CITY OF AVONDALE ESTATES, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2008

PREPARED BY:

Ken Turner
Finance Director

CITY OF AVONDALE ESTATES, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Letter of Transmittal 1-5
Certificate of Achievement for Excellence in Financial Reporting 6
Organizational Chart 7
Principal Officials 8

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 9-10

MANAGEMENT'S DISCUSSION & ANALYSIS 11-20

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements:

Statement of Net Assets 22
Statement of Activities 22-23

Fund Financial Statements:

Balance Sheet – Governmental Funds 24
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets 25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 26
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 27
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 28
Statement of Net Assets – Proprietary Funds 29
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds 30
Statement of Cash Flows – Proprietary Funds 31
Statement of Fiduciary Net Assets – Fiduciary Fund 32
Statement of Changes in Fiduciary Net Assets – Fiduciary Fund 33

Notes to the Financial Statements 34-54

CITY OF AVONDALE ESTATES, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

TABLE OF CONTENTS

Page

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Pension Funding Progress 55

SUPPLEMENTARY INFORMATION

Governmental Funds

Nonmajor Governmental Funds

Combining Balance Sheet–Nonmajor Governmental Funds 56
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –Nonmajor Governmental Funds 57

Special Revenue Funds

Police Seizure Fund
Balance Sheet 58
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual 59

Tax Allocation District Fund
Balance Sheet 60
Schedule of Revenues, Expenditures and Changes in Fund Balance -- Budget and Actual 61

Capital Project Funds

Capital Project Fund
Balance Sheet 62
Statement of Revenues, Expenditures and Changes in Fund Balance 63

Lake Avondale Fund
Balance Sheet 64
Statement of Revenues, Expenditures and Changes in Fund Balance 65

CITY OF AVONDALE ESTATES, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2008

TABLE OF CONTENTS

Page

STATISTICAL SECTION

Fund Information:

Financial Trends
- Net Assets by Component 66
- Changes in Net Assets 67-68
- Governmental Activities Tax Revenues by Source 69
- Fund Balances, Governmental Funds 70
- Changes in Fund Balances, Governmental Funds 72-72

Revenue Capacity
- General Governmental Tax Revenues by Source 73
- Assessed Value and Estimated Actual Value of Taxable Property 74
- Property Tax Rate – All Overlapping Governments 75
- Principal Tax Payers 76
- Property Tax Levies and Collections 77

Debt Capacity
- Ratios of Outstanding Debt by Type 78
- Direct and Overlapping Governmental Activities Debt 79
- Legal Debt Margin Information 80

Demographic and Economic Information
- Demographic and Economic Statistics 81
- Full-time Equivalent City Government Employees by Function 82

Operating Information
- Operating Indicators by Function 83
- Capital Asset Statistics by Function 84

INTRODUCTORY SECTION

(THIS PAGE INTENTIONALLY LEFT BLANK)

BOARD OF MAYOR AND COMMISSIONERS

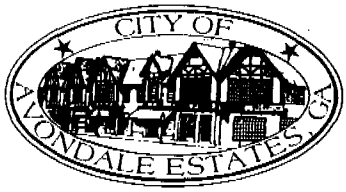
Ed Rieker
Mayor

Sandra Varian
Mayor pro tem

David A. Milliron
Commissioner

Michael D. Payne
Commissioner

Lyda R. Steadman
Commissioner



R. Clai Brown
City Manager

Juliette Sims-Owens
City Clerk

Robert E. Wilson
City Attorney

Stephen W. Nicholas
City Judge

June 9, 2009

To the Citizens of Avondale Estates and the Board of Mayor and Commissioners:

The Comprehensive Annual Financial Report (CAFR) of the City of Avondale Estates for the fiscal year ending December 31, 2008, is hereby submitted. Responsibility for both the accuracy of the data, the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting, the City's organizational chart and a list of principal officials. The financial section includes Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements and schedules, notes to the financial statements, individual funds, as well as the independent certified public accountants report on the financial statements and schedules. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with MD&A. The City of Avondale Estate's MD&A can be found immediately following the Independent Auditor's Report. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The financial reporting entity includes all the funds of the primary government. The City provides a limited range of municipal government services to some 2,700 citizens. Included in these services are traditional City functions, such as public works, public safety, parks, courts and inherent support activities.

AVONDALE ESTATES CITY HALL • 21 NORTH AVONDALE PLAZA • AVONDALE ESTATES, GEORGIA 30002 • 404/294-5400 • FAX: 404/299-8137
www.avondaleestates.org info@avondaleestates.org

MAJOR INITIATIVES AND ECONOMIC OUTLOOK

Current Initiatives

The City elected to participate in GIRMA's Law Enforcement Initiative. The purpose of this initiative was to seek a way to work with law enforcement agencies to reduce the frequency and dollar costs of liability losses attributed to law enforcement operations. The City selected adoption and implementation of the 12 High Risk/Critical Task policies determined by an onsite audit conducted by Local Government Risk Management Services (LGRMS). The City of Avondale Estates Police Department successfully completed the adoption and implementation resulting in a 17% reduction in the police liability portion of our property and casualty insurance premium.

The City, in cooperation with concerned citizens, implemented a Neighborhood Watch program. Donations were received from citizens and Neighborhood Watch signs were purchased and strategically placed in the City. Neighborhood Watch has grown from an "extra eyes and ears" approach to crime prevention to a much more proactive, community-oriented endeavor providing a unique infrastructure that brings together local officials, law enforcement, and citizens for the protection of their communities. Today's Neighborhood Watch programs incorporate activities that not only address crime prevention issues, but also restore pride and unity to our neighborhoods.

The City has approved a development agreement with a private developer to begin the implementation of the Downtown Master Plan. The developer has proposed a downtown grocery store, new residential construction and an assortment of retail stores. The plan follows the Master Plan as it creates Franklin Street as a new "Main Street".

The City completed and adopted a twenty year Comprehensive Plan. This plan paints a picture of what Avondale Estates desires to become during the twenty year planning period 2007-2027. It provides descriptive representations of the development patterns to be encouraged within the City.

The City celebrated being a National Arbor Day Foundation, Tree City USA for the 24th year in a row. To become a Tree City USA, a community must meet four standards: a tree board, a community tree care ordinance, a comprehensive community forestry program, and an Arbor Day observance and proclamation. Our trees help clean the air, conserve soil and water, moderate temperature, and bring nature into our daily lives. It is important to note, the City of Avondale Estates is the only designated Tree City USA in Dekalb County.

Planned Initiatives

The City continued to develop a new zoning ordinance for the residential section of the City. This new ordinance will replace a zoning code that is over twenty (20) years old and no longer is relevant to the development patterns in the City. Reasonably constructed and renovated residential properties will allow the City to continue to prosper while maintaining the character of the community.

The City adopted a resolution for the Lake Master Plan, and will start the process of making infrastructure improvements to reverse the erosion of the shorelines.

Economic Outlook

Avondale Estates is a rather unique and independent small City. It is located approximately 6.5 miles east of the Atlanta City limits and approximately nine (9) miles west of Stone Mountain, Ga. The City encompasses 790 acres (approximately 1.25 square miles) and is the seventh most populated City in DeKalb County.

According to the U.S. Bureau of Census, approximately 90 percent of the residents have attended or completed college. The average per capita income of these residents for 2008 is approximately $43,000. Most residents are well compensated, successful professionals. They demand a high level of service and are willing to absorb the additional cost to finance this enhanced effort.

The commercial and industrial areas of the City are relatively stable. Avondale Estates is the home of the State office of the Georgia Department of Juvenile Justice.

The major influence on the economic engines of the City in the foreseeable future will be re-development of the downtown commercial area. The combined efforts of the City, Avondale Estates Business Association, and the Downtown Development Authority are working diligently to increase the City's tax base by attracting new businesses to the downtown commercial district as well as working with current businesses on expansion plans.

FINANCIAL INFORMATION

General

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. It is further incumbent upon management to ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance that these objectives are accomplished. The concept of reasonable assurance recognizes: (1) the cost of a control should not exceed the benefits likely to be received; and (2) the evaluation or costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

Budgetary Controls

The City maintains budgetary controls to ensure compliance with the legal provision embodied in the annual appropriated budget as approved by the Board of Mayor and Commissioners. Activities of the general and capital project funds, as well as the Dottie Holmes Memorial Trust Fund, are included in the annual appropriated budget. The legal level of budget control (the level on which expenditures may not legally exceed appropriations) has been established at the department level. Administrative transfers of appropriations within a department may be authorized by the City Manager up to $1,000.00 to satisfy unforeseen needs without Commission action.

Enterprise Operations

The City currently has one enterprise fund, storm water utility. Revenue collection for this fund began in July 2005.

Retirement Plan

The strength of the City of Avondale Estates Retirement Plan continued to show progress. Information concerning the City's Plan is found on Page 50 - 51 and Page 55 of this financial report. The plan's investment portfolio reflects a reasonably conservative mix of investment vehicles. The annual actuarial valuation indicates compliance with state-mandated funding requirements.

Debt Administration

The City does not have any general obligation debt outstanding. Under current state statutes, the City's general obligation bond debt issuance is subject to a legal limitation based on 10 percent of total assessed value of real and personal property.

Cash Management

The City strives to keep abreast of current developments and procedures in cash management, as allowed under the law, to ensure efficient and profitable investments of available cash resources. Funds are deposited into bank interest bearing accounts which are FDIC insured and fully collateralized in accordance with state law. To maximize interest income, funds not immediately required to satisfy operating costs are primarily invested in bank certificates of deposits with an annual yield of 4.25%. Funds deposited into bank interest bearing accounts earned approximately 1.5% at year end.

Risk Management

The Georgia Municipal Association administrates the City's insurance program, whereby limits, premiums and improvements are reviewed annually. Any adjustments are

scheduled for policy renewal. Informal safety inspections are performed by in-house personnel not less than weekly. Each employee is aware that safety is first and that we always seek to improve loss control functions claims management, insurance, placement and financing practices.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Clifton, Lipford, Hardison & Parker, LLC, C.P.A.s were selected by the Board of Mayor and Commissioners. The audit has been designed to meet all applicable requirements and standards. The auditor's report on the general purpose financial statements and the combined and individual fund statements and schedules are included in the financial section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the year ended December 31, 2007. In order to be awarded a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Excellence is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Excellence Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the City administrative department, and the auditors for the City. My sincere appreciation is extended to each individual for the contribution made in the preparation of this report. Without the leadership and support of the Board of Mayor and Commissioners and the citizens of Avondale Estates, preparation of this report would not have been possible.

Respectfully submitted,

R. Clai Brown, City Manager

City of Avondale Estates

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Avondale Estates

Georgia

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

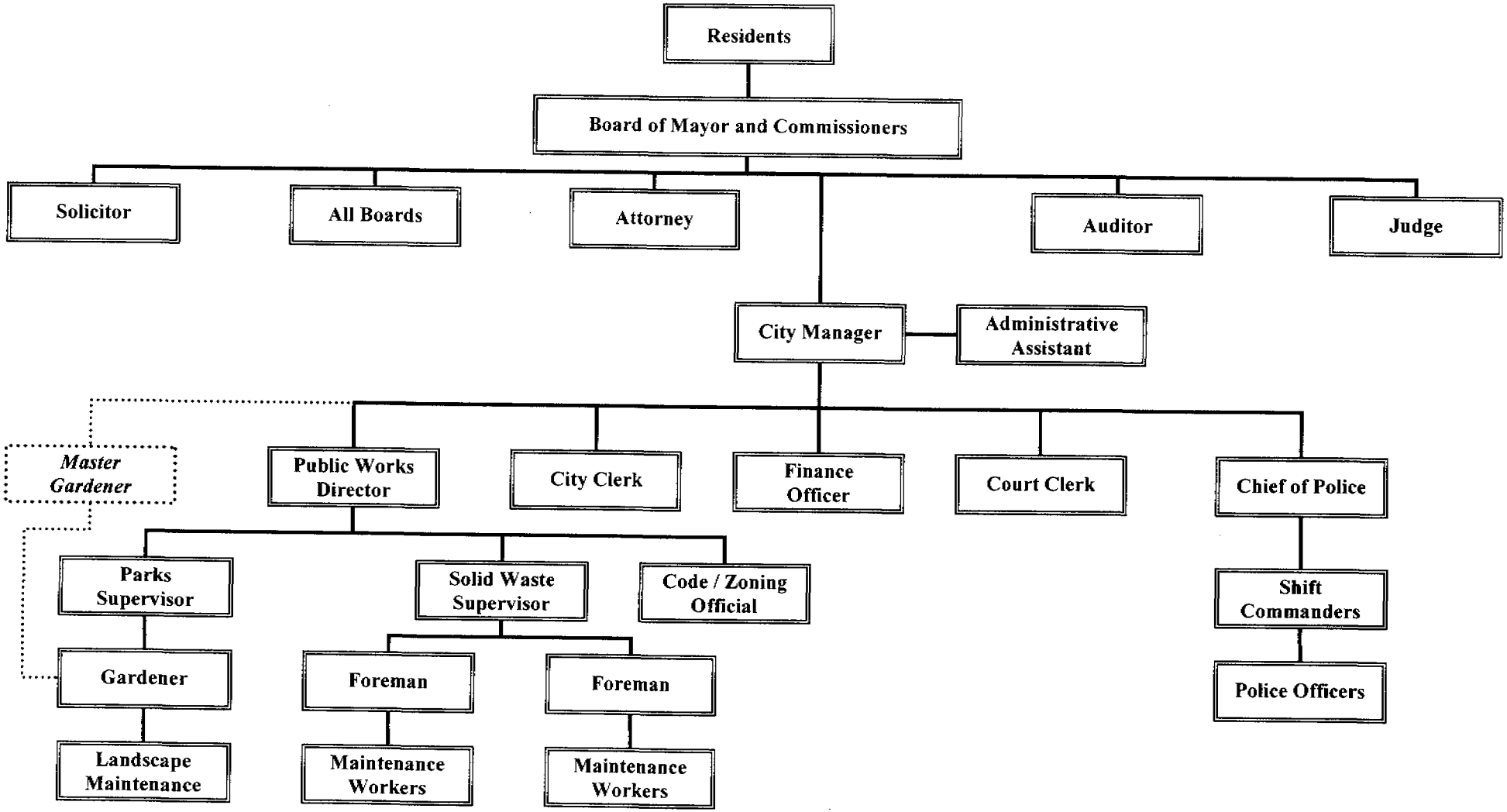
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

CITY OF AVONDALE ESTATES
ORGANIZATIONAL CHART



CITY OF AVONDALE ESTATES, GEORGIA

PRINCIPAL OFFICIALS

DECEMBER 31, 2008

CITY COMMISSION

Ed Rieker	Mayor
Sandra Varian	Mayor Pro-Tem
David Milliron	Commissioner
Lyda Steadman	Commissioner
Michael Payne	Commissioner

ADMINISTRATION OFFICIALS

Clai Brown	City Manager
Robert E. Wilson	City Attorney
Ken Turner	Finance Director
Juliette Sims-Owens	City Clerk
Karen Holmes	Administrative Assistant
Hazel Baker	Municipal Court Clerk
Gary Broden	Chief of Police
Bryan Armstead	Public Works Director

FINANCIAL SECTION

(THIS PAGE INTENTIONALLY LEFT BLANK)

CLH&P

CLIFTON, LIPFORD, HARDISON & PARKER, LLC

J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of City Council
The City of Avondale Estates, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Avondale Estates, Georgia as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Avondale Estates, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Avondale Estates, Georgia, as of December 31, 2008, and the respective changes in financial position, and where applicable cash flows, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2009, on our consideration of the City of Avondale Estates' 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 important for assessing the results of our audit.

1503 Bass Road
P.O. Box 6315 Macon, Georgia 31208-6315
Phone 478-742-3313 ▪ Fax 478-742-0316

www.clhp.com

468 South Houston Lake Road
Warner Robins, Georgia 31088
Phone 478-953-0125 ▪ Fax 478-953-0983

The management's discussion and analysis information and the schedule of pension funding progress on pages 11 through 20 and page 55, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Avondale Estates, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, statistical tables, and the schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, and the schedule of projects constructed with special sales tax proceeds 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 section and statistical tables 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.

Macon, Georgia
June 9, 2009

MANAGEMENT'S DISCUSSION & ANALYSIS

As management of the City of Avondale Estates (the "City"), we offer readers of the City of Avondale Estates' financial statements this narrative overview and analysis of the financial activities of the City of Avondale Estates for the year ended December 31, 2008. We encourage readers to consider the information presented here in conjunction with the financial statements and footnotes.

Financial Highlights

The assets of the City exceeded its liabilities at the close of the most recent year by $4,328,694 (net assets). Of this amount, $2,139,506 (unrestricted net assets) may be used to meet the government's ongoing obligations.

The City's net assets from governmental activities increased approximately 4.16% when compared to the previous year, while business-type activities' net assets increased by approximately 30.29% when compared to the previous year.

General Fund Revenues increased 1.62% or $48,119 compared to 2007, and expenditures decreased less than one per cent or $8,037 compared to 2007.

At the close of the current year, the City's governmental funds reported combined ending fund balances of $1,758,508, an increase of $189,320. At the end of the current year, unreserved fund balance for the general fund was $1,681,024 or 61.07% of total general fund expenditures. This amount is available for spending at the government's discretion, as it is unreserved fund balance.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City 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 City include general government, public safety, public works, parks, and municipal court. The business-type activities of the City is the Storm Water utility.

The government-wide financial statements include not only the City itself (known as the primary government), but also a discretely presented component unit, the Downtown Development Authority for which the City is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 21-23 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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains five (5) 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, which is considered to be the major fund. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24-28 of this report.

Proprietary funds. The City maintains one (1) enterprise fund in the proprietary fund group. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Avondale Estates uses an enterprise fund to account for its Storm Water Utility function.

The basic proprietary fund financial statements can be found on pages 29-31 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City'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 32 and 33 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 34-54 of this report.

Government-wide Financial Analysis

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Avondale Estates, Georgia, assets exceeded liabilities by $4,328,694 at the close of the most recent year. Following is a description of the City's net assets (in thousands) as compared to the previous year.

City of Avondale Estates Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Assets						
Current assets	$ 1,751	$ 1,973	$ 324	$ 430	$ 2,075	$ 2,403
Capital assets	2,287	2,223	20	18	2,307	2,241
Total assets	4,038	4,196	344	448	4,382	4,644
Liabilities						
Long-term liabilities	150	121	-	-	150	121
Other liabilities	163	195	-	-	163	195
Total liabilities	313	316	-	-	313	316
Net assets						
Invested in capital assets, net of related debt	2,176	2,157	20	18	2,196	2,175
Restricted	1	14	-	-	1	14
Unrestricted	1,548	1,709	324	430	1,872	2,139
Total net assets	$ 3,725	$ 3,880	$ 344	$ 448	$ 4,069	$ 4,328

By far the largest portion of the City's net assets (50%) reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services; consequently, these assets are not currently available for future spending. Although the City'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.

The remaining portions of the City's net assets are either restricted ($13,788) or unrestricted ($1,709,616). Unrestricted net assets may be used to meet the government's ongoing obligations. At the end of the current year, the City is able to report positive balances in all categories of net assets, both for the government as a whole, as well as for its business-type activities.

During the current year the City's total net assets increased by $259,282. This is primarily due to increases in charges for services.

Changes in Net Assets

The following schedule presents a summary of changes in net assets for the year ending December 31, 2008 (in thousands).

City of Avondale Estates Changes in Net Assets

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Revenues						
Program revenues:						
Charges for services	$ 351	$ 415	$ 111	$ 108	$ 462	$ 523
Operating grants & contributions	9	-	-	-	9	-
Capital grants & contributions	44	37	-	-	44	37
General revenues:						
Property taxes	1,741	1,721	-	-	1,741	1,721
Franchise taxes	225	208	-	-	225	208
Insurance Premium taxes	143	146	-	-	143	146
Occupational taxes	94	92	-	-	94	92
Sanitation taxes	296	304	-	-	296	304
Other taxes	41	83	-	-	41	83
Investment earnings	29	26	8	6	37	32
Total revenues	2,973	3,032	119	114	3,092	3,146
Expenses						
General government	820	918	-	-	820	918
Public safety	824	859	-	-	824	859
Public works	1,002	857	-	-	1,002	857
Recreation	225	239	-	-	225	239
Interest	7	4	-	-	7	4
Stormwater	-	-	3	10	3	10
Total expenses	2,878	2,877	3	10	2,881	2,887
Change in net assets	95	155	116	104	211	259
Net assets beginning of year	3,630	3,725	228	344	3,858	4,069
Net assets end of year	$ 3,725	$ 3,880	$ 344	$ 448	$ 4,069	$ 4,328

Governmental charges for services increased by $63,609 primarily due to an increase in fines and forfeitures of $94,343 and a decrease in General Government charges for services of $27,684. Capital grants and contributions decreased by $7,251 due to reduced Georgia LARP grant funding. Property taxes showed an approximate decrease of $20,000. This reduction is primarily due to a combination of several factors, motor vehicle tax showed an increase of $8,150, current year real estate taxes increased $88,117, however the State of Georgia did not fund the Homeowner's Tax Relief Grant (HTRG) for FY 2008. During FY 2007, the HTRG amounted to $95,101. Other contributing accounts to the decrease were: Public Utilities Ad Valorem taxes of $10,886 due to decrease values and prior year real estate property tax collections of $7,236. Franchise taxes showed a decrease of approximately $17,000 due to lower franchisee taxable revenue.

Total expenses increased approximately $6,000. Increases in salaries and related fringe benefits comprise $143,487 across all categories. These increases are due to increases in pay rates, increases in health insurance costs, increases in other fringe benefit costs and increases in the number of employees. In the general government category, legal services decreased $55,343 and administrative services decreased $33,221. In the Public Safety category, gasoline expense increased $12,327 due to increased cost. In the Public Works category, gasoline expense increased $9,290 and landfill expense decreased $21,482

Net assets on governmental activities funds increased by $155,066 as a result of revenues exceeding expenditures.

Business-type activities contain operations of the Storm Water utility. Business-type activities increased the City of Avondale Estates' net assets by $104,216. The Storm Water charges are billed on the annual property tax bills.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year or for use during the fiscal year to balance cash flow needs.

As of the end of the current year, the City of Avondale Estates, Georgia's governmental funds reported combined ending fund balances of $1,758,508, an increase of $189,320 in comparison with the prior year. Approximately Ninety-six percent of the total amount ($1,681,024) constitutes unreserved fund balance, which is available for spending at the government's discretion. The remainder of fund balance ($77,484) is reserved to indicate it is restricted for public safety expenditures ($1,023) and capital outlay projects ($76,461).

The general fund is the chief operating fund of the City of Avondale Estates, Georgia. At the end of the current year, the unreserved fund balance of the general fund was $1,681,024. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unreserved fund balance represents 61.07% of total General Fund expenditures.

The table below compares general fund revenues and expenditures for 2007 and 2008 (in thousands).

General Fund

	2007	2008	$ Increase (Decrease)
Revenues			
Taxes	$ 2,540	$ 2,516	$ (24)
Licenses & permits	14	35	21
Intergovernmental	53	37	(16)
Fines & forfeitures	262	357	95
Charges for services	11	23	12
Interest income	26	25	(1)
Other revenues	63	23	(40)
Total revenues	2,969	3,016	47
Expenditures			
General government	780	793	13
Public safety	780	821	41
Public works	912	849	(63)
Recreation	224	239	15
Debt Service:			
Principal retirements	58	46	(12)
Interest payments	7	4	(3)
Total expenditures	2,761	2,752	(9)
Excess of revenues over expenditures	208	264	56
Transfer to other funds	-	(65)	(65)
Net change in fund balances	208	264	56
Fund balances, beginning of year	1,275	1,483	208
Fund balances, end of year	$ 1,483	$ 1,682	$ 199

Revenue from taxes decreased mainly due to the State of Georgia not funding the Homeowner's Tax Relief Grant of $95,101. The offset to the decrease are increases in assessed values. Licenses and permits increased approximately $21,000 due to one large permit ($18,895) for a new development. Intergovernmental decreased $16,000 primarily due to the elimination of a police communications grant. Fines and forfeitures increased $95,000 due to increased traffic enforcement and a full law enforcement staff. Interest income decreased due to lower interest rates on investments. Other revenues decreased primarily due to a reduction in miscellaneous income/refunds of $31,839.

The overall decrease in expenditures was less than one percent. The increases in General Government were due to increases in salaries and related fringe benefits amounting to $43,632 related to fuller staffing, decreases in legal services of $55,343, decreases in the use of professional consultants of $33,221, decrease in property and casualty insurance premiums of $27,128, increase in repairs and maintenance related to city hall of $38,045, and an increase in city newsletter printing of $17,339. The decrease in Public Works was primarily due to decreases in salaries and related fringe benefits of $43,002 due to lower staffing levels and a decrease in landfill fees of $21,482 due to lower tonnage charges at the landfill. Increases in Public Safety were due to increased staffing and related fringe benefits amounting to $136,568, increase in gasoline cost of $12,327, small equipment costs decreased $67,659 as various police equipment was purchased during FY 07, increased repairs and maintenance to police vehicles of $3,389 and capital lease payments not being reported in the public safety category amounted to a decrease of $31,557. The increase in Recreation is primarily due to increases in salary and related fringe benefits expenses.

Proprietary funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The City maintains one enterprise fund that account for activities of the city that are operated in a business fashion. This fund is the Storm Water Utility Fund.

Storm Water fees are billed on the City property tax bills, collected by Dekalb County and remitted by the County to the City. Revenue from Storm Water fees decreased approximately 2.7% during 2008 due to collections being less. After accounting for operating expenses of $7,931 and depreciation of $2,045, the Storm Water utility increased its net assets by $104,216 for total net assets of $448,300 at the end of the year. This increase is largely attributed to minimal expenses.

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 City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The primary fiduciary fund is the Dottie Holmes Memorial Trust Fund that holds assets to be used for replanting certain flora around the City. The Dottie Holmes Memorial Trust Fund had a net increase of $195 to net assets during 2008.

General Fund Budgetary Highlights

In calendar year 2008, it was anticipated that there would be an excess of revenues over expenditures amounting to $231,193. However, because revenues were slightly lower than budgeted and expenditures/transfers out were slightly higher than budget, the fund balance increased by $198,498. The City's general fund balance as of December 31, 2008 is $1,681,024. This is equivalent to approximately sixty-four percent of the City's current estimate of general fund expenditures for calendar year 2009. It should be noted that the calendar year 2009 budget anticipates another excess of revenues over expenditures of $4,430. This would increase the fund balance to approximately $1,685,454 or sixty-four percent of general fund expenditures.

The final amended budget for revenues was approximately 6% higher than the original budget. The final amended budget for expenditures was approximately less than 1% lower than the original budget.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2008, amounts to $2,241,111 (net of accumulated depreciation). This investment in capital assets includes land, buildings and fixtures, improvements, machinery and equipment, vehicles, and infrastructure. The City's investment in capital assets decreased 2.9 percent for the current calendar year mainly because of depreciation within the governmental activities. Additional information on the City's capital assets can be found in Note 5 on page 44 of this report. The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government (in thousands).

Capital Assets (net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2008	2007	2008	2007	2008
Land	$ 1,435	$ 1,435	$ -	$ -	$ 1,435	$ 1,435
Infrastructure	265	251	20	18	285	269
Building & improvements	350	317	-	-	350	317
Furniture, Equipment & Vehicles	238	220	-	-	238	220
Total	$ 2,288	$ 2,223	$ 20	$ 18	$ 2,308	$ 2,241

Long-term Debt and Capital Leases.

The City has entered into lease agreements for financing the acquisition of vehicles and equipment. The carrying amount of machinery, equipment and vehicles under capital leases at December 31, 2008, was $94,328.

At December 31, 2008, the City had long-term debt in the amount of $120,576, which was comprised of, $65,711 in capital leases and $54,865 in compensated absences.

Additional information on the City's long-term debt can be found in Note 6 on pages 46-48 of this report.

Economic Factors

The unemployment rate for the City is currently 7.7%. The cost of living is 104.35 compared to the US median of 100. The median age is 42.9 compared to a US median of 35.3. Per capita income is $46,568 compared to a US median of approximately $26,178. Inflationary trends in the region compare favorably to national indices. There are on-going redevelopment efforts occurring throughout the City.

Next Year's Budget

At December 31, 2008, unreserved fund balance in the general fund was $1,681,024. Next year's budgeted revenues will largely be derived from property taxes (59.38%), the remaining 40.62% is to come from other revenue sources. General Fund budgeted revenues for 2009 are expected to decrease by 11.11% or $335,009 compared to 2008. This is primarily due to sanitation tax revenue being reported in a separate fund. The 2009 budgeted sanitation revenue amounts to $290,000. Additionally, General Fund 2009 budgeted revenue does not include the Home Owner's Tax Relief Grant which amounted to $95,101 in 2008. Expenditures are expected to decrease by 2.75% or $75,816 compared to 2008. This reduction is primarily due to sanitation expenses being reported in the sanitation fund. The General Fund 2009 budgeted expenses do include a transfer to the sanitation fund of $402,802 to cover budgeted expenses.

Requests for Information

This financial report is designed to provide a general overview of the City of Avondale Estates' 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 financial information should be addressed to the City Manager, 21 North Avondale Plaza, City of Avondale Estates, Avondale Estates, Georgia 30002.

(THIS PAGE INTENTIONALLY LEFT BLANK)

BASIC FINANCIAL STATEMENTS

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 431,892	$ 100,556	$ 532,448	$ 435,933
Certificate of deposit	1,467,000	325,000	1,792,000	-
Receivables, net of allowance				
Taxes	22,202	-	22,202	-
Accounts	5,692	4,899	10,591	-
Intergovernmental	4,000	-	4,000	-
Interest	10,015	-	10,015	-
Internal balances	565	(565)	-	-
Prepaids	32,286	-	32,286	-
Noncurrent Assets:				
Non depreciable	1,434,931	-	1,434,931	600,000
Depreciable, net	787,770	18,410	806,180	12,093,000
Total Assets	4,196,353	448,300	4,644,653	13,128,933
LIABILITIES				
Accounts payable	149,165	-	149,165	37,772
Accrued payables	46,110	-	46,110	54,995
Due to others	108	-	108	-
Unearned revenue	-	-	-	156,757
Noncurrent liabilities				
Due within one year	75,593	-	75,593	789,299
Due in more than one year	44,983	-	44,983	10,595,576
Total Liabilities	315,959	-	315,959	11,634,399
NET ASSETS				
Invested in capital assets, net of related debt	2,156,990	18,410	2,175,400	2,097,424
Restricted for				
Restricted for capital outlay	13,788	-	13,788	-
Unrestricted	1,709,616	429,890	2,139,506	(602,890)
Total Net Assets	$ 3,880,394	$ 448,300	$ 4,328,694	$ 1,494,534

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government:				
Governmental Activities				
General government	$ 917,926	$ 57,596	$ -	$ 37,124
Public safety	859,129	357,038	-	-
Public works	857,465	-	-	-
Culture and recreation	238,866	-	-	-
Interest expense	4,063	-	-	-
Total governmental activities	2,877,449	414,634	-	37,124
Business-Type Activities				
Stormwater Utility	9,976	107,724	-	-
Total business-type activities	9,976	107,724	-	-
Total Primary Government	$ 2,887,425	$ 522,358	$ -	$ 37,124
Component Unit:				
Downtown Development Authority	$ 1,426,639	$ 1,863,534	$ -	$ -
Total Component Unit	$ 1,426,639	$ 1,863,534	$ -	$ -
General Revenues				
Property tax				
Franchise tax				
Sanitation tax				
Insurance premium tax				
Other tax				
Investment earnings				
Miscellaneous				
Total General Revenues				
Change in Net Assets				
Net Assets - Beginning of year				
Net Assets - End of year				

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

	Net (Expense) Revenue and Changes in Net Assets		
	Primary Government		Component Unit
Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
$ (823,206)	$ -	$ (823,206)	$ -
(502,091)	-	(502,091)	-
(857,465)	-	(857,465)	-
(238,866)	-	(238,866)	-
(4,063)	-	(4,063)	-
(2,425,691)	-	(2,425,691)	-
-	97,748	97,748	-
-	97,748	97,748	-
(2,425,691)	97,748	(2,327,943)	-
			436,895
			436,895
1,721,455	-	1,721,455	-
207,923	-	207,923	-
303,596	-	303,596	-
146,021	-	146,021	-
152,773	-	152,773	-
26,274	6,468	32,742	2,692
22,715	-	22,715	3,352
2,580,757	6,468	2,587,225	6,044
155,066	104,216	259,282	442,939
3,725,328	344,084	4,069,412	1,051,595
$ 3,880,394	$ 448,300	$ 4,328,694	$ 1,494,534

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

CITY OF AVONDALE ESTATES, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalent	$ 348,983	$ 82,909	$ 431,892
Certificate of deposit	1,467,000	-	1,467,000
Receivables, net of allowance			
Taxes	22,096	106	22,202
Accounts	5,692	-	5,692
Intergovernmental	4,000	-	4,000
Interest	10,015	-	10,015
Due from other funds	1,468	-	1,468
Prepaids	32,286	-	32,286
Total Assets	$ 1,891,540	$ 83,015	$ 1,974,555
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 144,537	$ 4,628	$ 149,165
Accrued liabilities	46,110	-	46,110
Deferred revenues	19,761	-	19,761
Due to others	108	-	108
Due to other funds	-	903	903
Total Liabilities	210,516	5,531	216,047
Fund Balances:			
Reserved for:			
Public safety	-	1,023	1,023
Capital outlay	-	76,461	76,461
Unreserved, reported in			
General Fund	1,681,024	-	1,681,024
Total Fund Balances	1,681,024	77,484	1,758,508
Total Liabilities and Fund Balances	$ 1,891,540	$ 83,015	$ 1,974,555

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

CITY OF AVONDALE ESTATES, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
DECEMBER 31, 2008

Total Fund Balances per Balance Sheet of Governmental Funds	$	1,758,508
Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:		
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		3,743,692
Accumulated depreciation		(1,520,991)
Revenues		
Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		19,761
Long-term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Assets. Long-term liabilities at year-end consist of the following:		
Capital leases		(65,711)
Compensated absences		(54,865)
Total Adjustments		2,121,886
Total Net Assets of Governmental Activities	$	3,880,394

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 2,516,531	$ 13,788	$ 2,530,319
License and permits	34,931	-	34,931
Intergovernmental	37,124	-	37,124
Fines and forfeitures	357,038	-	357,038
Charges for Services	22,665	-	22,665
Interest earnings	25,401	873	26,274
Other revenues	22,673	42	22,715
Total Revenues	3,016,363	14,703	3,031,066
Expenditures			
Current:			
General government	793,192	8,895	802,087
Public safety	820,895	-	820,895
Public works	849,570	-	849,570
Culture and recreation	238,866	-	238,866
Capital outlay	-	80,111	80,111
Debt service			
Principal payments	46,154	-	46,154
Interest payments	4,063	-	4,063
Total Expenditures	2,752,740	89,006	2,841,746
Excess (Deficiency) of Revenues Over (Under) Expenditures	263,623	(74,303)	189,320
Other Financing Sources (Uses)			
Transfers from other funds	-	65,125	65,125
Transfers to other funds	(65,125)	-	(65,125)
Total other financing sources (uses)	(65,125)	65,125	-
Net change in fund balances	198,498	(9,178)	189,320
Fund Balance, beginning of year	1,482,526	86,662	1,569,188
Fund Balance, end of year	$ 1,681,024	$ 77,484	$ 1,758,508

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

CITY OF AVONDALE ESTATES, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses Per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	$ 189,320
Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:	
Capital Assets	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.	
Total capital outlays	49,757
Total depreciation	(114,592)
Long-term Debt	
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:	
Capital leases	46,154
Compensated absences	(17,022)
Revenues	
Because some revenues will not be collected for several months after the government's year end, they are not considered available revenues and are deferred in the governmental funds.	
Deferred revenues increased by this amount during the year.	1,449
Total Adjustments	(34,254)
Change in Net Assets of Governmental Activities	$ 155,066

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	$ 2,514,966	$ 2,511,923	$ 2,516,531	$ 4,608
Licenses and permits	11,070	34,052	34,931	879
Intergovernmental	9,500	56,103	37,124	(18,979)
Fines and forfeitures	294,000	364,581	357,038	(7,543)
Charges for services	5,000	21,696	22,665	969
Interest income	25,500	24,300	25,401	1,101
Miscellaneous	12,010	32,997	22,673	(10,324)
Total Revenue	2,872,046	3,045,652	3,016,363	(29,289)
Expenditures:				
Current:				
General government	706,007	791,273	793,192	(1,919)
Public safety	809,160	803,589	820,895	(17,306)
Public works	933,376	848,701	849,570	(869)
Culture and recreation	249,495	241,251	238,866	2,385
Debt service:				
Principal payments	47,000	47,000	46,154	846
Interest payments	4,100	4,100	4,063	37
Total Expenditures	2,749,138	2,735,914	2,752,740	(16,826)
Excess Revenue Over (Under) Expenditures	122,908	309,738	263,623	(12,463)
Other Financing Sources (Uses):				
Transfer Out:				
Transfer to Capital Projects Fund	(87,022)	(78,545)	(65,125)	13,420
Total Other Financing Sources (Uses)	(87,022)	(78,545)	(65,125)	13,420
Net change in fund balance	$ 35,886	$ 231,193	198,498	$ 957
Fund balance, beginning of year			1,482,526	
Fund balance, end of year			$ 1,681,024	

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds Stormwater Utility Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 100,556
Certificate of deposit	325,000
Accounts receivable, net	4,899
Total current assets	430,455
Long-term assets:	
Capital assets:	
Depreciable, net	18,410
Total long-term assets	18,410
Total Assets	448,865
LIABILITIES	
Current liabilities:	
Due to other funds	565
Total current liabilities	565
NET ASSETS	
Invested in capital assets	18,410
Unrestricted	429,890
Total Net Assets	$ 448,300

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds Stormwater Utility Fund
Operating revenues:	
Charges and fees	$ 107,724
Total operating revenues	107,724
Operating expenses:	
Cost of sales	7,931
Depreciation	2,045
Total operating expenses	9,976
Operating income	97,748
Nonoperating revenues:	
Interest income	6,468
Total nonoperating revenues	6,468
Change in net assets	104,216
Total Net Assets - Beginning of Year	344,084
Total Net Assets - Ending of Year	$ 448,300

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds Stormwater Utility Fund
Cash Flows from Operating Activities:	
Cash received from customers	$ 106,882
Cash paid to suppliers for goods and services	(7,931)
Net Cash Flows Provided by (Used for) Operating Activities	98,951
Cash Flows from Investing Activities:	
Interest income	6,468
Net Cash Flows Provided by (Used for) Investing Activities	6,468
Net Increase (Decrease) in Cash and Cash Equivalents	105,419
Cash and Cash Equivalents, Beginning of Year	320,137
Cash and Cash Equivalents, End of Year	$ 425,556
Cash Flows From Operating Activities:	
Operating income	$ 97,748
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	2,045
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivable	(842)
Total Adjustments	1,203
Net Cash Provided by (Used for) Operating Activities	$ 98,951

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
DECEMBER 31, 2008

	Dottie Holmes Memorial Private-Purpose Trust
ASSETS	
Cash and cash equivalents	$ 11,345
Accrued interest	150
Total Assets	$ 11,495
NET ASSETS	
Held in trust	$ 11,495
Total net assets	$ 11,495

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

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2008

	Dottie Holmes Memorial Private-Purpose Trust
ADDITIONS	
Interest earnings	$ 195
Total additions	195
Change in net assets	195
Total net assets, beginning of year	11,300
Total net assets, end of year	$ 11,495

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Avondale Estates, Georgia (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City operates under a modified commission/manager form of government and provides the following services as authorized by its charter to its citizens: public safety (police), public works (highways, streets, and sanitation), public improvements, planning and zoning, and general and administrative services.

The accompanying financial statements present the City and its component unit, the entity for which the City is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

The Avondale Estates Downtown Development Authority (the "DDA") has been included as a discretely presented component unit in the accompanying financial statements. The DDA was created in 2001 by local legislation enacted by the Georgia General Assembly. The members (7) of the DDA are appointed by the Mayor and Board of Commissioners and each member serves a 4-year term. By virtue of this appointment authority and the financial and budgetary oversight, the DDA has been determined to be a component unit of the City. The DDA's mission is to encourage redevelopment activities and to provide assistance to private and public partners for the purpose of improving the downtown area. The DDA is empowered under state law to borrow money, enter into contracts, receive grants and gifts, sell revenue bonds, purchase property and provide loans. Financial information with regard to the DDA can be obtained directly from the City of Avondale Estates, City Hall, 21 North Avondale Plaza, Avondale Estates, Georgia 30002. Separate financial statements for the Avondale Estates Downtown Development Authority are not prepared.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, 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 considered program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally 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 the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, franchise taxes, insurance premium taxes, occupational taxes, other taxes licenses, intergovernmental grants, 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 City.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expense, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The City reports the following major governmental funds:

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

Additionally, the City reports the following fund types within the nonmajor governmental funds:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – Capital Project Fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds. Lake Avondale Fund is used to maintain the upkeep of the lake.

The City reports the following major proprietary fund:

Stormwater Utility Fund – The Stormwater Utility Fund accounts for the collection of fees for upgrades to stormwater drains and related expenses.

The City also reports the following fund type:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net assets and the changes in net assets and is reported using accounting principles similar to proprietary funds. These funds are not incorporated into the government-wide statements.

The City's only fiduciary fund is named the Dottie Holmes Memorial Trust Fund and is used to account for the operations for purposes of maintaining the rhododendron plant thicket and abelia plant hedge at Lake Avondale. Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

D. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary fund are for management control purposes and are not required to be reported. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year end. Encumbrance accounting - under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is not employed by the City.

E. Deposits and Investments

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other state; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or

deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the primary government, as well as the component unit, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Machinery and equipment	5 - 10
Vehicles	5
Land improvements	15 - 20
Infrastructure	10 - 20
Buildings and improvements	20-50

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, sidewalks, and similar items. The City implemented the provisions of GASB Statement 34 for the year ended December 31, 2003. The City was not required to retroactively report infrastructure assets in governmental activities.

H. Compensated Absences

Annual Leave (Vacation)

Annual Leave (Vacation) - An employee's annual leave (vacation) is credited as it is accrued from the employee's date of full-time employment in accordance with the following schedule:

Years of Service	Annual Leave Accrual Rate
Less than 1 year of service	6 days (4 hours/month)
At least 1 year completed service but less than 5	12 days (8 hours/month)
At least 5 years completed service but less than 10	15 days (10 hours/month)
At least 10 years completed service but no less than 20	18 days (12 hours/month)
At least 20 years service	21 day (14 hours/month)

An employee may choose to have the City buy back accrued, unused annual leave during the last pay period in December of each year, provided funds have been budgeted for such purposes.

The employee shall notify the City Clerk, on or before December 15th of each year that he/she desires to sell back accrued, unused annual leave; the employee may sell back at least eight (8) hours but no more than forty (40) hours of accrued, unused annual leave; unused, accrued annual leave may be carried forward in a particular year shall not exceed thirty (30) days (240 hours); any employee may convert up to forty (40) hours accrued, unused annual leave to sick leave credits instead of selling back these hours back to the city as long as notice is given to the City Clerk before December 15th of each year; employees whose annual leave exceeds the maximum carryover at the end of the year after the buy-back of the maximum amount accrued, unused annual leave may convert up to an additional twenty (20) hours of accrued, unused annual leave to sick leave credits; checks for accrued, unused annual leave sold to the City shall be issued on the last payday of the year. Annual leave in excess of thirty (30) days or 240 hours are forfeited on the first day of the new calendar or fiscal year.

Sick Leave

Each full-time career status employee will accrue sick leave at the rate of eight (8) hours per month. Sick leave may be accumulated up to a maximum of one hundred and eighty (180) days (1,440 hours). When an employee has accumulated the maximum hours of sick leave, no additional hours of sick leave shall be credited until such time as enough of the accrued sick leave has been used to bring the employee below the maximum accumulation. Part-time employees who work at least twenty-five (25) hours per week shall earn sick leave on a pro-rated basis. Career status employees who terminate their employment with the City (other than retirement) may be granted and paid for one (1) day for each fifteen (15) days of unused sick leave not to exceed twelve (12) days. At retirement, any accumulated sick leave shall be converted into credited service. Each twenty (20) days (160 hours) of sick leave will equal one month (1/12 year) of service.

The maximum conversion shall be nine (9) months of credited service. Conversion of accumulated sick leave may not qualify an employee for vesting in retirement.

All vacation and sick pay, if expected to be paid out, is accrued when incurred in the government- wide fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Issuance costs are reported as deferred charges.

Proprietary fund type loans payable are reported as liabilities at their outstanding value. Loan issuance costs are reported as deferred charges and amortized over the term of the loan using the effective interest method.

In the fund financial statements, governmental fund types report the face amount of debt issued and related premiums or discounts as other financing sources and bond issuance costs as expenditures.

J. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

K. Management Estimates

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

NOTE 2 – LEGAL COMPLIANCE – BUDGETS

As set forth in the City Charter, the Board of Mayor and Commissioners adopt an annual budget for all funds. The annual budget is prepared in accordance with the basis of accounting utilized by each fund. The City of Avondale Estates, Georgia employs the following procedures in establishing its annual budget:

1. The City Manager submits to the Board of Mayor and Commissioners proposed operating budgets for the fiscal year commencing the following January 1. The operating budgets for adoption include proposed expenditures and the means of financing them for all governmental funds.

2. Public meetings are held to obtain taxpayer comments.

3. The budget is legally enacted through passage of an ordinance. Budgeted amounts as stated in the financial statements are as originally adopted or as amended by the Board of Mayor and Commissioners.

4. The legal level of control (the level at which expenditures may not exceed appropriations) for each of the above legally adopted budgets is at the department level. Increases in the total appropriations of a department, whether accomplished through an increase in estimated revenues or through a transfer of appropriations among departments, require the recommendation of the City Manager and approval of the Mayor and Commission. The City Manager may authorize transfers of appropriations between line items within any departmental budget without Commission approval. Appropriations that are not expended or encumbered by year end are allowed to lapse.

The following General Fund departments had excesses of actual expenditures over appropriations for the year ended December 31, 2008:

General Fund departments:	
General government	$ 1,919
Public safety	17,306
Public works	869

These over expenditures were funded by greater than anticipated revenues and by available fund balance.

NOTE 3 – DEPOSITS AND INVESTMENTS

A. Custodial Credit Risk — Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statues, and City policy, require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2008, the City had no bank balances that were exposed to custodial credit risk.

B. Investments

	Credit Rating	Investment Value	Weighted Average Maturity
Georgia Fund 1	AAAm rated	$ 1,749	40 day

Custodial credit risk. For an investment, the custodial risk is the risk that in the event of the failure of the counter-party to a transaction, an entity will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Georgia Fund 1 is not required to disclose custodial credit risk. The City had no such investments with such risk as of December 31, 2008.

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk. Georgia law allows investments in obligation of the U.S. Treasury, other U.S. Governmental Agencies, State of Georgia, other states, prime banker's acceptances, repurchase agreements, other political subdivisions of Georgia and the State Georgia Fund 1 investment pool. The Georgia Fund 1 is not registered with the SEC. The State of Georgia Office of Treasury operates Georgia Fund 1 in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Georgia Fund 1 is a stable net asset value investment pool that follows Standard & Poor's criteria for AAAm rated money market funds. The City has no investment policy that would further limit its investment choices.

NOTE 4 – RECEIVABLES

Property taxes attach as an enforceable lien on property as of January 1, and are based on property values as of January 1. Property taxes were levied on June 12, 2008, and are due and payable in two installments. The first installment is due August 15 and the second installment is due November 15. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City.

Property taxes are recorded as receivables and deferred revenues when assessed. Revenues are recognized when available.

Enterprise fund storm water fees are billed annually on June 12, 2008 along with the property taxes and are due and payable in two installments. The first installment is due August 15 and the second installment is due November 15. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City.

Receivables at December 31, 2008, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts (if any) are as follows:

	General	Nonmajor Governmental Fund	Stormwater Utility
Receivables:			
Taxes	$ 23,573	$ 106	$ -
Accounts	5,692	-	4,899
Intergovernmental	4,000	-	-
Interest	10,015	-	-
Less allowance for uncollectible	(1,477)	-	-
Net total receivable	$ 41,803	$ 106	$ 4,899

NOTE 5 – CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended December 31, 2008, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,434,931	$ -	$ -	$ 1,434,931
Total	1,434,931	-	-	1,434,931
Capital assets, being depreciated:				
Buildings and improvements	811,947	-	-	811,947
Infrastructure and improvements	327,492	-	-	327,492
Machinery and equipment	1,119,565	49,757	-	1,169,322
Total	2,259,004	49,757	-	2,308,761
Less accumulated depreciation for:				
Buildings and improvements	(461,668)	(33,268)	-	(494,936)
Infrastructure and improvements	(62,824)	(14,239)	-	(77,063)
Machinery and equipment	(881,907)	(67,085)	-	(948,992)
Total	(1,406,399)	(114,592)	-	(1,520,991)
Total capital assets, being depreciated, net	852,605	(64,835)	-	787,770
Governmental activities capital assets, net	$ 2,287,536	$ (64,835)	$ -	$ 2,222,701
Business-type activities:				
Capital assets, being depreciated:				
Infrastructure	$ 135,004	$ -	$ -	$ 135,004
Total	135,004	-	-	135,004
Less accumulated depreciation for:				
Infrastructure	(114,549)	(2,045)	-	(116,594)
Total	(114,549)	(2,045)	-	(116,594)
Business-type activities capital assets, net	$ 20,455	$ (2,045)	$ -	$ 18,410

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 18,706
Public safety	87,991
Public works	7,895
Total depreciation expense - governmental activities	$ 114,592
Business-type activities:	
Stormwater	$ 2,045

Downtown Development Authority of Avondale Estates

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 600,000	$ -	$ -	$ 600,000
Total	600,000	-	-	600,000
Capital assets, being depreciated:				
Buildings	13,900,000	-	-	13,900,000
Total	13,900,000	-	-	13,900,000
Less accumulated depreciation for:				
Buildings	(1,529,000)	(278,000)	-	(1,807,000)
Total	(1,529,000)	(278,000)	-	(1,807,000)
Total capital assets, being depreciated, net	12,371,000	(278,000)	-	12,093,000
Downtown Development Authority capital assets, net	$12,971,000	$ (278,000)	$ -	$12,693,000

NOTE 6 – LONG-TERM DEBT

Primary Government

Long-term liability activity for the year ended December 31, 2008, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases	$ 111,865	$ -	$ (46,154)	$ 65,711	$ 42,593
Compensated absences	37,843	49,855	(32,833)	54,865	33,000
Governmental activity Long-term liabilities	$ 149,708	$ 49,855	$ (78,987)	$ 120,576	$ 75,593

For governmental funds, compensated absences are liquidated by the General Fund.

Capital Leases - Equipment

The City has entered into lease agreements as lessee for financing the acquisition of vehicles used in general governmental activities. The lease agreements qualify as capital leases for accounting purposes (the present value of the minimum lease payments at the beginning of the lease term equals or exceeds 90% of the excess of the fair value of the leased property to the lessor at the inception of the lease) and, therefore, have been recorded at the present values of the future minimum lease payments as of the date of their inceptions.

The following is an analysis of equipment leased under capital leases as of December 31, 2008:

	Governmental Capital Assets
Equipment cost	$ 219,433
Less accumulated depreciation	(125,105)
Carrying value	$ 94,328

The City's total capital lease debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Governmental Activities
2009	$ 36,157
2010	22,935
2011	13,706
Total minimum lease payments	72,798
Less amount representing interest	7,087
Present value of future minimum lease payments	$ 65,711

Component Unit

Long-term liability activity for the year ended December 31, 2008 for the Downtown Development Authority of Avondale Estates was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Discreetly Presented Component Unit:					
2002 Revenue Bonds	$ 8,334,503	$ -	$ (491,644)	$ 7,842,859	$ 545,263
2003 Revenue Bonds	3,761,554	-	(219,538)	3,542,016	244,036
Discretely Presented Component Unit Long-term liabilities	$12,096,057	$ -	$ (711,182)	$11,384,875	$ 789,299

The Downtown Development Authority's debt service requirements to maturity are as follows:

2002 Revenue Bonds

On May 29, 2002, the Downtown Development Authority of Avondale Estates issued $10,000,000 of Series 2002 Revenue Bonds for the purpose of providing funds to pay the costs of acquiring, constructing, and installing a governmental offices building. These revenue bonds carry an interest rate of 5.75% with principal and interest payments due monthly. The 2002 Series Bonds mature on May 1, 2018. As of December 31, 2008, the outstanding balance was $7,842,859.

Year Ending December 31,	Principal	Interest	Total
2009	$ 545,263	$ 436,917	$ 982,180
2010	602,663	404,072	1,006,735
2011	664,082	367,821	1,031,903
2012	729,773	327,928	1,057,701
2013	800,004	284,139	1,084,143
2014-2018	4,501,074	618,173	5,119,247
Total	$ 7,842,859	$ 2,439,050	$ 10,281,909

2003 Revenue Bonds

On May 12, 2003, the Downtown Development Authority of Avondale Estates issued $4,500,000 of Series 2003 Revenue Bonds for the purpose of providing funds to pay the costs of acquiring, constructing, and installing a governmental offices building. These revenue bonds carry an interest rate of 5.9% with principal and interest payments due monthly. The 2003 Series Bonds mature on May 1, 2018. As of December 31, 2008, the outstanding balance was $3,542,016.

Year Ending December 31,	Principal	Interest	Total
2009	$ 244,036	$ 202,531	$ 446,567
2010	270,299	187,432	457,731
2011	298,441	170,734	469,175
2012	328,583	152,321	480,904
2013	360,853	132,074	492,927
2014-2018	2,039,804	287,761	2,327,565
Total	$ 3,542,016	$ 1,132,853	$ 4,674,869

NOTE 7 – OPERATING LEASES

Lessor Agreements

The City of Avondale Estates leases certain parcels of land for use by others (cell towers) for varying terms. The leases are accounted for as operating leases and revenues are recorded when earned. Revenue derived from these leases during the current year amounted to $19,460 and is reported as other revenue in the City's General Fund.

The following is a schedule of minimum future rentals to be received under the operating leases at December 31, 2008:

Fiscal Year Ending December 31,	General Fund
2009	$ 25,200
2010	9,600
2011	9,600
2012	9,600
2013	6,400
Total minimum future rentals	$ 60,400

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2008, is as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Stormwater Utility Fund	$ 565
	Nonmajor Governmental funds	903
		$ 1,468

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

Interfund transfers:

	Transfer In:	
	Nonmajor Funds	Totals
Transfer Out:		
General Fund	$ 65,125	$ 65,125
Total	$ 65,125	$ 65,125

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsides or matching funds for various grant programs.

NOTE 9 – PENSION PLAN

A. Plan Description

The City, as authorized by the Mayor and Commission, has established a non-contributory defined benefit pension plan (The City of Avondale Estates Retirement Plan) covering all full-time employees. The current plan supersedes an existing retirement plan (effective date January 1, 1973) as of January 1, 1989 (the date that participants no longer contributed to the plan, but some still have contributions in the fund). The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Mayor and Commission, the plan provides pension benefits and death and disability benefits for all full-time employees. Regular, full time employees who work at least 30 hours per week may participate in the plan after they have completed three (3) years of continuous service. Employees who were participants in the plan prior to January 1, 1989 who worked at least 30 hours per week may participate in the plan after they have completed one (1) year of continuous service. Elected officials are not eligible. Benefits vest after 5 years of service. City employees who retire at age 65 with five (5) years of service are entitled to a monthly retirement benefit based upon average earnings and years credited service. Early retirement is permitted provided the participant is at least 55 years of age and has completed ten (10) years of service.

At September 1, 2008, the date of the most recent actuarial valuation, there were 38 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	10
Terminated vested participants not yet receiving benefits	10
Active vested employees	9
Active nonvested employees	9
Total	38

B. Funding Policy

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will

accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2008, the actuarially determined contribution rate was 9.69% of covered payroll.

For 2008, the City's required contribution was $62,870 and actual contribution totaled $60,385. The recommended contribution was determined as part of the September 1, 2008 and September 1, 2007 actuarial valuation using the projected unit credit actuarial cost method. Actuarial assumptions include an 8.0% rate of return on investments and projected salary increases of 5.5% (5.0% due to inflation and .5% due to merit or seniority increases) and a 0% cost of living adjustment. The normal cost and actuarial accrued liability are calculated on an individual basis and are allocated by service. The remaining amortization period varies for the bases. The actuarial value of the plan assets was determined using the sum of the actuarial value at the beginning of year and the cash flow during year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.

C. Annual Pension Costs

The funding policy for the Plan is to contribute an amount equal to the recommended contribution as determined by the Plan's actuary. The recommended contribution was determined as part of the September 1, 2008 actuarial valuation. The chart below shows the annual pension cost for the current year and prior two years along with the percentage actually contributed by the City.

Fiscal Year Ended December 31,	Annual Pension Cost (APC)	Actual Pension Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
2008	$ 60,385	$ 60,385	100%	$ -
2007	52,474	52,474	100%	-
2006	47,470	47,470	100%	-

As of the most recent valuation date, September 1, 2008, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Ratio	UAAL as a Percentage of Covered Payroll
2008	$ 815,841	$ 997,179	$ 181,338	81.81%	$ 648,613	27.96%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 1, 2008.

The assumptions used in the September 1, 2008 actuarial valuation are as follows.

Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Assumed Rate of Return On Investments	8.0%
Projected Salary Increases	5.5%
Cost-of-living Adjustment	None
Amortization Method	Level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases.

NOTE 10 – DEFINED CONTRIBUTION PENSION PLAN

The City of Avondale Estate's Internal Revenue Code Section 457 Plan and 401 Plan (the "Plans") are deferred compensation plans and qualify as defined contribution pension plans. The Plans are administered by MetLife for all full time employees. Plan provisions and contribution requirements are established and may be amended by the Mayor and City Commission.

The Plans allow for employee contributions and in addition the City makes a matching contribution of up to $25 per employee. During 2008, employees contributed $38,897 to the Plans while the City contributed $7,315. As of December 31, 2008, there were 33 and 31 active participants in the 457 Plan and 401A Plan, respectively. The market values for the 457 Plan and 401A Plan as of December 31, 2008 were $156,026 and $57,126, respectively.

NOTE 11 – JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the Atlanta Regional Commission (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by DeKalb County. 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 in Georgia. The ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 40 Courtland Street, NE, Atlanta, Georgia 30303.

NOTE 12 – RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Inter-local Risk Management Agency (GIRMA) for property and liability insurance and the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance program for member local governments. The Georgia Municipal Association (GMA) administers both risk pools.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim or loss.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Settlements have not exceeded insurance coverage in the last three years.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Litigation

The City is a defendant in certain legal actions in the nature of claims for alleged damages to persons and property and other similar types of actions rising in the course of City operations. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the City.

Grant Contingencies

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

NOTE 14 – RESTATEMENT OF EQUITY BALANCES

As of January 1, 2008, the City elected to report the Lake Avondale Fund as a separate capital project fund, which required a prior period adjustment to the Capital Project Fund as follows:

	Non-Major Governmental Funds	
	Capital Project Fund	Lake Avondale Fund
Fund Balance - December 31, 2007	$ 85,639	$ -
Adjustments to Fund Balance:		
Lake Avondale Cash	(73,550)	73,550
Total Adjustments:	(73,550)	73,550
Fund Balance - December 31, 2007, restated	$ 12,089	$ 73,550

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AVONDALE ESTATES, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2008
UNAUDITED

SCHEDULE OF PENSION FUNDING PROGRESS

Actuarial Valuation Date September 1,	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (b - a)	Funded Ration (a / b)	(c) Annual Covered Payroll	UAAL as a percentage of covered payroll (b - a) / c
2008	$ 815,841	$ 997,179	$ 181,338	81.81%	$ 648,613	27.96%
2007	783,803	985,046	201,243	79.57%	610,771	32.95%
2006	758,784	879,427	120,643	86.28%	663,587	18.18%
2005	741,157	881,963	140,806	84.03%	589,068	23.90%

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the actuarial accrued liability provides on indication of funding status on a going concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended December 31,	Annual Required Contribution	Actual Pension Contribution	Percentage Contributed
2008	62,870	60,385	96.05%
2007	60,193	47,900	79.58%
2006	48,614	42,659	87.75%

SUPPLEMENTARY INFORMATION

(THIS PAGE INTENTIONALLY LEFT BLANK)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Police Seizure Fund — To account for the use of confiscated drug money by the City's Police Department.

Tax Allocation District Fund — To account for the redevelopment of the downtown business district by means of a Redevelopment Plan and with funding from a Tax Allocation District.

CAPITAL PROJECT FUNDS

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

Capital Project Fund — To account for locally funded acquisition and construction of major capital facilities financed by unrestricted local funds.

Lake Avondale Fund — To account for the maintenance and upkeep of the lake.

CITY OF AVONDALE ESTATES, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2008

	Special Revenue Funds		Capital Project Funds		Total Nonmajor Governmental Funds
	Police Seizure Fund	Tax Allocation District Fund	Capital Project Fund	Lake Avondale Fund	
ASSETS					
Cash and cash equivalent	$ 5,651	$ 13,682	$ 1,033	$ 62,543	$ 82,909
Tax receivable	-	106	-	-	106
Total Assets	$ 5,651	$ 13,788	$ 1,033	$ 62,543	$ 83,015
LIABILITIES AND FUND BALANCES					
Liabilities:					
Due to others	$ 4,628	$ -	$ -	$ -	$ 4,628
Due to other funds	-	-	-	903	903
Total Liabilities	4,628	-	-	903	5,531
Fund Balances:					
Reserved					
Public safety	1,023	-	-	-	1,023
Capital outlay	-	13,788	1,033	61,640	76,461
Total Fund Balances	1,023	13,788	1,033	61,640	77,484
Total Liabilities and Fund Balances	$ 5,651	$ 13,788	$ 1,033	$ 62,543	$ 83,015

CITY OF AVONDALE ESTATES, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Special Revenue Funds		Capital Project Funds		Total Nonmajor Governmental Funds
	Police Seizure Fund	Tax Allocation District Fund	Capital Project Fund	Lake Avondale Fund	
Revenues:					
Taxes	$ -	$ 13,788	$ -	$ -	$ 13,788
Interest earnings	-	-	393	480	873
Miscellaneous income	-	-	-	42	42
Total Revenues	-	13,788	393	522	14,703
Expenditures:					
Current:					
General government	-	-	8,825	70	8,895
Capital Outlay	-	-	54,335	25,776	80,111
Total Expenditures	-	-	63,160	25,846	89,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	13,788	(62,767)	(25,324)	(74,303)
Other Financing Sources (Uses):					
Transfers from other funds	-	-	51,711	13,414	65,125
Total other financing sources (uses)	-	-	51,711	13,414	65,125
Net change in fund balances	-	13,788	(11,056)	(11,910)	(9,178)
Fund Balance, beginning of year	1,023	-	85,639	-	86,662
Prior period adjustment	-	-	(73,550)	73,550	-
Fund Balance, beginning of year, restated	1,023	-	12,089	73,550	86,662
Fund Balance, end of year	$ 1,023	$ 13,788	$ 1,033	$ 61,640	$ 77,484

CITY OF AVONDALE ESTATES GEORGIA

POLICE SEIZURE FUND
BALANCE SHEET
DECEMBER 31, 2008

ASSETS	2008
Cash and cash equivalent	$ 5,651
Total Assets	$ 5,651
LIABILITIES AND FUND BALANCES	
Liabilities:	
Due to others	$ 4,628
Total Liabilities	4,628
Fund Balances:	
Reserved for:	
Public safety	1,023
Total Fund Balances	1,023
Total Liabilities and Fund Balances	$ 5,651

CITY OF AVONDALE ESTATES GEORGIA

POLICE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008

	Final Budget	Actual	Variance with Budget Positive (Negative)
Revenues:			
Fines and forfeitures	$ -	$ -	$ -
Total Revenues	-	-	-
Expenditures:			
General government	-	-	-
Total Expenditures	-	-	-
Net change in fund balances	$ -	-	$ -
Fund balance - beginning of year		1,023	
Fund balance - end of year		$ 1,023	

CITY OF AVONDALE ESTATES GEORGIA

TAX ALLOCATION DISTRICT FUND
BALANCE SHEET
DECEMBER 31, 2008

ASSETS	2008
Cash and cash equivalent	$ 13,682
Tax receivable	106
Total Assets	$ 13,788
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	$ -
Total Liabilities	-
Fund Balances:	
Reserved for:	
Capital outlay	13,788
Total Fund Balances	13,788
Total Liabilities and Fund Balances	$ 13,788

CITY OF AVONDALE ESTATES GEORGIA

TAX ALLOCATION DISTRICT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2008

	Final Budget	Actual	Variance with Budget Positive (Negative)
Revenues:			
Taxes	$ 13,788	$ 13,788	$ -
Total Revenues	13,788	13,788	-
Expenditures:			
General government	-	-	-
Total Expenditures	-	-	-
Net change in fund balances	$ 13,788	13,788	$ -
Fund balance - beginning of year		-	
Fund balance - end of year		$ 13,788	

CITY OF AVONDALE ESTATES GEORGIA

CAPITAL PROJECT FUND
BALANCE SHEET
DECEMBER 31, 2008

ASSETS	2008
Cash and cash equivalent	$ 1,033
Total Assets	$ 1,033
LIABILITIES AND FUND BALANCES	
Liabilities:	
Due to other funds	$ -
Total Liabilities	-
Fund Balances:	
Unreserved	1,033
Total Fund Balances	1,033
Total Liabilities and Fund Balances	$ 1,033

CITY OF AVONDALE ESTATES GEORGIA

CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008 Actual
Revenues:	
Interest revenue	$ 393
Total Revenues	393
Expenditures:	
Current:	
General government	8,825
Capital outlay	54,335
Total Expenditures	63,160
Excess of Revenues Over (Under) Expenditures	(62,767)
Other Financing Sources (Uses):	
Transfers from other funds	51,711
Total Other Financing Sources (Uses)	51,711
Net change in fund balances	(11,056)
Fund Balance - beginning of year	85,639
Prior period adjustment	(73,550)
Fund Balance - beginning of year, restated	12,089
Fund balance - end of year	$ 1,033

CITY OF AVONDALE ESTATES GEORGIA

LAKE AVONDALE FUND
BALANCE SHEET
DECEMBER 31, 2008

ASSETS	2008
Cash and cash equivalent	$ 62,543
Total Assets	$ 62,543
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	$ 903
Total Liabilities	903
Fund Balances:	
Reserved for:	
Capital outlay	61,640
Total Fund Balances	61,640
Total Liabilities and Fund Balances	$ 62,543

CITY OF AVONDALE ESTATES GEORGIA

LAKE AVONDALE FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2008

	2008 Actual
Revenues:	
Interest revenue	$ 480
Miscellaneous income	42
Total Revenues	522
Expenditures:	
Current:	
General government	70
Capital outlay	25,776
Total Expenditures	25,846
Excess of Revenues Over (Under) Expenditures	(25,324)
Other Financing Sources (Uses):	
Transfers from other funds	13,414
Total Other Financing Sources (Uses)	13,414
Net change in fund balances	(11,910)
Fund Balance - beginning of year	-
Prior period adjustment	73,550
Fund Balance - beginning of year, restated	73,550
Fund balance - end of year	$ 61,640

(THIS PAGE INTENTIONALLY LEFT BLANK)

STATISTICAL SECTION

(THIS PAGE INTENTIONALLY LEFT BLANK)

Statistical Section

This part of the City's Statistical comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Page
Financial Trends *These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.*	66-72
Revenue Capacity *These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.*	73-77
Debt Capacity *These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.*	78-80
Demographic and Economic Information *These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.*	81-82
Operating Information *These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.*	83-84

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

(THIS PAGE INTENTIONALLY LEFT BLANK)

CITY OF AVONDALE ESTATES, GEORGIA

NET ASSETS BY COMPONENT
LAST SIX YEARS [1]
(accrual basis of accounting)
(amounts expressed in thousands)

	2008	2007	2006	2005	2004	2003
Governmental activities						
Invested in capital assets, net of related debt	$ 2,157	$ 2,176	$ 2,242	$ 2,280	$ 2,356	$ 898
Restricted	14	1	70	-	-	-
Unrestricted	1,709	1,548	1,318	1,270	1,093	1,135
Total governmental activities net assets	$ 3,880	$ 3,725	$ 3,630	$ 3,550	$ 3,449	2,033
Business-type activities						
Invested in capital assets, net of related debt	$ 18	$ 20	$ 22	$ -	$ -	$ -
Unrestricted	430	324	206	101	-	-
Total business-type activities net assets	$ 448	$ 344	$ 228	$ 101	$ -	$ -
Primary government						
Invested in capital assets, net of related debt	$ 2,175	$ 2,196	$ 2,264	$ 2,280	$ 2,356	$ 898
Restricted	14	1	70	-	-	-
Unrestricted	2,140	1,872	1,524	1,371	1,093	1,135
Total primary government net assets	$ 4,329	$ 4,069	$ 3,858	$ 3,651	$ 3,449	$ 2,033

Notes:
(1) Government-wide financial information is only available since 2003; therefore, only six (6) years of information is presented.

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN NET ASSETS
LAST SIX YEARS[1]
(accrual basis of accounting)
(amounts expressed in thousands)

	2008	2007	2006	2005	2004	2003
Expenses						
Governmental activities:						
General government	$ 918	$ 820	$ 679	$ 646	$ 678	652
Public safety	859	824	658	667	617	624
Public works	857	1,002	998	936	911	883
Recreation	239	225	241	245	244	241
Interest on long-term debt	4	7	5	5	-	-
Total governmental activities expenses	2,877	2,878	2,581	2,499	2,450	2,400
Business-type activities:						
Stormwater[2]	10	3	5	4	-	-
Total business-type activities expenses	10	3	5	4	-	-
Total primary government expenses	$ 2,887	$ 2,880	$ 2,586	$ 2,503	$ 2,450	2,400
Program Revenues						
Governmental activities:						
Charges for services:						
General government	$ 58	$ 85	$ 71	$ 148	$ 136	99
Public safety	357	263	143	277	240	260
Public works	-	-	-	292	287	255
Recreation	-	3	9	12	12	14
Operating grants and contributions	-	9	3	2	12	195
Capital grants and contributions	37	44	-	-	-	-
Total governmental activities program revenues	452	404	226	731	687	823
Business-type activities:						
Charges for services:						
Stormwater[2]	108	111	105	105	-	-
Capital grants and contributions	-	-	-	-	-	-
Total business-type activities program revenues	108	111	105	105	-	-
Total primary government program revenues	$ 560	$ 515	$ 331	$ 836	$ 687	823

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN NET ASSETS
LAST SIX YEARS[1]
(accrual basis of accounting)
(amounts expressed in thousands)

	2008	2007	2006	2005	2004	2003
Net (expense)/revenue						
Governmental activities	$(2,425)	$(2,474)	$(2,355)	$(1,768)	$(1,763)	(1,577)
Business-type activities[2]	98	108	100	101	-	-
Total primary government net expense	$(2,326)	$(2,365)	$(2,255)	$(1,667)	$(1,763)	(1,577)
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Property taxes	$ 1,721	$ 1,741	$ 1,604	$ 1,444	$ 1,378	1,313
Franchise taxes	208	225	232	349	331	345
Other taxes	625	574	562	12	11	11
Unrestricted investment earnings	26	29	38	26	12	10
Intergovernmental - Unrestricted	-	-	-	37	11	14
Total governmental activities	2,580	2,569	2,436	1,868	1,743	1,693
Business-type activities[2]:						
Other taxes	-	-	-	-	-	-
Unrestricted investment earnings	6	8	-	1	-	-
Total business-type activities[2]	6	8	-	1	-	-
Total primary government	$ 2,586	$ 2,577	$ 2,436	$ 1,869	$ 1,743	1,693
Change in Net Assets						
Governmental activities	$ 155	$ 95	$ 81	$ 100	$ (20)	116
Business-type activities[2]	104	116	100	102	-	-
Total primary government	$ 259	$ 211	$ 181	$ 202	$ (20)	116

Notes:

(1) Government-wide financial information is only available since 2003; therefore, only six (6) years of information is presented.

(2) Stormwater Utility Fund was created in FY 2005; therefore, no financial information is reported for years prior to 2005.

CITY OF AVONDALE ESTATES, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST SIX YEARS[1]
(accrual basis of accounting)
(amounts expressed in thousands)

Year	Property Tax(2)	Franchise Tax	Insurance Premium Tax	Occupational Tax	Sanitation	Other Taxes	Total
2003	$ 1,323	$ 152 (3)	$ 89 (3)	$ 69 (3)	$ 258	$ 20 (3)	$ 1,911
2004	1,437	170 (3)	100 (3)	77 (3)	292	22 (3)	2,098
2005	1,371	161 (3)	94 (3)	73 (3)	287	20 (3)	2,006
2006	1,604	232	137	106	293	26	2,398
2007	1,741 (4)	225	143	94	296	41	2,540
2008	1,721	208	146	92	304	61	2,532

Notes:

(1) Government-wide financial information is only available since 2003; therefore, only six (6) years of information is presented.

(2) Property taxes include audo ad valorem taxes.

(3) During these years, amonts were reported as either gross receipts or other taxes. Amounts modified based on allocation and total taxes noted during each of these fiscal years per previous financial reports as actual amounts are not readily available.

(4) Property taxes higher than in previous years due to increase in millage rates.

CITY OF AVONDALE ESTATES, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	1,681	1,483	1,275	1,291	1,124	1,047	1,126	983	922	826
Total general fund	$ 1,681	$ 1,483	$ 1,275	$ 1,291	$ 1,124	$ 1,047	$ 1,126	$ 983	$ 922	$ 826
All other governmental funds										
Reserved	$ 77 [1]	$ 87 [1]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds [2]	-	-	-	-	-	-	1	1	1	1
Capital projects funds	-	-	136	19	32	144	111	161	148	167
Total all other governmental funds	$ 77	$ 87	$ 136	$ 19	$ 32	$ 144	$ 112	$ 162	$ 149	$ 168

Notes:

(1) Represents amounts reserved for the Police Seizure Special Revenue Fund which was created in FY 2007.

(2) From FY 2004 throught FY 2006, the City did not have a Special Revenue Fund (FY 2003 amount of $152 not shown since amounts are expressed in thousands).

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2008	2007	2006	2005	
Revenues					
Taxes	$ 2,530	$ 2,540	$ 2,372	$ 2,098	
Licenses and permits	35	14	7	97	
Intergovernmental	37	53	3	36	
Fines and forfeitures	357	262	200	276	
Charges for services	23	11	11	-	
Interest income	26	29	35	-	
Other revenues	23	63	15	93	
Total revenues	3,031	2,972	2,643	2,600	
Expenditures					
General government	802	780	616	615	
Public safety	821	780	582	598	(1)
Public works	850	911	873	861	(1)
Recreation	239	224	239	242	
Capital outlay	80	53	219	133	
Debt service					
Principal retirements	46	58	64	46	(1)
Interest and fiscal charges	4	7	6	5	(1)
Total expenditures	2,842	2,813	2,599	2,500	
Excess of revenues over (under) expenditures	189	159	44	100	
Other financing sources (uses)					
Proceeds from capital leases	-	-	91	54	
Transfers in	65	-	272	65	
Transfers out	(65)	-	(272)	(65)	
Total other financing sources (uses)	-	-	91	54	
Net change in fund balances	$ 189	$ 159	$ 135	$ 154	
Debt service as a percentage of noncapital expenditures	1.81%	2.36%	2.94%	2.15%	

Notes:

(1) Previous reports (2006 and prior) combined debt service payments within the functions instead of separately. Amounts are modified to break out debt service payments separately.

(2) Information to break out years prior to 2005 not readily available.

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

2004	2003	2002	2001	2000	1999
$ 2,007	$ 1,925	$ 1,911	$ 1,821	$ 1,668	$ 1,576
114	78	85	85	88	86
12	209	227	88	61	21
240	260	228	249	329	380
-	-	-	-	-	-
-	-	-	-	-	-
57	45	99	56	74	433
2,430	2,517	2,550	2,299	2,220	2,496
687	669	597	576	552	456
577	596	512	567	506	512
839	831	989	828	740	530
240	244	278	236	253	202
122	224	228	19	52	628
-	-	-	-	-	-
-	-	-	-	-	-
2,465	2,564	2,604	2,226	2,103	2,328
(35)	(47)	(54)	73	117	168
-	-	135	-	-	-
-	120	25	25	117	150
-	(120)	(25)	(25)	(117)	(150)
-	-	135	-	-	-
$ (35)	$ (47)	$ 81	$ 73	$ 117	$ 168
0.00% [2]	0.00% [2]	0.00% [2]	0.00% [2]	0.00% [2]	0.00% [2]

CITY OF AVONDALE ESTATES, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting)
(amounts expressed in thousands)

Year	Property Tax(1)	Franchise Tax	Insurance Premium Tax	Occupational Tax	Sanitation	Other Taxes	Total
1999	$ 1,056	$ 109 (2)	$ 64 (2)	$ 50 (2)	$ 178	$ 14 (2)	$ 1,471
2000	1,279	132 (2)	78 (2)	60 (2)	255	17 (2)	1,821
2001	1,225	117 (2)	69 (2)	53 (2)	189	16 (2)	1,669
2002	1,305	168 (2)	99 (2)	77 (2)	255	22 (2)	1,926
2003	1,323	152 (2)	89 (2)	69 (2)	258	20 (2)	1,911
2004	1,437	170 (2)	100 (2)	77 (2)	292	22 (2)	2,098
2005	1,371	161 (2)	94 (2)	73 (2)	287	20 (2)	2,006
2006	1,604	232	137	106	293	26	2,398
2007	1,741 (3)	225	143	94	296	41	2,540
2008	1,624	96	446		304	47	2,517

Notes:

(1) Property taxes include auto ad valorem taxes.

(2) During these years, amounts were reported as either gross receipts or other taxes. Amounts modified based on allocation and total taxes noted during each of these years per previous financial reports as actual amounts are not readily available.

(3) Property taxes higher in current year than in previous years due to increase in millage rates.

CITY OF AVONDALE ESTATES, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST TEN YEARS
(amounts expressed in thousands)

Year	Assessed Value				Less:				Assessed Value
	Real Property	Public Utility	Personal Property	Motor Vehicle	Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	as a Percentage of Actual Value
1999	$ 86,125	$ 750	$ 5,890	$ 8,040	$ 2,937	$ 97,868	11.500	$ 244,669	40.00%
2000	94,902	824	3,919	9,992	3,210	106,427	10.500	266,068	40.00%
2001	111,291	792	4,181	8,942	3,489	121,717	10.500	304,292	40.00%
2002	115,953	774	3,798	8,812	3,597	125,740	10.500	314,350	40.00%
2003	125,381	752	1,767	8,918	3,827	132,991	9.800	332,478	40.00%
2004	132,441	719	1,634	8,948	4,028	139,714	9.800	349,285	40.00%
2005	136,325	735	1,511	8,359	4,005	142,925	9.995	357,312	40.00%
2006	148,199	768	1,556	8,473	4,456	154,540	10.100	386,351	40.00%
2007	150,819	867	1,776	9,199	4,140	158,521	11.000	396,303	40.00%
2008	153,202	852	2,542	8,929	3,969	161,556	11.000	396,303	40.77%

Source: Dekalb County, Georgia Board of Tax Assessors

CITY OF AVONDALE ESTATES, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(Per $1000 of Assessed Value)
LAST TEN YEARS

Calendar Year	City of Avondale Estates, Georgia			Dekalb County	State	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage			
1999	11.500	0.000	11.500	37.76	0.25	49.510
2000	10.500	0.000	10.500	38.67	0.25	49.420
2001	10.500	0.000	10.500	36.50	0.25	47.250
2002	10.500	0.000	10.500	37.58	0.25	48.330
2003	9.800	0.000	9.800	38.01	0.25	48.060
2004	9.800	0.000	9.800	37.97	0.25	48.020
2005	9.9950	0.000	9.995	37.29	0.25	47.535
2006	10.100	0.000	10.100	37.41	0.25	47.760
2007	11.000	0.000	11.000	36.69	0.25	47.940
2008	11.000	0.000	11.000	39.05	0.25	50.300

Source: DeKalb County Tax Commissioners Office

CITY OF AVONDALE ESTATES, GEORGIA

PRINCIPAL TAXPAYERS
CURRENT AND ONE YEAR AGO
(amounts expressed in thousands)

	Year 2008			Year 2007 [1]		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Georgia Duck & Cordage Mill	$ 1,042	1	0.64%	$ 930	1	0.59%
Michael Plasker	715	2	0.44%	-		0.00%
KJA / Eckerd	549	3	0.34%	549	3	0.35%
Century AG Avondale LLC	446	4	0.28%	-		0.00%
Dave Ladet	360	5	0.22%	-		0.00%
Diane Mahaffey	358	6	0.22%	-		0.00%
Aaron I. Alembik	357	7	0.22%	-		0.00%
David Blanchard	337	8	0.21%	-		0.00%
Cheryl Buss	293	9	0.18%	-		0.00%
Kenneth Prichard	289	10	0.18%	-		0.00%
Twin Oaks	-		0.00%	715	2	0.45%
Avondale Independent Honda	-		0.00%	360	4	0.23%
Tudor Village	-		0.00%	357	5	0.23%
Coal Mountain Farms, LLC	-		0.00%	342	6	0.22%
James Joyce Irish Pub	-		0.00%	288	7	0.18%
Waffle House LLC	-		0.00%	264	8	0.17%
68 North Avondale LP	-		0.00%	246	9	0.16%
Godfather Vans	-		0.00%	243	10	0.15%
	$ 4,746		2.93%	$ 4,294		2.73%

Note:
(1) The City of Avondale Estates implemented GASB 44 during 2007.

Source: Dekalb County Tax Commissioners Office

CITY OF AVONDALE ESTATES, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
(amounts expressed in thousands)

Tax Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1999	$ 1,210	$ 1,195	98.8%	$ 15	$ 1,210	100.00%
2000	1,110	1,095	98.6%	15	1,110	100.00%
2001	1,185	1,182	99.7%	3	1,185	100.00%
2002	1,128	1,105	98.0%	22	1,127	99.91%
2003	1,134	1,117	98.5%	17	1,134	100.00%
2004	1,464	1,454	99.3%	10	1,464	100.00%
2005	1,468	1,463	99.7%	5	1,468	100.00%
2006	1,472	1,468	99.7%	4	1,472	100.00%
2007	1,514	1,492	98.5%	21	1,513	99.93%
2008	1,619	1,595	98.5%	-	1,595	98.52%

Source: DeKalb County Tax Commissioners Office

CITY OF AVONDALE ESTATES, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST SEVEN YEARS
(amounts expressed in thousands, except per capita amount)

	Governmental Activities			Business-type Activities				
Year	General Obligation Bonds	Certificates of Participation	Capital Leases	Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita (1)
2002	$ -	$ -	$ 89	$ -	$ -	$ 89	1.43%	33
2003	-	-	43	-	-	43	0.04%	16
2004	-	-	134	-	-	134	0.12%	51
2005	-	-	142	-	-	142	0.13%	54
2006	-	-	170	-	-	170	0.16%	68
2007	-	-	112	-	-	112	0.10%	42
2008	-	-	66	-	-	66	0.06%	25

(1) See the Demographic and Economic Statistics for personal income and population data.
Note: The City had no debt outstanding in the years 1999-2001

CITY OF AVONDALE ESTATES, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
(amounts expressed in thousands)

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Avondale Estates (1)	Amount Applicable to City of Avondale Estates
Overlapping General Obligation Debt:			
Dekalb County	$ 373,356	0.634%	$ 2,420
Fulton Dekalb Hospital Authority	222,671	0.634%	1,443
Total overlapping debt	596,027		3,863
City direct debt	-	100.000%	-
Total direct and overlapping debt	$ 596,027		$ 3,863

Source: Assessed value data used to estimate applicable percentages provided by the Dekalb County Tax Assessors Office. Debt outstanding data provided by Dekalb County Finance Department.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Avondale Estates, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF AVONDALE ESTATES, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN CALENDAR YEARS
(amounts expressed in thousands)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt Limit	$ 10,080	$ 10,964	$ 12,521	$ 12,934	$ 13,682	$ 14,374	$ 14,693	$ 15,900	$ 16,266	$ 16,553
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 10,080	$ 10,964	$ 12,521	$ 12,934	$ 13,682	$ 14,374	$ 14,693	$ 15,900	$ 16,266	$ 16,553
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2008	
Assessed Value	$161,556
Add back: exempt real property	3,969
Total assessed value	165,525
Debt limit (10% of total assessed value)	16,553
Legal debt margin	$ 16,553

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value. The City currently has no outstanding general obligation debt.

The City did not have any general obligation debt outstanding prior to year 2007.

CITY OF AVONDALE ESTATES, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population[1]	Personal Income (in thousands)	Per Capita Personal Income[1]	Median Age[1]	Percentage of Population Age 25 and Older with Greater than 12 Years of Formal Schooling[3]	School Enrollment[2]	Unemployment Rate[4]
1999	2,544	$ 61,252	$ 24	N/A	N/A	228	3.7%
2000	2,609	111,156	43	42.9	N/A	428	3.3%
2001	2,724	116,056	43	42.9	N/A	428	4.1%
2002	2,724	116,056	43	42.9	N/A	428	5.7%
2003	2,724	116,056	43	42.9	N/A	428	4.5%
2004	2,627	111,923	43	42.9	N/A	428	5.2%
2005	2,627	111,923	43	42.9	N/A	428	6.1%
2006	2,506	106,768	43	42.9	N/A	428	4.7%
2007	2,648	112,818	43	42.9	67%	415	4.6%
2008	2,648	112,818	43	42.9	67%	450	7.7%

(1) Source: U.S. Census (available every tenth year)
(2) Source: Dekalb County School System (Avondale Elementary School)
(3) Source: U.S. Census and Department of Community Affairs
(4) Source: Georgia Department of Labor

CITY OF AVONDALE ESTATES, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General government	5	4	4	4	4	4	4	4	7	7
Public safety										
Police										
Officers	12	10	10	10	10	8	8	8	6	6
Civilians	13	18	18	18	18	18	19	18	18	18
Public Works										
Culture & Recreation	6	4	4	4	4	4	4	4	3	2
Total	36	36	36	36	36	34	35	34	34	33

Source: City of Avondale Estates department records.

CITY OF AVONDALE ESTATES, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Police										
Homicide	-	-	-	-	1	-	-	-	-	-
Robbery	4	3	4	-	2	2	1	1	8	1
Aggravated Assault	7	8	-	1	3	-	-	1	-	1
Auto Theft	5	6	12	1	10	8	10	4	9	8
Burglary	21	24	15	3	10	22	13	31	26	24
Larceny Theft	106	75	33	18	62	46	49	50	50	61
Municipal Court				33						
Traffic Citations Issued	3,062	2,065	1,134	N/A	1,879	N/A	2,190	2,689	3,062	2,811

Source: City of Avondale Estates Departments

N/A - Information not available

Note: Fluctuations experienced in traffic violations from year to year result from the number of officers on the streets during these periods.

CITY OF AVONDALE ESTATES, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN YEARS

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units *	1	1	-	1	2	-	-	-	-	-
Public Works										
Streets (miles)	18	18	18	18	18	18	18	18	18	18
Number of Street Lights	363	363	372	372	372	372	372	354	354	354
Collection Trucks *	-	-	1	-	-	-	-	-	-	-
Dump Trucks *	-	-	-	1	1	-	-	-	-	-
Street Sweeper	-	-	-	-	1	-	-	-	-	-

* Currently Under Capital Lease

Source: Various City departments

Note: Capital asset indicators are not available for the general government function.

(THIS PAGE INTENTIONALLY LEFT BLANK)