
Investment income	-	-	-	-	-	-	25	28	3
Total revenues	<u>98</u>	<u>-</u>	<u>(98)</u>	<u>188</u>	<u>-</u>	<u>(188)</u>	<u>917</u>	<u>93</u>	<u>(824)</u>
Expenditures:									
Current:									
Public safety - police	205	-	(205)	220	40	(180)	1,156	79	(1,077)
Total expenditures	<u>205</u>	<u>-</u>	<u>(205)</u>	<u>220</u>	<u>40</u>	<u>(180)</u>	<u>1,156</u>	<u>79</u>	<u>(1,077)</u>
Excess (deficiency) of revenues over expenditures	(107)	-	107	(32)	(40)	(8)	(239)	14	253
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	187	187	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(107)	-	107	(32)	(40)	(8)	(52)	201	253
Fund balance, beginning of year	107	107	-	32	32	-	52	125	73
Fund balance, end of year	<u>\$ -</u>	<u>\$ 107</u>	<u>\$ 107</u>	<u>\$ -</u>	<u>\$ (8)</u>	<u>\$ (8)</u>	<u>\$ -</u>	<u>\$ 326</u>	<u>\$ 326</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ -			\$ (40)			\$ 201	
Differences - budget basis to GAAP:									
Due to expenditures:									
Accrued payables 12-31-2006		-			-			2	
Accrued payables 12-31-2007		-			-			(2)	
Due to encumbrances 12-31-2007		-			-			4	
Net change in fund balance - GAAP basis		<u>\$ -</u>			<u>\$ (40)</u>			<u>\$ 205</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, 2007

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

	Fire			Hospital			Hotel / Motel Tax		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Property taxes	\$ 41,059	\$ 40,330	\$ (729)	\$ 14,211	\$ 15,477	\$ 1,266	\$ -	\$ -	\$ -
Sales taxes	15,150	15,095	(55)	6,060	6,038	(22)	-	-	-
Other taxes	-	-	-	-	-	-	2,800	2,679	(121)
Intergovernmental	2,251	2,817	566	979	1,048	69	-	-	-
Investment income	31	-	(31)	-	-	-	-	-	-
Miscellaneous	55	25	(30)	-	-	-	-	-	-
Total revenues	<u>58,546</u>	<u>58,267</u>	<u>(279)</u>	<u>21,250</u>	<u>22,563</u>	<u>1,313</u>	<u>2,800</u>	<u>2,679</u>	<u>(121)</u>
Expenditures:									
Current:									
General government	-	-	-	-	-	-	3,146	2,758	(388)
Health and welfare - hospital	-	-	-	27,298	27,298	-	-	-	-
Public safety - fire and rescue services	59,970	58,838	(1,132)	-	-	-	-	-	-
Total expenditures	<u>59,970</u>	<u>58,838</u>	<u>(1,132)</u>	<u>27,298</u>	<u>27,298</u>	<u>-</u>	<u>3,146</u>	<u>2,758</u>	<u>(388)</u>
Excess (deficiency) of revenues over expenditures	(1,424)	(571)	853	(6,048)	(4,735)	1,313	(346)	(79)	267
Other financing sources (uses):									
Transfers in	-	-	-	5,000	5,000	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(1,424)	(571)	853	(1,048)	265	1,313	(346)	(79)	267
Fund balance, beginning of year	1,424	1,424	-	1,048	1,048	-	346	346	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 853</u>	<u>\$ 853</u>	<u>\$ -</u>	<u>\$ 1,313</u>	<u>\$ 1,313</u>	<u>\$ -</u>	<u>\$ 267</u>	<u>\$ 267</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ (571)			\$ 265			\$ (79)	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2006		(2,116)			(903)			(137)	
Accrued receivables 12-31-2007		3,853			688			198	
Deferred revenues 12-31-2006		268			142			-	
Deferred revenues 12-31-2007		(1,240)			(454)			-	
Due to expenditures:									
Accrued payables 12-31-2006		1,291			-			-	
Accrued payables 12-31-2007		(2,994)			-			-	
Due to encumbrance accrual 12-31-06		904			-			-	
Net change in fund balance - GAAP basis		<u>\$ (605)</u>			<u>\$ (262)</u>			<u>\$ (18)</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, 2007

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

	Rental Motor Vehicle Tax			Law Library			Alternative Dispute Resolution		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Other taxes	\$ 650	789	139	\$ -	-	-	\$ -	-	-
Investment income	-	13	13	-	5	5	-	57	57
Miscellaneous	100	-	(100)	-	104	104	-	686	686
Total revenues	<u>750</u>	<u>802</u>	<u>52</u>	<u>-</u>	<u>109</u>	<u>109</u>	<u>-</u>	<u>743</u>	<u>743</u>
Expenditures:									
Current:									
Arts, culture, and entertainment	750	669	(81)	-	-	-	-	-	-
Civil and criminal court system:	-	-	-	178	67	(111)	726	658	(68)
Total expenditures	<u>750</u>	<u>669</u>	<u>(81)</u>	<u>178</u>	<u>67</u>	<u>(111)</u>	<u>726</u>	<u>658</u>	<u>(68)</u>
Excess (deficiency) of revenues over expenditures	-	133	133	(178)	42	220	(726)	85	811
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	133	133	(178)	42	220	(726)	85	811
Fund balance, beginning of year	-	-	-	178	178	-	726	726	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ 133</u>	<u>\$ 133</u>	<u>\$ -</u>	<u>\$ 220</u>	<u>\$ 220</u>	<u>\$ -</u>	<u>\$ 811</u>	<u>\$ 811</u>
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 133			\$ 42			\$ 85	
Differences - budget basis to GAAP:									
Due to revenues:									
Accrued receivables 12-31-2007		77			-			-	
Net change in fund balance - GAAP basis		<u>\$ 210</u>			<u>\$ 42</u>			<u>\$ 85</u>	

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

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

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

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

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

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2007
(in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
ASSETS					
Cash and cash equivalents	\$ 737	\$ 2,901	\$ -	\$ 17	\$ 3,655
Taxes receivable (net)	499	1,239	-	-	1,738
Total Assets	<u>\$ 1,236</u>	<u>\$ 4,140</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 5,393</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and contracts payable	\$ 3	\$ -	\$ -	\$ -	\$ 3
Due to other funds	-	-	12	-	12
Deferred revenue	350	682	-	-	1,032
Total Liabilities	<u>353</u>	<u>682</u>	<u>12</u>	<u>-</u>	<u>1,047</u>
Fund balance (deficit)	<u>883</u>	<u>3,458</u>	<u>(12)</u>	<u>17</u>	<u>4,346</u>
Total liabilities and fund balances	<u>\$ 1,236</u>	<u>\$ 4,140</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 5,393</u>

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended December 31, 2007
(in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
REVENUES					
Taxes	\$ 13,745	\$ 35,545	\$ -	\$ -	\$ 49,290
Use of money and property	173	579	3,095	3,716	7,563
Total revenues	<u>13,918</u>	<u>36,124</u>	<u>3,095</u>	<u>3,716</u>	<u>56,853</u>
EXPENDITURES					
General government	7	2	-	1	10
Debt service:					
Principal	8,373	13,775	1,000	1,865	25,013
Interest	5,197	13,900	2,092	1,817	23,006
Total debt service	<u>13,570</u>	<u>27,675</u>	<u>3,092</u>	<u>3,682</u>	<u>48,019</u>
Total expenditures	<u>13,577</u>	<u>27,677</u>	<u>3,092</u>	<u>3,683</u>	<u>48,029</u>
Excess (deficiency) of revenues over expenditures	341	8,447	3	33	8,824
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	(11,800)	(12,000)	-	-	(23,800)
Total other financing sources (uses)	<u>(11,800)</u>	<u>(12,000)</u>	<u>-</u>	<u>-</u>	<u>(23,800)</u>
Net change in fund balance	(11,459)	(3,553)	3	33	(14,976)
Fund balance - beginning	<u>12,342</u>	<u>7,011</u>	<u>(15)</u>	<u>(16)</u>	<u>19,322</u>
Fund balance (deficit) - ending	<u>\$ 883</u>	<u>\$ 3,458</u>	<u>\$ (12)</u>	<u>\$ 17</u>	<u>\$ 4,346</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

For the Year Ended December 31, 2007

Non-GAAP Budget Basis (in thousands of dollars)

	General Obligation Bonds Debt Service			General Obligation Special Tax District Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Property taxes	\$ 12,995	\$ 14,138	\$ 1,143	\$ 27,876	\$ 35,740	\$ 7,864
Investment income	100	173	73	250	580	330
Total revenues	<u>13,095</u>	<u>14,311</u>	<u>1,216</u>	<u>28,126</u>	<u>36,320</u>	<u>8,194</u>
Expenditures:						
Debt service	<u>13,595</u>	<u>13,574</u>	<u>(21)</u>	<u>34,385</u>	<u>27,677</u>	<u>(6,708)</u>
Excess (deficiency) of revenues over expenditures	<u>(500)</u>	<u>737</u>	<u>1,237</u>	<u>(6,259)</u>	<u>8,643</u>	<u>14,902</u>
Other financing sources (uses):						
Transfers out	<u>(11,301)</u>	<u>(11,800)</u>	<u>(499)</u>	<u>-</u>	<u>(12,000)</u>	<u>(12,000)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(11,801)</u>	<u>(11,063)</u>	<u>738</u>	<u>(6,259)</u>	<u>(3,357)</u>	<u>2,902</u>
Fund balance, beginning of year	<u>11,801</u>	<u>11,801</u>	<u>-</u>	<u>6,259</u>	<u>6,259</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 738</u>	<u>\$ 738</u>	<u>\$ -</u>	<u>\$ 2,902</u>	<u>\$ 2,902</u>

Explanation of differences between budget basis and GAAP:

Deficiency of revenues and other sources over expenditures and other uses - budget basis	\$ (11,063)	\$ (3,357)
Differences - budget basis to GAAP:		
Due to revenues:		
Accrued receivables 12-31-2006	(712)	(1,426)
Accrued receivables 12-31-2007	499	1,239
Deferred revenues 12-31-2006	170	673
Deferred revenues 12-31-2007	(350)	(682)
Due to expenditures:		
Accrued payables 12-31-2007	(3)	-
Net change in fund balance - GAAP basis	<u>\$ (11,459)</u>	<u>\$ (3,553)</u>

(continued)

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

For the Year Ended December 31, 2007

Non-GAAP Budget Basis (in thousands of dollars)

	Building Authority Revenue Bonds Debt Service			Public Safety Judicial Authority Revenue Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Investment income	\$ -	\$ 2	\$ 2	\$ -	\$ 3	\$ 3
Miscellaneous	5,007	4,975	(32)	3,120	3,092	(28)
Total revenues	5,007	4,977	(30)	3,120	3,095	(25)
Expenditures:						
Debt service	3,731	3,683	(48)	3,105	3,092	(13)
Excess (deficiency) of revenues over expenditures	1,276	1,294	18	15	3	(12)
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,276	1,294	18	15	3	(12)
Fund balance, beginning of year	(1,276)	(1,276)	-	(15)	(15)	-
Fund balance, end of year	\$ -	\$ 18	\$ 18	\$ -	\$ (12)	\$ (12)
Explanation of differences between budget basis and GAAP:						
Deficiency of revenues and other sources over expenditures and other uses - budget basis		\$ 1,294			\$ 3	
Differences - budget basis to GAAP:						
Due to revenues:						
Accrued receivables 12-31-2006		(1,261)			-	
Net change in fund balance - GAAP basis		\$ 33			\$ 3	

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Projects Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

DeKalb County, Georgia
 Nonmajor Capital Project Funds
 Combining Balance Sheet
 December 31, 2007
 (in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	COPS Morgue Project	Community Greenspace Program	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
ASSETS												
Cash and cash equivalents	\$ 128	\$ 2,387	\$ 122	\$ 46,594	\$ 7,565	\$ 37,515	\$ 9,491	\$ 1	\$ 21	\$ 12,306	\$ 2,121	\$ 118,251
Due from other governments	-	-	-	-	360	2,453	-	-	-	-	-	2,813
Total assets	<u>\$ 128</u>	<u>\$ 2,387</u>	<u>\$ 122</u>	<u>\$ 46,594</u>	<u>\$ 7,925</u>	<u>\$ 39,968</u>	<u>\$ 9,491</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 12,306</u>	<u>\$ 2,121</u>	<u>\$ 121,064</u>
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	\$ 29	\$ 410	\$ -	\$ 1,588	\$ 2,780	\$ 5,524	\$ 398	\$ -	\$ -	\$ 2,408	\$ 83	\$ 13,220
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>29</u>	<u>410</u>	<u>-</u>	<u>1,588</u>	<u>2,780</u>	<u>5,524</u>	<u>398</u>	<u>-</u>	<u>-</u>	<u>2,408</u>	<u>83</u>	<u>13,220</u>
Fund balances:												
Reserved	-	1,541	-	2,541	900	10,394	1,513	-	-	5,570	107	22,566
Unreserved	99	436	122	42,465	4,245	24,050	7,580	1	21	4,328	1,931	85,278
Total fund balances	<u>99</u>	<u>1,977</u>	<u>122</u>	<u>45,006</u>	<u>5,145</u>	<u>34,444</u>	<u>9,093</u>	<u>1</u>	<u>21</u>	<u>9,898</u>	<u>2,038</u>	<u>107,844</u>
Total liabilities and fund balances	<u>\$ 128</u>	<u>\$ 2,387</u>	<u>\$ 122</u>	<u>\$ 46,594</u>	<u>\$ 7,925</u>	<u>\$ 39,968</u>	<u>\$ 9,491</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 12,306</u>	<u>\$ 2,121</u>	<u>\$ 121,064</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Project Funds

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

For the Year Ended December 31, 2007

(in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	COPS Morgue Project	Community Greenspace Program	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Total Nonmajor Capital Project Funds
Revenues												
Use of money and property	\$ 6	\$ 123	\$ 6	\$ 2,520	\$ 488	\$ -	\$ 377	\$ -	\$ -	\$ 678	\$ -	\$ 4,198
Intergovernmental	-	-	-	-	7,035	1,469	-	-	-	-	-	8,504
Miscellaneous	-	-	-	-	-	218	-	-	-	-	-	218
Total revenues	6	123	6	2,520	7,523	1,687	377	-	-	678	-	12,920
Expenditures												
Debt service:												
Principal	-	-	-	-	-	213	-	-	-	-	-	213
Interest	-	-	-	-	-	28	-	-	-	-	-	28
Capital outlay:												
General government	-	-	-	-	-	8,967	-	-	-	-	-	8,967
Public safety	-	-	-	-	-	-	-	-	-	9,536	-	9,536
Civil and criminal court system	-	533	-	-	-	239	1,529	-	-	-	8,601	10,902
Planning & Development	-	-	-	-	-	100	-	-	-	-	-	100
Public works	-	-	-	-	13,992	21,838	-	-	-	-	-	35,830
Parks and recreation	29	-	-	7,180	-	-	-	-	-	-	-	7,209
Library	-	-	-	-	-	216	-	-	-	-	-	216
Total expenditures	29	533	-	7,180	13,992	31,601	1,529	-	-	9,536	8,601	73,001
Excess (deficiency) of revenues over expenditures	(23)	(410)	6	(4,660)	(6,469)	(29,914)	(1,152)	-	-	(8,858)	(8,601)	(60,081)
Other Financing Sources (Uses)												
Contractual purchase obligations	-	-	-	-	-	4,060	-	-	-	-	-	4,060
Transfers in	-	-	-	34	400	26,357	-	-	-	-	-	26,791
Transfers out	-	-	-	(34)	(400)	-	-	-	-	-	-	(434)
Total other financing sources (uses)	-	-	-	-	-	30,417	-	-	-	-	-	30,417
Net change in fund balance	(23)	(410)	6	(4,660)	(6,469)	503	(1,152)	-	-	(8,858)	(8,601)	(29,664)
Fund balance - beginning	122	2,387	116	49,666	11,614	33,941	10,245	1	21	18,756	10,639	137,508
Fund balance - ending	\$ 99	\$ 1,977	\$ 122	\$ 45,006	\$ 5,145	\$ 34,444	\$ 9,093	\$ 1	\$ 21	\$ 9,898	\$ 2,038	\$ 107,844

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Enterprise Funds

The following Nonmajor Enterprise Funds are used by the County:

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

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

DeKalb County, Georgia
 Nonmajor Proprietary Funds
 Combining Statement of Net Assets
 December 31, 2007
 (in thousands of dollars)

<u>ASSETS</u>	DeKalb Peachtree Airport	Stormwater Utility	Total
Current assets:			
Cash and cash equivalents	\$ 5,278	\$ -	\$ 5,278
Accounts receivable (net)	178	1,032	1,210
Due from other funds	4,650	-	4,650
Due from other governments	1,241	6,488	7,729
Total current assets	11,347	7,520	18,867
Noncurrent assets:			
Capital assets (net)	53,786	18,722	72,508
Total assets	\$ 65,133	\$ 26,242	\$ 91,375
 <u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 548	\$ 52	\$ 600
Other accrued liabilities	46	-	46
Compensated absences payable	102	-	102
Advance payments and deposits	9	-	9
Due to other funds	-	4,650	4,650
Deferred revenue	-	-	-
Total current liabilities	705	4,702	5,407
Noncurrent liabilities:			
OPEB Obligation	472	-	472
Total liabilities	\$ 1,177	\$ 4,702	\$ 5,879
 <u>NET ASSETS</u>			
Invested in capital assets, net of related debt	\$ 53,380	\$ 18,722	\$ 72,102
Unrestricted	10,576	2,818	13,394
Total net assets	\$ 63,956	\$ 21,540	\$ 85,496

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Proprietary Funds
 Combining Statement of Revenues, Expenses, and Changes in Net Assets
 For the Year Ended December 31, 2007
 (in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Operating revenues:			
Rental fees	\$ 4,651	\$ -	\$ 4,651
Intergovernmental	3,720	11,741	15,461
Charges for services	-	15,463	15,463
Miscellaneous	4	-	4
Total operating revenues	<u>8,375</u>	<u>27,204</u>	<u>35,579</u>
Operating expenses:			
Salaries and employee benefits	1,783	-	1,783
Supplies	468	2,705	3,173
Operating services and charges	1,092	13,353	14,445
Depreciation and amortization	514	11	525
Total operating expenses	<u>3,857</u>	<u>16,069</u>	<u>19,926</u>
Operating income	4,518	11,135	15,653
Nonoperating revenues:			
Interest income	474	-	474
Income before capital donations and transfers	4,992	11,135	16,127
Transfers out	<u>(75)</u>	<u>-</u>	<u>(75)</u>
Change in net assets	4,917	11,135	16,052
Net assets - beginning	<u>59,039</u>	<u>10,405</u>	<u>69,444</u>
Net assets - ending	<u>\$ 63,956</u>	<u>\$ 21,540</u>	<u>\$ 85,496</u>

See accompanying independent auditors' report.

DeKalb County, Georgia
 Nonmajor Enterprise Funds
 Combining Statement of Cash Flows
 For the Year Ended December 31, 2007
 (in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Cash flows from operating activities:			
Cash received from customers	\$ 4,615	\$ 17,470	\$ 22,085
Cash payments to suppliers for goods and services	(5,959)	(6,902)	(12,861)
Cash payments to employees for services	(1,308)	-	(1,308)
Other operating revenues	2,982	-	2,982
Net cash provided (used) by operating activities	330	10,568	10,898
Cash flows from noncapital financing activities:			
Transfers from other funds	675	-	675
Net cash required by noncapital financing activities	675	-	675
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(5,260)	(13,932)	(19,192)
Capital donations	-	-	-
Net cash required by capital and related financing activities	(5,260)	(13,932)	(19,192)
Cash flows from investing activities:			
Interest on investments	474	-	474
Net cash provided by investing activities	474	-	474
Net increase (decrease) in cash and cash equivalents	(3,781)	(3,364)	(7,145)
Cash and cash equivalents at beginning of year	9,059	3,364	12,423
Cash and cash equivalents at end of year	\$ 5,278	\$ -	\$ 5,278
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 4,518	\$ 11,135	\$ 15,653
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	514	-	514
OPEB obligation	472	-	472
Change in assets and liabilities:			
(Increase) decrease in receivables	(5,287)	(4,480)	(9,767)
Increase (decrease) in payables	110	(737)	(627)
Increase (decrease) in other liabilities	3	4,650	4,653
Net cash provided (used) by operating activities	\$ 330	\$ 10,568	\$ 10,898
Noncash capital donations	\$ -	\$ -	\$ -

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

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

The following Internal Service Funds are maintained by the County:

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

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

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

DeKalb County, Georgia
Internal Service Funds
Combining Statement of Net Assets (Deficit)
December 31, 2007
(in thousands of dollars)

<u>ASSETS</u>	<u>Vehicle Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Current assets:				
Cash and cash equivalents	\$ -	\$ 41,976	\$ 17,346	\$ 59,322
Due from other funds	-	678	-	678
Inventories and prepaid items	2,803	-	862	3,665
Total current assets	<u>2,803</u>	<u>42,654</u>	<u>18,208</u>	<u>63,665</u>
Noncurrent assets:				
Capital assets (net)	<u>1,222</u>	<u>45,893</u>	<u>-</u>	<u>47,115</u>
Total assets	<u>\$ 4,025</u>	<u>\$ 88,547</u>	<u>\$ 18,208</u>	<u>\$ 110,780</u>
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	\$ 1,324	\$ 1,432	\$ 2,891	\$ 5,647
Claims and judgments payable, current portion	-	-	9,110	9,110
Obligation under capital leases, current portion	-	626	-	626
Compensated absences payable	693	-	-	693
Other accrued liabilities	292	-	-	292
Due to other funds	678	-	-	678
Total current liabilities	<u>2,987</u>	<u>2,058</u>	<u>12,001</u>	<u>17,046</u>
Noncurrent liabilities:				
Claims and judgments payable, long-term portion	-	-	3,677	3,677
Obligation under capital leases, long-term portion	-	718	-	718
OPEB Obligation	3,849	-	-	3,849
Total long-term liabilities	<u>3,849</u>	<u>718</u>	<u>3,677</u>	<u>8,244</u>
Total liabilities	<u>\$ 6,836</u>	<u>\$ 2,776</u>	<u>\$ 15,678</u>	<u>\$ 25,290</u>
<u>NET ASSETS (DEFICIT)</u>				
Invested in capital assets	\$ 1,222	\$ 45,893	\$ -	\$ 47,115
Unrestricted	(4,033)	39,878	2,530	38,375
Total net assets (deficit)	<u>\$ (2,811)</u>	<u>\$ 85,771</u>	<u>\$ 2,530</u>	<u>\$ 85,490</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

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

For the Year Ended December 31, 2007
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Operating revenues:				
Charges for services	\$ 26,885	\$ 23,521	\$ 84,564	\$ 134,970
Intergovernmental	118	-	-	118
Other financing sources	-	1,781	-	1,781
Miscellaneous	260	-	-	260
Total operating revenues	<u>27,263</u>	<u>25,302</u>	<u>84,564</u>	<u>137,129</u>
Operating expenses:				
Salaries and employee benefits	12,623	-	-	12,623
Supplies	13,668	-	-	13,668
Operating services and charges	4,149	3,077	81,938	89,164
Miscellaneous	518	-	-	518
Depreciation	291	14,879	-	15,170
Total operating expenses	<u>31,249</u>	<u>17,956</u>	<u>81,938</u>	<u>131,143</u>
Operating income (loss)	(3,986)	7,346	2,626	5,986
Other income (expense):				
Interest expense	-	(94)	-	(94)
Loss on sale of capital assets	-	(97)	-	(97)
Change in net assets	(3,986)	7,155	2,626	5,795
Net assets (deficit) - beginning	<u>1,175</u>	<u>78,616</u>	<u>(96)</u>	<u>79,695</u>
Net assets (deficit) - ending	<u>\$ (2,811)</u>	<u>\$ 85,771</u>	<u>\$ 2,530</u>	<u>\$ 85,490</u>

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Cash Flows

Year Ended December 31, 2007

(in thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Cash flows from operating activities:				
Cash received from customers	\$ 27,263	\$ 21,283	\$ 83,846	\$ 132,392
Cash payments to suppliers for goods and services	(19,939)	230	(81,211)	(100,920)
Cash payments to employees for services	(8,491)	-	-	(8,491)
Net cash provided (used) by operating activities	(1,167)	21,513	2,635	22,981
Cash flows from noncapital financing activities:				
Transfers from other funds	678	-	-	678
Net cash provided by noncapital financing activities	678	-	-	678
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(20)	(22,181)	-	(22,201)
Proceeds from sale of capital assets	-	1,781	-	1,781
Payments on leases	-	(1,886)	-	(1,886)
Net cash required by capital and related financing activities	(20)	(22,286)	-	(22,306)
Net increase (decrease) in cash and cash equivalents	(509)	(773)	2,635	1,353
Cash and cash equivalents at beginning of year	509	42,749	14,711	57,969
Cash and cash equivalents at end of year	\$ -	\$ 41,976	\$ 17,346	\$ 59,322
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (3,986)	\$ 7,346	\$ 2,626	\$ 5,986
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	291	14,879	-	15,170
OPEB Obligation	3,849	-	-	3,849
Change in assets and liabilities:				
(Increase) decrease in inventories and prepaid expenses	(973)	-	659	(314)
Increase (decrease) in payables	(367)	(712)	(650)	(1,729)
Increase (decrease) in other liabilities	19	-	-	19
Net cash provided (used) by operating activities	\$ (1,167)	\$ 21,513	\$ 2,635	\$ 22,981

See accompanying independent auditors' report.

DeKalb County, Georgia

Agency Funds

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

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

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

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

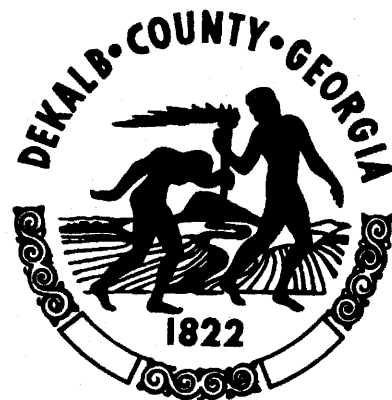
Clerk of Superior Court
State Court
Juvenile Court

Probate Court
Magistrate Court
State Court Probation

DeKalb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2007
(in thousands of dollars)

	Balance 12/31/2006	Additions	Deductions	Balance 12/31/2007
<u>TAX COMMISSIONER</u>				
ASSETS				
Cash and Cash Equivalents	\$ 15,317	\$ 1,011,632	\$ 1,011,319	\$ 15,630
Taxes Receivable	53,149	1,912,876	1,927,038	38,987
Total Assets	<u>\$ 68,466</u>	<u>\$ 2,924,508</u>	<u>\$ 2,938,357</u>	<u>\$ 54,617</u>
LIABILITIES				
Due to Others	<u>\$ 68,466</u>	<u>\$ 2,924,508</u>	<u>\$ 2,938,357</u>	<u>\$ 54,617</u>
<u>SHERIFF</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 6,775</u>	<u>\$ 4,339</u>	<u>\$ 6,279</u>	<u>\$ 4,835</u>
LIABILITIES				
Due to Others	<u>\$ 6,775</u>	<u>\$ 4,339</u>	<u>\$ 6,279</u>	<u>\$ 4,835</u>
<u>CLERK OF SUPERIOR COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 14,383</u>	<u>\$ 35,931</u>	<u>\$ 45,706</u>	<u>\$ 4,608</u>
LIABILITIES				
Due to Others	<u>\$ 14,383</u>	<u>\$ 35,931</u>	<u>\$ 45,706</u>	<u>\$ 4,608</u>
<u>STATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 1,161</u>	<u>\$ 16,762</u>	<u>\$ 16,601</u>	<u>\$ 1,322</u>
LIABILITIES				
Due to Others	<u>\$ 1,161</u>	<u>\$ 16,762</u>	<u>\$ 16,601</u>	<u>\$ 1,322</u>
<u>JUVENILE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 21</u>	<u>\$ 184</u>	<u>\$ 188</u>	<u>\$ 17</u>
LIABILITIES				
Due to Others	<u>\$ 21</u>	<u>\$ 184</u>	<u>\$ 188</u>	<u>\$ 17</u>

	Balance 12/31/2006	Additions	Deductions	Balance 12/31/2007
<u>PROBATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 348</u>	<u>\$ 1,314</u>	<u>\$ 1,230</u>	<u>\$ 432</u>
LIABILITIES				
Due to Others	<u>\$ 348</u>	<u>\$ 1,314</u>	<u>\$ 1,230</u>	<u>\$ 432</u>
<u>MAGISTRATE COURT</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 30</u>	<u>\$ 1,170</u>	<u>\$ 1,160</u>	<u>\$ 40</u>
LIABILITIES				
Due to Others	<u>\$ 30</u>	<u>\$ 1,170</u>	<u>\$ 1,160</u>	<u>\$ 40</u>
<u>STATE COURT PROBATION</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 1,773</u>	<u>\$ 3,638</u>	<u>\$ 3,174</u>	<u>\$ 2,237</u>
LIABILITIES				
Due to Others	<u>\$ 1,773</u>	<u>\$ 3,638</u>	<u>\$ 3,174</u>	<u>\$ 2,237</u>
<u>SEIZED PROPERTY</u>				
ASSETS				
Cash and Cash Equivalents	<u>\$ 362</u>	<u>\$ 327</u>	<u>\$ 206</u>	<u>\$ 483</u>
LIABILITIES				
Due to Others	<u>\$ 362</u>	<u>\$ 327</u>	<u>\$ 206</u>	<u>\$ 483</u>
<u>TOTALS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 40,170	\$ 1,075,297	\$ 1,085,863	\$ 29,604
Taxes Receivable	53,149	1,912,876	1,927,038	38,987
Total Assets	<u>\$ 93,319</u>	<u>\$ 2,988,173</u>	<u>\$ 3,012,901</u>	<u>\$ 68,591</u>
LIABILITIES				
Due to Others	<u>\$ 93,319</u>	<u>\$ 2,988,173</u>	<u>\$ 3,012,901</u>	<u>\$ 68,591</u>



STATISTICAL SECTION

DeKalb County, Georgia

Statistical Section (Unaudited)

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

Contents

	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	S3-S8
Revenue Capacity These schedules contain trend information to help the reader assess the County's most significant local revenue source, the property tax.	S9-S14
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current debt and the County's ability to issue additional debt in the future.	S15-S20
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	S21-S22
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	S23-S27

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

DeKalb County, Georgia

Comments Relative to the Statistical Section

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

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

DeKalb County, Georgia

Net Assets by Component

Last Six Years
(in thousands of dollars)

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Changes in Net Assets

Last Six Years
(in thousands of dollars)

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

(continued)

DeKalb County, Georgia

Changes in Net Assets

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

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

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

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Fund:										
Reserved	\$ 2,649	\$ 8,491	\$ 8,040	\$ 1,608	\$ 5,804	\$ 7,352	\$ 6,558	\$ 6,783	\$ 5,356	\$ 5,180
Unreserved	19,447	23,380	23,893	19,793	16,709	20,183	22,710	33,974	17,237	16,621
Total General Fund	<u>22,096</u>	<u>31,871</u>	<u>31,933</u>	<u>21,401</u>	<u>22,513</u>	<u>27,535</u>	<u>29,268</u>	<u>40,757</u>	<u>22,593</u>	<u>21,801</u>
All Other Governmental Funds:										
Reserved	39,884	51,480	37,793	22,659	18,446	21,493	42,351	54,402	12,212	11,913
Unreserved, reported in:										
Special revenue funds	3,866	23,664	32,031	25,087	21,107	18,798	16,735	15,758	18,226	7,308
Capital projects funds	255,335	323,715	145,651	124,331	154,724	161,030	171,291	50,083	90,002	106,652
Debt service funds	4,346	19,322	15,911	13,186	11,500	14,976	17,610	12,979	12,618	12,861
Total all other governmental funds	<u>303,431</u>	<u>418,181</u>	<u>231,386</u>	<u>185,263</u>	<u>205,777</u>	<u>216,297</u>	<u>247,987</u>	<u>133,222</u>	<u>133,058</u>	<u>138,734</u>
Total governmental funds	<u>\$ 325,527</u>	<u>\$ 450,052</u>	<u>\$ 263,319</u>	<u>\$ 206,664</u>	<u>\$ 228,290</u>	<u>\$ 243,832</u>	<u>\$ 277,255</u>	<u>\$ 173,979</u>	<u>\$ 155,651</u>	<u>\$ 160,535</u>

DeKalb County, Georgia

Changes in Fund Balances of Governmental Funds

Last Ten Years
(in thousands of dollars)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Revenues By Source:										
Taxes	\$ 430,429	\$ 409,023	\$ 381,027	\$ 356,629	\$ 353,904	\$ 318,756	\$ 296,665	\$ 282,191	\$ 265,959	\$ 309,268
Licenses and permits	32,996	30,719	30,757	28,432	26,833	27,625	29,385	27,686	28,254	22,163
Use of money and property	25,467	36,546	8,075	2,467	4,284	4,237	7,280	10,556	7,302	7,391
Intergovernmental	46,655	59,703	63,057	46,613	46,704	47,228	48,929	55,613	28,860	40,169
Fines and forfeitures	32,676	34,376	31,429	33,674	29,311	24,162	21,571	20,171	19,277	19,155
Charges for services	36,522	29,386	42,467	46,786	35,835	35,580	28,994	28,894	26,499	24,191
Miscellaneous	17,814	22,317	7,296	8,043	6,742	4,262	5,470	3,610	3,950	4,141
Total revenues	622,559	622,070	564,108	522,644	503,613	461,850	438,294	428,721	380,101	426,478
Expenditures By Function:										
General government	\$ 100,988	\$ 95,017	\$ 79,115	\$ 75,847	\$ 73,532	\$ 65,663	\$ 61,622	\$ 57,120	\$ 55,741	\$ 48,954
Public safety	198,495	177,375	155,917	160,407	144,166	136,441	128,107	118,265	114,840	103,288
Civil and criminal court system	139,440	126,513	115,928	115,295	109,274	101,229	97,039	91,326	82,810	73,481
Planning and development	2,015	1,650	1,688	1,664	1,569	1,341	1,750	1,923	2,234	1,920
Public works	40,830	41,843	40,169	40,858	43,605	41,107	38,346	42,459	30,063	42,757
Community development	11,121	7,486	13,457	12,929	9,443	8,094	8,642	7,361	8,183	5,839
Parks and recreation	23,582	20,195	18,931	18,433	17,697	19,578	18,245	16,562	15,722	14,935
Library	13,141	12,013	11,446	11,004	10,828	10,071	10,171	8,525	7,377	6,963
Health and welfare	45,018	40,010	34,127	33,801	33,960	33,526	26,596	25,787	25,716	25,830
Debt service:										
Bond issuance expense	-	825	624	237	11,204	-	-	-	-	-
Interest	24,200	30,106	16,024	11,400	12,256	14,785	11,228	12,069	11,576	11,435
Principal	30,623	26,542	16,251	18,414	23,106	19,327	15,973	14,132	9,842	8,193
Capital outlays	129,621	97,094	51,477	101,517	71,934	46,650	42,148	16,473	28,544	30,270
Total expenditures	759,074	676,669	555,154	601,806	562,574	497,812	459,867	412,002	392,648	373,865
Excess (deficiency) of revenues over expenditures	(136,515)	(54,599)	8,954	(79,162)	(58,961)	(35,962)	(21,573)	16,719	(12,547)	52,613
Other Financing Sources (Uses)										
Issuance of debt	-	230,000	35,670	50,000	167,915	-	125,000	-	-	1,983
Premium on bond issuance	-	7,596	637	579	6,953	-	5,241	-	-	-
Contractual purchase obligations	11,855	3,064	1,616	6,296	4,723	282	584	4,023	14,419	4,561
Payments to escrow agents	-	-	-	-	(135,562)	-	-	-	-	-
Transfers in	157,482	128,293	133,138	122,323	119,287	89,613	16,602	25,299	20,347	14,591
Transfers out	(157,347)	(127,621)	(123,390)	(121,628)	(119,897)	(88,044)	(33,691)	(36,238)	(27,103)	(20,260)
Total other financing sources (uses)	11,990	241,332	47,671	57,570	43,419	1,851	113,736	(6,916)	7,663	875
Net change in fund balance	\$ (124,525)	\$ 186,733	\$ 56,625	\$ (21,592)	\$ (15,542)	\$ (34,111)	\$ 92,163	\$ 9,803	\$ (4,884)	\$ 53,488
Debt service as a percentage of noncapital expenditures	8.7%	9.9%	6.5%	6.0%	9.5%	7.6%	6.5%	6.6%	5.9%	5.7%

Source: DeKalb County Finance Department

DeKalb County, Georgia
Operating Revenues, Expenses, and Income of Enterprise Funds

Last Ten Years
(in thousands of dollars)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Water and Sewerage System Fund:										
Operating revenues	\$ 136,779	\$ 136,929	\$ 119,982	\$ 115,350	\$ 120,398	\$ 109,013	\$ 109,928	\$ 111,054	\$ 103,633	\$ 86,882
Operating expenses	135,363	113,412	107,074	100,230	93,181	80,195	84,480	78,306	71,600	65,224
Operating income	<u>\$ 1,416</u>	<u>\$ 23,517</u>	<u>\$ 12,908</u>	<u>\$ 15,120</u>	<u>\$ 27,217</u>	<u>\$ 28,818</u>	<u>\$ 25,448</u>	<u>\$ 32,748</u>	<u>\$ 32,033</u>	<u>\$ 21,658</u>
Sanitation Fund:										
Operating revenues	\$ 69,554	\$ 66,387	\$ 57,067	\$ 58,405	\$ 52,506	\$ 54,934	\$ 46,374	\$ 41,545	\$ 41,277	\$ 38,202
Operating expenses	57,836	55,387	55,321	42,980	46,397	46,718	40,125	38,268	40,584	33,525
Operating income	<u>\$ 11,718</u>	<u>\$ 11,000</u>	<u>\$ 1,746</u>	<u>\$ 15,425</u>	<u>\$ 6,109</u>	<u>\$ 8,216</u>	<u>\$ 6,249</u>	<u>\$ 3,277</u>	<u>\$ 693</u>	<u>\$ 4,677</u>
DeKalb Peachtree Airport Fund:										
Operating revenues	\$ 8,375	\$ 5,167	\$ 6,247	\$ 3,178	\$ 2,766	\$ 2,808	\$ 2,625	\$ 2,509	\$ 2,855	\$ 2,160
Operating expenses	3,857	2,724	2,908	2,747	2,771	2,583	2,429	2,250	2,150	2,059
Operating income (loss)	<u>\$ 4,518</u>	<u>\$ 2,443</u>	<u>\$ 3,339</u>	<u>\$ 431</u>	<u>\$ (5)</u>	<u>\$ 225</u>	<u>\$ 196</u>	<u>\$ 259</u>	<u>\$ 705</u>	<u>\$ 101</u>
Stormwater Utility Fund:										
Operating revenues	\$ 27,204	\$ 19,557	\$ 16,873	\$ 16,693	\$ -					
Operating expenses	16,069	13,977	13,319	5,038	597					
Operating income (loss)	<u>\$ 11,135</u>	<u>\$ 5,580</u>	<u>\$ 3,554</u>	<u>\$ 11,655</u>	<u>\$ (597)</u>					

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years
(in millions of dollars)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Purposes and Bond Retirement:										
Real property:										
Assessed value	\$ 22,652	\$ 21,809	\$ 19,952	\$ 18,728	\$ 17,636	\$ 16,545	\$ 15,135	\$ 13,565	\$ 12,033	\$ 11,118
Estimated market value	56,630	54,523	49,880	46,820	44,090	41,363	37,838	33,913	30,083	27,795
Personal property:										
Assessed value	1,863	1,881	1,752	1,686	1,763	1,850	1,916	1,806	1,825	1,881
Estimated market value	4,658	4,702	4,380	4,215	4,408	4,625	4,790	4,515	4,563	4,703
Motor vehicle and mobile homes:										
Assessed value	1,410	1,348	1,378	1,439	1,513	1,509	1,489	1,750	1,355	723
Estimated market value	3,525	3,370	3,445	3,598	3,783	3,773	3,723	4,375	3,388	1,808
Privately owned public utilities:										
Assessed value	475	478	458	477	424	441	416	419	436	388
Estimated market value	1,188	1,195	1,145	1,193	1,060	1,103	1,040	1,048	1,090	970
Total value for bond retirement (gross):										
Assessed value	\$ 26,400	\$ 25,516	\$ 23,540	\$ 22,330	\$ 21,336	\$ 20,345	\$ 18,956	\$ 17,540	\$ 15,649	\$ 14,110
Estimated market value	\$ 66,000	\$ 63,790	\$ 58,850	\$ 55,826	\$ 53,341	\$ 50,864	\$ 47,391	\$ 43,851	\$ 39,124	\$ 35,276
Ratio of Total Assessed Value to Total Estimated Market Value	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Homestead Exemption	\$ 1,780	\$ 1,550	\$ 1,544	\$ 1,534	\$ 1,499	\$ 1,452	\$ 1,407	\$ 1,353	\$ 1,313	\$ 1,336
Freeport Exemption	\$ 318	\$ 311	\$ 289	\$ 240	\$ 265	\$ 258	\$ 281	\$ 292	\$ 294	\$ 365
Net Assessed Value for General Purposes	\$ 24,302	\$ 23,655	\$ 21,707	\$ 20,556	\$ 19,572	\$ 18,634	\$ 17,268	\$ 15,895	\$ 14,042	\$ 12,409
Total Direct Tax Rate	\$ 39.30	\$ 39.30	\$ 38.71	\$ 38.71	\$ 38.81	\$ 37.81	\$ 37.26	\$ 37.16	\$ 37.91	\$ 37.66

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

DeKalb County, Georgia
Property Tax Rates and Levies

	Last Ten Years									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Property Tax Rates Per \$1,000										
Real and Personal Property:										
County:										
General	\$ 7.54	\$ 9.12	\$ 8.21	\$ 8.31	\$ 8.73	\$ 8.03	\$ 5.65	\$ 9.01	\$ 6.36	\$ 6.46
Special tax district - designated services:										
Avondale	2.14	1.84	2.05	2.89	2.76	3.49	4.29	3.72	4.03	2.37
Chamblee	0.87	0.74	0.83	1.17	1.12	1.42	1.74	1.51	1.64	0.96
Clarkston	1.80	1.55	1.73	2.44	2.33	2.94	3.62	3.14	3.40	2.00
Decatur	1.14	0.97	1.09	1.53	1.47	1.85	2.28	1.98	2.14	1.26
Doraville	1.20	1.03	1.15	1.62	1.56	1.96	2.41	2.09	2.27	1.33
Lithonia	1.87	1.60	1.79	2.53	2.42	3.05	3.75	3.26	3.53	2.07
Pine Lake	2.14	1.84	2.05	2.89	2.76	3.49	4.29	3.72	4.03	2.37
Stone Mountain	1.60	1.38	1.54	2.17	2.07	2.62	3.21	2.79	3.02	1.78
Unincorporated	2.87	2.04	2.55	2.69	2.76	2.94	4.20	1.96	3.93	3.05
Hospital services	0.89	0.83	0.98	0.88	0.92	1.05	1.30	1.30	1.09	1.79
Fire protection	2.61	2.08	2.43	2.30	1.99	2.31	2.43	1.44	2.73	2.54
Bond retirement and interest	2.16	2.00	1.31	1.30	1.18	1.25	1.45	0.97	1.07	1.09
Total County *	<u>\$ 16.07</u>	<u>\$ 16.07</u>	<u>\$ 15.48</u>	<u>\$ 15.48</u>	<u>\$ 15.58</u>	<u>\$ 15.58</u>	<u>\$ 15.03</u>	<u>\$ 14.68</u>	<u>\$ 15.18</u>	<u>\$ 14.93</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	\$ 114,173	\$ 138,183	\$ 112,450	\$ 103,863	\$ 102,320	\$ 74,393	\$ 44,444	\$ 65,870	\$ 43,828	\$ 72,239
Special tax district - designated services	38,768	27,821	31,373	30,762	29,291	25,130	30,288	13,943	25,124	31,182
Hospital services	13,477	12,576	13,423	10,999	10,730	9,728	10,226	9,504	7,511	20,017
Fire protection	36,380	28,972	30,704	26,556	21,469	19,963	17,961	9,940	17,906	26,620
Bond retirement and interest	45,730	41,498	25,775	24,041	20,806	21,035	22,508	14,319	14,242	13,492
Total County	<u>248,528</u>	<u>249,050</u>	<u>213,725</u>	<u>196,221</u>	<u>184,616</u>	<u>150,249</u>	<u>125,427</u>	<u>113,576</u>	<u>108,611</u>	<u>163,550</u>

(continued)

DeKalb County, Georgia
Property Tax Rates and Levies

Last Ten Years
(continued)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Property Tax Levies (continued) (In thousands of dollars)										
Public Utilities:										
County:										
General	3,795	4,675	3,937	3,886	4,168	2,389	2,492	3,746	2,775	2,507
Special tax district - designated services	1,244	909	1,042	1,086	1,106	1,085	1,543	751	1,534	1,030
Hospital services	448	426	470	411	439	443	573	540	475	695
Fire protection	1,168	951	1,025	943	812	857	910	520	1,087	897
Bond retirement and interest	937	880	563	539	503	475	575	403	467	423
Total County	<u>7,592</u>	<u>7,841</u>	<u>7,037</u>	<u>6,865</u>	<u>7,028</u>	<u>5,249</u>	<u>6,093</u>	<u>5,960</u>	<u>6,338</u>	<u>5,552</u>
Motor Vehicle and Mobile Homes:										
County:										
General	13,716	12,034	11,467	12,295	11,999	9,114	14,243	10,181	8,753	10,529
Special tax district - designated services	2,931	3,458	3,490	3,708	4,280	6,040	3,294	5,769	3,861	3,148
Hospital services	1,267	1,423	1,219	1,312	1,760	2,025	2,087	1,785	2,425	1,651
Fire protection	2,979	3,305	2,964	2,664	3,617	3,524	2,319	4,042	3,256	3,119
Bond retirement and interest	2,774	1,828	1,691	1,608	1,987	2,145	1,486	1,697	1,477	1,621
Total County	<u>23,667</u>	<u>22,048</u>	<u>20,831</u>	<u>21,587</u>	<u>23,643</u>	<u>22,848</u>	<u>23,429</u>	<u>23,474</u>	<u>19,772</u>	<u>20,068</u>
 Total County Property Tax Levies	 <u>\$ 279,787</u>	 <u>\$ 278,939</u>	 <u>\$ 241,593</u>	 <u>\$ 224,673</u>	 <u>\$ 215,287</u>	 <u>\$ 178,346</u>	 <u>\$ 154,949</u>	 <u>\$ 143,010</u>	 <u>\$ 134,721</u>	 <u>\$ 189,170</u>

Source: DeKalb County Finance Department

DeKalb County, Georgia

Total Property Tax Rates - All Direct and Overlapping Governments

Per \$1,000 Assessed Value

Last Ten Years

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
DeKalb County	\$ 39.30	\$ 39.30	\$ 38.71	\$ 38.71	\$ 38.81	\$ 37.81	\$ 37.26	\$ 37.16	\$ 37.91	\$ 37.66
Atlanta	\$ 41.78	\$ 43.39	\$ 41.27	\$ 42.10	\$ 43.60	\$ 43.99	\$ 38.95	\$ 46.22	\$ 45.05	\$ 46.66
Decatur	\$ 42.44	\$ 42.72	\$ 42.25	\$ 43.38	\$ 43.44	\$ 43.77	\$ 40.35	\$ 42.26	\$ 44.41	\$ 45.95
Avondale	\$ 47.44	\$ 47.76	\$ 47.53	\$ 48.02	\$ 48.06	\$ 48.29	\$ 47.25	\$ 49.42	\$ 49.51	\$ 48.48
Chamblee	\$ 40.67	\$ 41.56	\$ 41.32	\$ 40.63	\$ 42.82	\$ 39.77	\$ 38.21	\$ 40.72	\$ 40.62	\$ 40.57
Clarkston	\$ 47.60	\$ 48.37	\$ 48.22	\$ 42.38	\$ 42.38	\$ 42.20	\$ 41.24	\$ 43.94	\$ 43.38	\$ 42.61
Lithonia	\$ 48.37	\$ 49.12	\$ 48.98	\$ 49.56	\$ 50.30	\$ 48.87	\$ 48.21	\$ 50.46	\$ 49.51	\$ 48.68
Doraville	\$ 43.50	\$ 44.35	\$ 44.14	\$ 44.95	\$ 46.81	\$ 42.80	\$ 41.37	\$ 43.79	\$ 42.25	\$ 41.94
Pine Lake	\$ 51.24	\$ 51.96	\$ 52.02	\$ 52.72	\$ 52.89	\$ 52.83	\$ 54.75	\$ 59.92	\$ 47.01	\$ 46.98
Stone Mountain	\$ 46.40	\$ 47.20	\$ 45.03	\$ 46.50	\$ 47.81	\$ 46.96	\$ 43.67	\$ 45.99	\$ 45.00	\$ 44.39

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Principal Property Tax Payers

Last Ten Years

Type of Business	2007		2006		2005		2004		2003							
	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed						
	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank						
Bell South	Utility	\$ 244,402	1	0.93%	\$ 238,664	1	0.94%	\$ 252,285	1	1.07%	\$ 252,505	1	1.13%	\$ 250,737	1	1.18%
Georgia Power	Utility	141,126	2	0.53%	150,761	3	0.59%	120,596	3	0.51%	109,162	2	0.49%	108,082	3	0.51%
GA-Perimeter Center LLC	Investment	131,572	3	0.50%	160,392	2	0.63%	148,656	2	0.63%	-	-	-	153,107	2	0.72%
Perimeter Mall LLC	Retail	73,232	4	0.28%	73,412	5	0.29%	65,658	5	0.28%	65,658	6	0.29%	107,435	4	0.50%
Post Apartment Homes LP	Developer	68,820	5	0.26%	73,451	4	0.29%	68,625	6	0.29%	65,842	5	0.29%	65,842	6	0.31%
General Motors	Industrial	44,288	6	0.17%	56,068	6	0.22%	106,400	4	0.45%	99,205	4	0.44%	83,025	5	0.39%
Atlanta Gas Light	Utility	44,688	7	0.17%	49,137	9	0.19%	-	-	-	39,559	10	0.18%	-	-	-
Highwoods/Forsyth LTD	Developer	41,055	8	0.16%	-	-	-	42,053	10	0.18%	43,117	9	0.19%	44,651	9	0.21%
Koger Ravinia LLC	Developer	40,244	9	0.15%	44,268	10	0.17%	40,244	9	0.17%	-	-	-	47,000	8	0.22%
Stone Mountain Industrial Park	Developer	28,385	10	0.11%	53,071	7	0.21%	46,393	8	0.20%	44,220	8	0.20%	44,568	10	0.21%
Hewlett-Packard Co	Retail	-	-	-	50,296	8	0.20%	53,378	7	0.23%	55,678	7	0.25%	52,614	7	0.25%
Development Authority of DeKalb	Developer	-	-	-	-	-	-	-	-	-	99,647	3	0.45%	-	-	-
Media One of Colorado	Utility	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total		\$ 857,812		3.26%	\$ 949,520		3.73%	\$ 944,288		4.01%	\$ 874,593		3.91%	\$ 957,061		4.50%
Total County		\$26,400,000			\$25,516,000			\$23,540,000			\$22,330,000			\$21,336,000		

Type of Business	2002		2001		2000		1999		1998							
	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed	Assessed Valuation	Percentage of Total County Assessed						
	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank	(In thousands)	Rank						
Bell South	Utility	\$ 295,243	1	1.45%	\$ 287,225	1	1.52%	\$ 253,022	1	1.44%	\$ 230,750	1	1.47%	\$ 205,298	1	1.45%
GA-Perimeter Center LLC	Investment	162,477	2	0.80%	161,568	2	0.85%	159,775	2	0.91%	151,057	3	0.97%	135,856	2	0.96%
Georgia Power	Utility	99,477	5	0.49%	105,841	3	0.56%	104,711	3	0.60%	115,012	4	0.73%	110,494	3	0.78%
Post Apartment Homes LP	Developer	64,017	6	0.31%	88,743	5	0.47%	78,658	5	0.45%	160,283	2	1.02%	49,412	6	0.35%
Perimeter Mall LLC	Retail	108,906	3	0.54%	71,299	6	0.38%	71,322	6	0.41%	-	-	-	-	-	-
General Motors	Industrial	100,029	4	0.49%	93,881	4	0.50%	86,897	4	0.50%	94,052	5	0.60%	89,957	4	0.64%
Stone Mountain Industrial Park	Developer	-	-	-	41,832	10	0.22%	43,631	10	0.25%	39,789	10	0.25%	38,069	10	0.27%
Hewlett-Packard Co	Retail	54,667	7	0.27%	53,332	7	0.28%	53,648	7	0.31%	59,595	6	0.38%	57,307	5	0.41%
Atlanta Gas Light	Utility	-	-	-	-	-	-	-	-	-	40,217	9	0.26%	45,245	8	0.32%
Koger Ravinia LLC	Developer	47,000	9	0.23%	52,198	8	0.28%	52,198	8	0.30%	50,232	8	0.32%	46,200	7	0.33%
Highwoods/Forsyth LTD	Developer	47,309	8	0.23%	46,034	9	0.24%	46,036	9	0.26%	-	-	-	-	-	-
Development Authority of DeKalb	Developer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Media One of Colorado	Utility	33,172	10	0.16%	-	-	-	-	-	-	-	-	-	-	-	-
Security Capital Atlantic	Developer	-	-	-	-	-	-	-	-	-	53,190	7	0.34%	45,092	9	0.32%
Total		\$ 1,012,297		4.97%	\$ 1,001,953		5.30%	\$ 949,898		5.43%	\$ 994,177		6.34%	\$ 822,930		5.83%
Total County		\$20,345,000			\$18,956,000			\$17,540,000			\$15,649,000			\$14,110,000		

Source: DeKalb County Finance Department; DeKalb County Property Appraisal Department

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

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Total Tax Levy	\$ 279,787	\$ 278,939	\$ 241,593	\$ 224,673	\$ 215,287	\$ 178,346	\$ 154,949	\$ 143,010	\$ 134,721	\$ 189,170
Collection of Current Year's Taxes During Year	\$ 263,800	\$ 255,264	\$ 230,053	\$ 215,878	\$ 203,674	\$ 172,814	\$ 154,249	\$ 135,206	\$ 131,593	\$ 185,728
Percentage of Levy Collected During Year	94.29%	91.51%	95.22%	96.09%	94.61%	96.90%	99.55%	94.54%	97.68%	98.18%
Collection of Prior Years' Taxes During Year	\$ 17,272	\$ 8,942	\$ 7,199	\$ 6,643	\$ 7,676	\$ 6,729	\$ 6,512	\$ 5,483	\$ 6,223	\$ 4,537
Total Collections	\$ 281,072	\$ 264,206	\$ 237,252	\$ 222,521	\$ 211,350	\$ 179,543	\$ 160,761	\$ 140,689	\$ 137,816	\$ 190,265
Percentage of Total Collections to Tax Levy	100.46%	94.72%	98.20%	99.04%	98.17%	100.67%	103.75%	98.38%	102.30%	100.58%
Current Delinquent Taxes	\$ 14,027	\$ 846	\$ 441	\$ 250	\$ 179	\$ 185	\$ 228	\$ 132	\$ -	\$ -
Accumulated Delinquent Taxes	\$ 16,288	\$ 18,433	\$ 9,275	\$ 8,167	\$ 10,134	\$ 7,404	\$ 8,085	\$ 9,717	\$ 6,316	\$ 5,878
Percentage of Accumulated Delinquent Taxes to Current Year's Tax Levy	5.82%	6.61%	3.84%	3.64%	4.71%	4.15%	5.22%	6.79%	4.69%	3.11%

Source: DeKalb County Finance Department; DeKalb County Tax Commissioner

DeKalb County, Georgia

Ratios of Outstanding Debt by Type

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

Fiscal Year	Governmental Activities					Percentage of Actual Taxable Value ^a of Property	Business-Type Activities			Total Primary Government Debt	Total Debt per Capita ^b
	General Obligation Bonds	Certificates of Participation	Revenue Bonds	Equipment Capital Leases	Total Governmental Debt		Water & Sewer Bonds	Vehicle Capital Leases	Water & Sewer Debt per Customer ^b		
1998	\$ 183,360	\$ 11,105	\$ -	\$ 4,498	\$ 198,963	1.6%	\$ 158,845	\$ 1,731	\$ 603	\$ 359,539	\$ 601
1999	\$ 175,920	\$ 10,685	\$ -	\$ 15,884	\$ 202,489	1.4%	\$ 250,435	\$ 2,021	\$ 932	\$ 454,945	\$ 746
2000	\$ 168,335	\$ 10,240	\$ -	\$ 14,878	\$ 193,453	1.2%	\$ 459,925	\$ 2,868	\$ 1,687	\$ 656,246	\$ 986
2001	\$ 282,275	\$ 9,770	\$ -	\$ 8,601	\$ 300,646	1.7%	\$ 452,970	\$ 5,149	\$ 1,630	\$ 758,765	\$ 1,118
2002	\$ 267,640	\$ 9,270	\$ -	\$ 4,565	\$ 281,475	1.5%	\$ 446,580	\$ 6,190	\$ 1,571	\$ 734,245	\$ 1,071
2003	\$ 250,345	\$ 25,000	\$ 15,000	\$ 4,509	\$ 294,854	1.5%	\$ 505,365	\$ 5,712	\$ 1,766	\$ 805,931	\$ 1,166
2004	\$ 234,500	\$ 24,525	\$ 64,420	\$ 8,293	\$ 331,738	1.6%	\$ 497,815	\$ 3,536	\$ 1,717	\$ 833,089	\$ 1,199
2005	\$ 218,865	\$ 24,040	\$ 98,600	\$ 6,552	\$ 348,057	1.6%	\$ 490,900	\$ 5,502	\$ 1,673	\$ 844,459	\$ 1,206
2006	\$ 427,360	\$ 23,070	\$ 95,815	\$ 5,270	\$ 551,515	2.3%	\$ 568,090	\$ 3,135	\$ 1,897	\$ 1,122,740	\$ 1,580
2007	\$ 405,215	\$ 22,075	\$ 92,950	\$ 13,791	\$ 534,031	2.2%	\$ 560,875	\$ 1,344	\$ 1,801	\$ 1,096,250	\$ 1,526

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

^a See page S9 for property value data.

^b See page S20 for population and customer data.

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

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

	Last Ten Years									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Population (in thousands)	718	710	701	695	691	686	679	666	610	598
Assessed Value (in millions of dollars)	\$ 26,400	\$ 25,516	\$ 23,540	\$ 22,330	\$ 21,336	\$ 20,345	\$ 18,956	\$ 17,540	\$ 15,649	\$ 14,110
Gross Bonded Debt (in thousands of dollars)	\$ 405,215	\$ 427,360	\$ 218,865	\$ 234,500	\$ 250,345	\$ 267,640	\$ 282,275	\$ 168,335	\$ 175,920	\$ 183,360
Less Reserve for General Bond Debt Service (in thousands of dollars)	4,341	19,353	15,678	13,182	10,814	14,976	17,610	12,979	12,618	12,861
Net Bonded Debt (in thousands of dollars)	\$ 400,874	\$ 408,007	\$ 203,187	\$ 221,318	\$ 239,531	\$ 252,664	\$ 264,665	\$ 155,356	\$ 163,302	\$ 170,499
Ratio of Net Bonded Debt to Assessed Value	0.0152	0.0160	0.0086	0.0099	0.0112	0.0124	0.0140	0.0089	0.0104	0.0121
Net General Bonded Debt Per Capita	\$ 558.32	\$ 574.66	\$ 289.85	\$ 318.44	\$ 346.64	\$ 368.31	\$ 389.79	\$ 233.27	\$ 267.71	\$ 285.12

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

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

	Last Ten Years (in thousands of dollars)									
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General Governmental Expenditures ¹	\$ 759,074	\$ 676,669	\$ 555,154	\$ 601,806	\$ 562,574	\$ 497,812	\$ 459,867	\$ 412,002	\$ 392,648	\$ 373,865
Debt Service Expenditures for General Bonded Debt ²	\$ 41,245	\$ 39,767	\$ 26,125	\$ 26,140	\$ 28,495	\$ 28,318	\$ 20,866	\$ 17,029	\$ 17,177	\$ 17,306
Ratio (%) of Debt Service Expenditures to General Governmental Expenditures	5.43%	5.88%	4.71%	4.34%	5.07%	5.69%	4.54%	4.13%	4.37%	4.63%

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

² Includes all governmental funds general obligation bond expenditures.

Source: DeKalb County Finance Department

DeKalb County, Georgia
Computation of Legal Debt Margin

December 31, 2007
(in thousands of dollars)

Assessed Value		<u>\$ 26,400,000</u>
Debt Limit - 10% of assessed value		\$ 2,640,000
Amount of Debt Applicable to Debt Limit:		
Total bonded debt	\$ 1,059,040	
Less:		
General obligation bonds fund balance	\$ 4,341	
Governmental activities revenue bonds	92,950	
Water and sewerage system revenue bonds	<u>560,875</u>	<u>658,166</u>
Total debt applicable to debt limit		<u>400,874</u>
Legal Debt Margin		<u>\$ 2,239,126</u>

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

DeKalb County, Georgia

Legal Debt Margin

Last Ten Years
(In thousands of dollars)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Debt limit	\$ 2,640,000	\$ 2,551,600	\$ 2,354,000	\$ 2,233,000	\$ 2,150,600	\$ 2,034,400	\$ 1,895,600	\$ 1,754,000	\$ 1,564,900	\$ 1,411,000
Total debt applicable to limit	<u>400,874</u>	<u>408,007</u>	<u>203,187</u>	<u>221,318</u>	<u>239,531</u>	<u>252,664</u>	<u>264,665</u>	<u>155,356</u>	<u>163,302</u>	<u>170,499</u>
Legal debt margin	<u>\$ 2,239,126</u>	<u>\$ 2,143,593</u>	<u>\$ 2,150,813</u>	<u>\$ 2,011,682</u>	<u>\$ 1,911,069</u>	<u>\$ 1,781,736</u>	<u>\$ 1,630,935</u>	<u>\$ 1,598,644</u>	<u>\$ 1,401,598</u>	<u>\$ 1,240,501</u>
Total debt applicable to the limit as a percentage of the debt limit	15.18%	15.99%	8.63%	9.91%	11.14%	12.42%	13.96%	8.86%	10.44%	12.08%

Source: DeKalb County Finance Department

DeKalb County, Georgia
 Computation of Direct and Overlapping Debt
 December 31, 2007
 (in thousands of dollars)

	Gross Debt Less Debt Retirement Funds	Percentage of Debt Applicable to DeKalb County	DeKalb County's Share of Debt
DeKalb County	<u>\$ 400,874</u>	100.00%	<u>\$ 400,874</u>
Overlapping Debt:			
City of Atlanta (A)	276,510	2.60%	7,189
Fulton-DeKalb Hospital Authority (B)	<u>235,870</u>	27.11%	<u>63,940</u>
Total Overlapping Debt	<u>512,380</u>		<u>71,129</u>
Total Direct and Overlapping Debt	<u>\$ 913,254</u>		<u>472,003</u>
 Total Per Capita Direct and Overlapping Debt			 <u>\$ 657.02</u>

Total Direct and Overlapping Debt Per Capita

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

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

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

DeKalb County, Georgia

Schedule of Governmental Revenue Bond Coverage

Last Ten Years
(in thousands of dollars)

Building Authority and Juvenile Justice Center Revenue Bonds

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Net Available Revenue *	<u>\$ 3,712</u>	<u>\$ 3,717</u>	<u>\$ 1,622</u>	<u>\$ 1,079</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Current Annual Debt Service	<u>\$ 3,712</u>	<u>\$ 3,717</u>	<u>\$ 1,622</u>	<u>\$ 1,079</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ratio	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Public Safety and Judicial Facilities Authority Revenue Bonds

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
Net Available Revenue *	<u>\$ 3,092</u>	<u>\$ 3,097</u>	<u>\$ 2,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Current Annual Debt Service	<u>\$ 3,092</u>	<u>\$ 3,097</u>	<u>\$ 2,882</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ratio	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Schedule of Business-Type Revenue Bond Coverage

Water and Sewerage System

Last Ten Years
(In thousands of dollars)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Net Operating Revenue as Defined in Bond Resolution *	<u>\$ 46,683</u>	<u>\$ 55,347</u>	<u>\$ 60,269</u>	<u>\$ 46,915</u>	<u>\$ 48,584</u>	<u>\$ 45,132</u>	<u>\$ 47,180</u>	<u>\$ 52,878</u>	<u>\$ 49,313</u>	<u>\$ 40,511</u>
Current Annual Debt Service Requirement	<u>\$ 35,516</u>	<u>\$ 31,336</u>	<u>\$ 32,110</u>	<u>\$ 31,500</u>	<u>\$ 31,474</u>	<u>\$ 29,993</u>	<u>\$ 29,993</u>	<u>\$ 29,995</u>	<u>\$ 15,215</u>	<u>\$ 13,304</u>
Ratio	<u>1.31</u>	<u>1.77</u>	<u>1.88</u>	<u>1.49</u>	<u>1.54</u>	<u>1.50</u>	<u>1.57</u>	<u>1.76</u>	<u>3.24</u>	<u>3.05</u>

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

Source: DeKalb County Finance Department

DeKalb County, Georgia
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Population	School Enrollment	Water Customers	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Property Value (millions of dollars)	Construction Permits	Construction Value (millions of dollars)	Bank Deposits (millions of dollars)
1998	598,660	92,229	263,363	\$ 19,008,054	\$ 31,751	3.5%	\$ 35,276	9,363	\$ 984	\$ 8,186
1999	610,000	93,460	268,682	n/a	n/a	3.2%	\$ 39,124	9,331	\$ 1,436	\$ 8,392
2000	665,865	93,460	272,563	\$ 21,352,959	\$ 32,068	3.4%	\$ 43,851	9,530	\$ 1,644	\$ 11,107
2001	678,600	98,352	277,837	\$ 23,122,616	\$ 34,074	4.1%	\$ 47,391	10,051	\$ 2,601	\$ 7,876
2002	685,800	95,333	284,182	\$ 23,425,556	\$ 34,158	5.7%	\$ 50,864	9,283	\$ 1,831	\$ 7,916
2003	691,300	95,690	286,556	\$ 23,787,633	\$ 34,410	4.5%	\$ 53,341	8,785	\$ 1,312	\$ 8,553
2004	695,100	96,875	289,813	\$ 24,910,299	\$ 35,837	5.2%	\$ 55,826	9,115	\$ 1,754	\$ 8,223
2005	700,500	102,310	293,407	n/a	n/a	6.1%	\$ 58,850	10,923	\$ 1,582	\$ 8,711
2006	710,400	99,509	299,445	n/a	n/a	5.0%	\$ 63,790	6,923	\$ 1,630	\$ 7,709
2007	718,400	101,396	311,023	\$ 24,976,586	\$ 34,997	4.7%	\$ 66,000	8,127	\$ 2,413	\$ 7,882

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

Sources: DeKalb County Planning and Development Department; Atlanta Regional Commission; U.S. Census Bureau; DeKalb County Board of Education; Georgia Department of Labor; Federal Reserve Bank

DeKalb County, Georgia
Principal Employers
Last Ten Years

	2007			2006			2005			2004			2003		
	Percentage of Total County			Percentage of Total County			Percentage of Total County			Percentage of Total County			Percentage of Total County		
	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment
BellSouth/AT&T/Cingular	15,800	1	4.1%	7,000	5	2.3%	-	-	-	22,041	1	6.4%	-	-	-
DeKalb County Schools	12,968	2	3.4%	14,223	1	4.6%	13,727	2	4.4%	6,876	4	2.0%	10,000	2	2.9%
Emory University & Hospital	10,265	3	2.7%	10,265	2	3.3%	14,700	1	4.7%	14,398	2	4.2%	10,300	1	3.0%
DeKalb County Government	8,477	4	2.2%	8,285	4	2.7%	8,220	3	2.6%	8,045	3	2.3%	7,903	3	2.3%
Emory Clinic	6,690	5	1.7%	-	-	-	-	-	-	2,800	9	0.8%	2,800	7	0.8%
Cox Enterprises	6,177	6	1.6%	-	-	-	849,228	-	-	5,322	5	1.5%	4,000	6	1.2%
U.S. Centers for Disease Control & Preve	6,002	7	1.6%	8,949	3	2.9%	33,703	4	10.8%	5,089	6	1.5%	-	-	-
DeKalb Medical Center	3,800	8	1.0%	3,662	6	1.2%	3,000	7	1.0%	2,300	10	0.7%	2,300	8	0.7%
Children's Healthcare of Atlanta	3,463	9	0.9%	3,010	7	1.0%	2,100	8	0.7%	-	-	-	2,100	9	0.6%
Veterans Administration Hospital	1,860	10	0.5%	1,782	8	0.6%	2,000	9	0.6%	-	-	-	2,000	10	0.6%
General Motors Corporation	-	-	-	1,566	9	0.5%	3,100	6	1.0%	-	-	-	-	-	-
Marshalls Distribution Center	-	-	-	926	10	0.3%	-	-	-	3,500	8	1.0%	4,800	4	1.4%
Internal Revenue Service	-	-	-	-	-	-	4,500	5	1.5%	4,500	7	1.3%	4,500	5	1.3%
Dekalb College	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Egleston Children's Hospital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	75,502		19.7%	59,668		19.3%	934,278		27.3%	74,871		21.6%	50,703		14.6%
Total County	383,718			308,842			311,283			346,900			346,900		

	2002			2001			2000			1999			1998		
	Percentage of Total County			Percentage of Total County			Percentage of Total County			Percentage of Total County			Percentage of Total County		
	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment	Employees	Rank	Employment
DeKalb County Schools	10,000	2	2.9%	10,000	2	3.2%	10,000	2	2.9%	10,000	2	3.1%	10,000	2	3.1%
Emory University & Hospital	10,300	1	3.0%	10,300	1	3.3%	10,300	1	3.0%	10,300	1	3.2%	10,300	1	3.2%
U.S. Centers for Disease Control & Prever	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DeKalb County Government	7,753	3	2.2%	7,598	3	2.5%	7,499	3	2.2%	7,240	3	2.3%	7,134	3	2.2%
BellSouth/AT&T/Cingular	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DeKalb Medical Center	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%
Children's Healthcare of Atlanta	2,100	9	0.6%	2,100	9	0.7%	2,100	9	0.6%	2,100	9	0.7%	2,100	9	0.7%
Veteran's Administration Hospital	2,000	10	0.6%	2,000	10	0.7%	2,000	10	0.6%	2,000	10	0.6%	2,000	10	0.6%
General Motors Corporation	4,800	4	1.4%	4,800	4	1.6%	4,800	4	1.4%	4,800	4	1.5%	4,800	4	1.5%
Marshalls Distribution Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Internal Revenue Service	4,500	5	1.3%	4,500	5	1.5%	4,500	5	1.3%	4,500	5	1.4%	4,500	5	1.4%
Cox Enterprises	4,000	6	1.2%	4,000	6	1.3%	4,000	6	1.2%	4,000	6	1.3%	4,000	6	1.3%
Emory Clinic	2,800	7	0.8%	2,800	7	0.9%	2,800	7	0.8%	2,800	7	0.9%	2,800	7	0.9%
Dekalb College	-	-	-	-	-	-	2,000	10	0.6%	2,000	10	0.6%	2,000	10	0.6%
Egleston Children's Hospital	-	-	-	-	-	-	-	-	-	-	-	-	2,100	9	0.7%
Total	50,553		14.6%	40,398		13.09%	42,299		12.2%	42,040		13.21%	44,034		13.84%
Total County	346,900			346,900			346,900			318,300			318,300		

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

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

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

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General government	964	896	872	868	874	815	806	779	740	736
Public safety:										
Fire & rescue services	860	849	849	849	850	824				
Fire							600	600	586	570
EMS							208	208	196	195
Police officers	1,104	1,058	1,056	1,058	1,012	994	995	995	996	859
Other public safety	507	533	536	528	538	527	495	423	371	472
Civil and criminal court system	1,762	1,715	1,693	1,624	1,603	1,583	1,546	1,550	1,475	1,468
Planning and development	186	186	185	177	178	177	150	168	167	154
Public works	612	612	612	582	540	534	535	529	513	494
Community development	22	33	32	29	27	28	24	24	24	24
Parks and recreation	637	623	615	588	578	608	626	622	610	614
Library	233	229	226	226	227	227	227	220	221	221
Health and welfare	87	76	76	77	74	73	69	72	33	33
Watershed management (Water and sewer)	729	736	732	713	688	685	685	680	715	720
Sanitation	728	712	709	699	686	650	604	601	565	548
DeKalb Peachtree Airport	27	27	27	27	28	28	28	28	28	26
Total	8,458	8,285	8,220	8,045	7,903	7,753	7,598	7,499	7,240	7,134

Source: DeKalb County Budget Office

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

DeKalb County, Georgia

Operating Indicators by Function/Program

Last Ten Years

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
General government:										
Business licenses issued	27,743	22,450	21,390	20,443	20,908	20,843	20,430	19,778	19,703	19,554
Registered voters	408,279	403,419	388,993	404,539	364,394	386,976	375,581	388,975	362,170	355,092
Public safety:										
Fire & EMS emergency calls	164,291	100,769	98,995	89,499	65,593	88,243	87,921	67,656	87,163	85,588
Police arrests	45,284	62,354	54,686	51,757	48,914	37,115	34,756	39,281	33,328	38,642
Training academies	2	2	1	1	1	1	1	1	1	1
Civil and criminal court system:										
Recorder's court citations processed	212,224	235,854	195,863	211,297	195,472	157,001	150,574	135,761	121,178	124,978
State court dispossessory warrants	37,649	34,935	33,831	35,057	36,910	34,369	33,393	32,107	31,679	32,709
Superior court felony case filings	5,500	6,711	6,293	5,835	6,195	6,299	6,994	7,066	7,676	7,323
Planning and development:										
Building permits issued	8,127	17,333	9,039	9,115	8,785	9,283	10,051	9,530	9,331	9,363
Number of inspections	63,633	35,998	29,875	34,623	58,478	42,672	36,214	34,185	25,189	36,255
Public works:										
Road resurfacing (miles)	22	21	20	20	30	30	25	26	20	14
Patching (tons)	35,600	30,000	50,000	48,000	29,050	56,000	31,783	21,616	14,301	20,283
Sidewalks constructed (miles)	1	1	12	23	25	-	-	-	-	-
Parks and recreation:										
Average attendance per pool	6,900	4,100	4,017	4,800	4,755	n/a	4,000	2,628	5,925	6,065
Golf rounds per course	76,000	37,091	36,221	30,929	22,009	31,033	26,358	n/a	n/a	n/a
Youth & adult athletic patrons	109,000	40,500	33,017	21,500	20,939	26,000	10,000	10,361	7,560	7,708
Library:										
Patron visits	3,292,187	3,216,230	3,153,749	2,968,638	2,866,374	2,799,195	2,582,391	2,487,503	2,580,242	2,639,216
Water:										
Water Customers	311,023	299,445	293,407	289,813	286,556	284,182	277,837	272,563	268,682	263,363
Water meters	188,763	186,503	182,329	181,443	181,682	178,579	175,079	170,318	166,797	162,298
Average daily water consumption (million gallons)	77	65	72	67	67	70	72	74	73	72
Miles of water mains constructed during year	21	27	31	31	42	39	31	50	56	45
Sewer:										
Sewer Customers	278,353	267,057	261,379	258,066	254,357	252,114	245,933	240,898	237,570	232,488
Average daily sewer treatment (million gallons)	56	40	43	39	39	34	34	32	30	31
Miles of sewer mains constructed during year	28	16	18	14	26	28	37	31	45	33
Sanitation:										
Residential customers	174,500	158,427	153,748	148,015	148,999	146,375	158,920	155,060	148,134	138,008
Commercial customers	9,078	8,713	8,256	17,133	12,287	11,369	10,805	9,640	9,130	9,568
Weekly pickups	2	2	2	2	2	2	2	2	2	2
DeKalb Peachtree Airport:										
Annual flights	220,576	207,981	202,251	215,174	224,187	224,959	215,652	244,879	239,230	233,233
Based aircraft	698	608	608	608	608	608	590	590	590	580

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

DeKalb County, Georgia

Capital Asset Statistics by Function/Program

Last Ten Years

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Public safety:										
Fire stations	26	26	25	25	25	25	25	24	24	23
Fire hydrants	22,200	17,295	15,200	22,908	22,908	22,462	22,462	21,948	21,423	20,836
Public works:										
Miles of paved roads	2,753	2,746	2,746	2,746	2,668	2,664	2,613	2,485	2,479	2,450
Miles of unpaved roads	2	2	2	2	2	2	2	6	6	6
Street Lights	41,518	40,836	39,884	39,086	38,355	37,387	36,218	35,358	34,544	33,993
Parks and recreation:										
Parks	126	130	130	141	120	109	108	108	108	107
Park acreage	6,482	6,000	5,948	5,738	5,517	5,200	5,050	3,765	3,722	3,721
Swimming pools	13	12	12	12	12	12	11	12	12	12
Athletic fields	158	158	158	174	162	162	162	162	162	162
Recreation centers	11	11	11	11	11	11	11	11	11	10
Tennis centers	3	3	3	3	3	3	3	3	3	3
Tennis courts	105	105	105	104	109	109	105	105	105	105
Picnic shelters	90	90	90	80	87	87	87	87	87	85
Golf courses	2	2	2	2	2	2	2	2	2	2
Library:										
Books	826,239	812,634	775,472	776,329	785,396	792,744	838,544	887,350	904,213	984,497
Water:										
Water plant capacity (million gallons)	150	128	128	128	128	128	128	128	128	128
Treated water storage capacity (million gallons)	72	72	72	72	72	72	72	67	67	67
Raw water storage capacity (million gallons)	1,000	1,000	1,000	324	324	240	240	240	240	240
Miles of water mains	2,600	2,854	2,827	2,796	2,765	2,723	2,684	2,635	2,585	2,529
Sewer:										
Sewer treatment capacity (million gallons)	56	56	56	56	56	56	56	56	56	56
Sewer pumping stations	63	60	57	57	53	51	51	48	42	39
Miles of sewer mains	2,230	2,200	2,184	2,166	2,152	2,126	2,098	2,061	2,030	1,982

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

DeKalb County, Georgia
Salaries and Bonds of Principal Officials
Year Ended December 31, 2007

	Statutory Bond	Statutory Salary
Chief Executive Officer - Vernon Jones	\$ 50,000	\$ 153,498
Board of Commissioners - Elaine C. Boyer; Burrell Ellis; Kathie Gannon; Larry Johnson; Lee May; Connie Stokes; Jeff Rader	10,000	38,374 - 39,774
Clerk of Superior Court - Linda Carter	25,000	127,852
Probate Court Judge - Jeryl Rosh	100,000	144,468
Sheriff - Thomas E. Brown, Jr.	25,000	141,680
Tax Commissioner - Claudia Lawson	100,000	155,669
The following officials and all other County employees are covered by a blanket \$200,000 bond, as required:		
State Court Judges - Alvin T. Wong; Johnny Panos; Barbara Mobley; Janis Gordon; Jose A. DelCampo; Wayne M. Purdom; Edward E. Carriere		152,966
Solicitor, State Court - Robert D. James		152,966
District Attorney - Gwen Keyes Fleming		158,915
Superior Court Judges - Gregory Adams; Clarence F. Seeliger; Daniel M. Coursey, Jr.; Michael E. Hancock; Gail C. Flake; Robert J. Castellani; Linda W. Hunter; Mark Scott; Anne Workman; Cynthia J. Becker		169,963
Juvenile Court Judges - Elliot Shoenthal; Desiree Peagler		152,966
Magistrate Court Judges - Charles D. Wood; Winston P. Bethel; R. Hopkins Kidd		114,725 - 127,472

Source: DeKalb County Finance Department

DeKalb County, Georgia

Insurance In Force

December 31, 2007

<u>Coverage</u>	<u>Limits</u>
Buildings, Contents, Records, Equipment:	
Fire, lightning, extended coverage, vandalism, and malicious mischief (blanket coverage \ replacement cost \$250,000 deductible) per occurrence -	Scheduled Property
All risk marine floater (specified property, equipment, and records)	Scheduled Property
Boiler and machinery - each occurrence (specified location and equipment exclusions) \$10,000 deductible	\$ 25,000,000
Aircraft:	
Rotocraft Liability (per occurrence) - Hull coverage (deductible-5% of insured value)	\$ 1,000,000
Owner, Landlords, & Tenants - DeKalb-Peachtree Airport	\$ 5,000,000
Money and Securities (destruction, disappearance, wrongful abstraction) \$10,000 deductible	\$ 200,000
Employee Faithful Performance Blanket Position Bond	\$ 100,000
Excess Workers' Compensation - per loss (self-insured retentions \$500,000)	\$ 10,000,000
Group Life - 2.25 times annual salary	Schedule
Group Hospital and Surgery - employee and dependents:	
Major medical (70%-80% of expenses after \$200 deductible up to \$1,500 out of pocket then 100%). Optional HMO's available	Unlimited
Umbrella - \$1,000,000 deductible	\$ 5,000,000
Auto Liability Per Person	\$ 250,000
Auto Liability Per Accident	\$ 450,000

Source: DeKalb County Finance Department