Comprehensive Annual Financial Report

DeKalb County, Georgia

Year Ended December 31, 2010

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEKALB COUNTY, GEORGIA

YEAR ENDED DECEMBER 31, 2010

Prepared by:

Department of Finance

DEKALB COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2010

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INTRODUCTORY SECTION

LETTER OF TRANSMITTAL
CERTIFICATE OF ACHIEVEMENT
ORGANIZATIONAL CHART
PRINCIPAL OFFICIALS

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

September 1, 2011

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

The Comprehensive Annual Financial Report (CAFR) of DeKalb County, Georgia, (DeKalb or the County) for the fiscal year ended December 31, 2010 is submitted herewith. This report is prepared in accordance with the requirements of the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved April 21, 1967 (Ga. Laws 1967, p. 883) as amended by an Act approved March 28, 1968 (Ga. Laws 1968, p. 464).

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

The County's financial statements have been audited by KPMG LLP, licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2010, are fairly presented in all material respects, in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

DeKalb County is an urban county providing a full range of services to 691,893 citizens. Included in these services are traditional county functions such as road maintenance and court-related activities, as well as a number of municipal services such as police, fire, solid waste collection and disposal, and water and sewer. There are ten incorporated municipalities within the County, including a portion of the City of Atlanta. The City of Dunwoody was created effective December 1, 2008. Those municipalities comprise approximately 18% of the total population of the County, and provide services to their citizens in varying degrees. Selected county demographic information is provided in the statistical section of this report.

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

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

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

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

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

Factors Affecting Financial Condition

Property tax income remained static reflecting a 4.4% decrease from 2009. At the end of 2010, the County's sales tax receipts increased by 3% compared to 2009. The number of new construction permits decreased by 34% with nearly $754,000,000 in construction value on building permits issued. The County's annual unemployment rate of 10.2% for 2010 compared to 7.7% in 2009. In accordance with the Homestead Option Sales Tax, the County has granted a homestead exemption on operating levies of 56.6% in both 2010 and 2009. Revenue from business related fees and taxes (hotel/motel, alcoholic beverage, business licenses and building permits) declined by $5,282,435 (17.0%) during 2010 compared to 2009.

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

For 2010, there was a decrease in the major governmental, tax-supported budgets of 6.0%. The General Fund Balance at year-end was a deficit of ($33,768,000) , an increase in the deficit of $9,351,000 from the previous year.

On December 1, 2008 the City of Dunwoody was created. The population of Dunwoody represents approximately 6.7 percent of the County, and the property tax digest in Dunwoody represents 11.9 percent of the County. Beginning in 2009, Dunwoody taxpayers did not pay for special district services such as Parks and Recreation, Police and Roads and Drainage. Intergovernmental agreements have been approved including one for Police services for a short term transition period. The County's revenue was impacted by the loss of business registration fees, excise taxes and fines in Dunwoody estimated to be $18 million per year. The 2009 County Budget was adjusted accordingly.

Pursuant to State law, the County has received a Homeowners Tax Relief Grant each year based upon the number of homesteads. The County received the grant in 2009 for 2008, after which it may be granted only under favorable economic conditions. The County received $16 million from this grant in 2008.

On March 18, 1997, the voters of the County approved a permanent one-percent Homestead Option Sales Tax (HOST), to be effective July 1, 1997. In 2010, 97.3% of this sales tax was used to reduce property taxes (in the form of a homestead exemption credit) collected for County operations (including General Government, Fire Protection, Hospital Services and Special District Services) from homestead properties. In 2010, $2.4 million was dedicated to capital outlay (infrastructure) projects from HOST funds.

In response to the rising cost of personnel, the County offered an early retirement incentive program in April, 2010. As a result, 843 employees retired, the vast majority as of May 31, 2010, and the refilling of these vacated positions will be mainly in the areas of sworn public safety. The County will realize an annual reduction in salaries and benefits of approximately $30 million in 2011. This reduced the 2010 and will reduce the 2011 budget requirements and allow for the adequate funding of pension obligations. The County's 2009 and 2010 budgets established unpaid days for employees for one day in 2009 and seven days in 2010 to reduce expenses.

Cash management policies and practices

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

Risk Management and Employee Services

DeKalb County has a Risk Management and Employee Services Division within its Finance Department. The focus of this office is to minimize loss to the County through data analysis and loss prevention programs, and to administer the County's surety, liability, and employee group insurance programs including workers' compensation. The number of workers' compensation claims decreased from 859 in 2009 to 844 in 2010, and the lost work days per 1,000 employees remains below national levels.

Pension and other post employment benefits

The County sponsors a single-employer two-tiered defined benefit pension plan for all County employees. Each year, an independent actuary engaged by the Pension Board calculates the amount of the annual contribution that the County must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As of April 1, 2010, the date of the last actuarial report, the County's pension plan had funded 68% of the actuarial accrued liability of the plan. Effective September 1, 2005, new employees are covered by pension benefits that have been scaled back. Contribution rates from the employer and employees have been increased since 2004 to maintain adequate funding levels.

The County currently offers to provide post employment health and life insurance benefits for all retirees. These benefits are financed on a pay-as-you-go basis. The County implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (OPEB) in fiscal year 2007. GASB Statement No. 45 establishes standards for the measurement, recognition and display of OPEB expense/expenditures and related liabilities (assets). GASB Statement No. 45 requires the financial reports of governments to provide a systematic, accrual-basis measurement of the annual OPEB cost. For 2010, the OPEB liability was increased by $111,950,000 in the governmental funds, and $37,909,000 in the business-type funds.

The County has determined the need for a prior period adjustment to restate beginning net assets for the government-wide statements and for certain enterprise and internal service funds. In 2007, the County adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions,* which required the County to accrue these liabilities over a period of 30 years. As of December 31, 2009 and 2008, the County had not been accumulating the appropriate liability amount in its financial statements. See footnote #2 for additional disclosures.

Awards

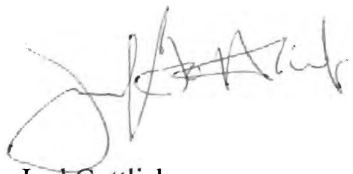
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeKalb County for its comprehensive annual financial report for the fiscal year ended December 31, 2009. This was the 35th consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,



Joel Gottlieb
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

DeKalb County

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

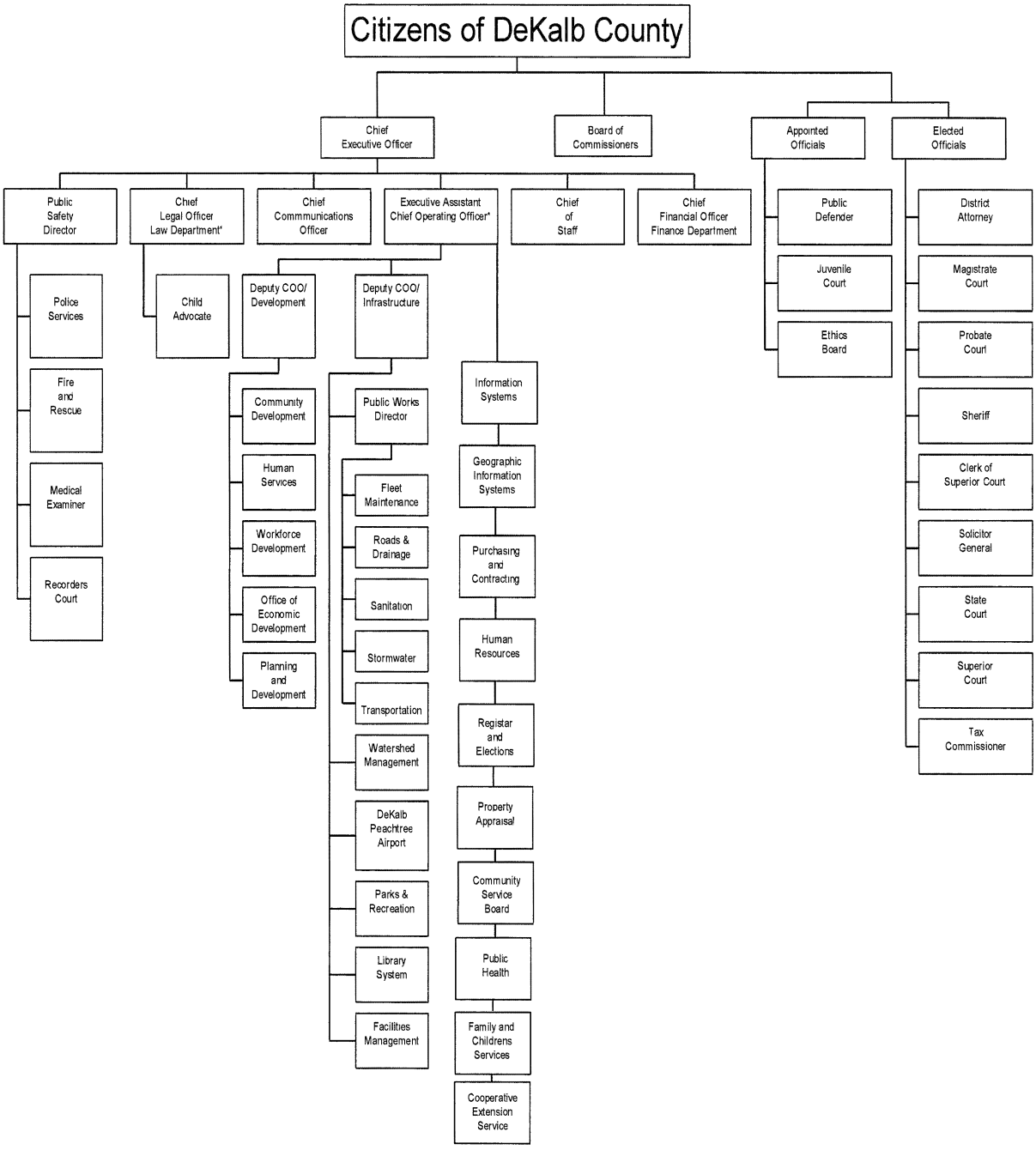
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

DEKALB COUNTY ORGANIZATIONAL CHART



*These positions are a dual report to the Board of Comissioners.



FINANCIAL SECTION

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

KPMG LLP
Suite 2000
303 Peachtree Street, N.E.
Atlanta, GA 30308-3210

Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Georgia (the County) as of and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the DeKalb County Board of Health and the DeKalb County Public Library, which collectively represent all of the County's aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the DeKalb County Board of Health and the DeKalb County Public Library is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Georgia as of December 31, 2010, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Special Tax District – Designated Services Fund and the Special Tax District – Unincorporated Fund for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in note 2 to the financial statements, net assets of the governmental activities, the business-type activities, watershed management fund, sanitation fund and the aggregate remaining fund information as of December 31, 2009 have been restated to correct a misstatement from the County's previously issued financial statements.

As described in note 17 to the accompanying financial statements, the County has certain risks associated with deficits in its general fund and certain major funds and aggregate remaining fund information at December 31, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated August 17, 2011 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

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

KPMG LLP

September 1, 2011

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

As management of DeKalb County (DeKalb or the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2010.

Financial Highlights

The assets of the County exceeded its liabilities at the close of the fiscal year by $1,636,017,000 (*net assets*). There are negative unrestricted assets of ($385,524,000) as all net assets are currently restricted to debt, capital assets and capital projects.

The County's total net assets decreased by $84,974,000 during 2010. While the decline in revenue exceeded the decline in expenses, this was offset by a larger growth in capital assets. Governmental activities' net assets decreased by $116,508,000. Business-type funds experienced a increase in net assets of $31,534,000.

As of the close of the fiscal year, the County's governmental funds reported combined ending fund balances of $142,093,000, a decrease of $39,936,000 over the previous year. The decrease was due to revenue declines across the board and expenditures on capital projects. Fund balances in the General Fund and the combined Special Revenue Funds decreased while the combined Debt Service Funds experienced increases.

At the close of the fiscal year, unreserved fund balance for the General Fund was a negative ($33,769,000).

The County acknowledges the urgency and criticality of reversing the trend of negative fund balances in certain funds, particularly the General Fund, and building back adequate reserves. The current General Fund deficit poses significant liquidity risk and potentially could increase the cost of any new bond issuances, and a reduction in services and service levels. The County currently limits its borrowings to fixed interest obligations for essential projects. In response, the County has implemented a number of major deficit reduction initiatives designed to reduce expenditures and increase revenues in 2011 and beyond.

In mid-2010, the County offered early retirement incentives to 1,200 eligible employees, resulting in 843 employees opting for early retirement and a reduction in annual salaries totaling more than $30 million. In addition, the County's liability for unused vacation related to these employees was reduced and paid out by the Pension Fund. The Board of Commissioners eliminated all vacated positions, and authorized primarily the re-creation of certain critical public safety and business type activity positions. The County also implemented changes to the employee insurance programs to limit the growing cost of health insurance; this effort is on-going and is expected to continue to result in significant cost reductions. As a part of the 2010 budget, seven unpaid holidays were implemented, four of which were converted to furlough days. The County maintains absolute funds checking to mitigate the risk of unauthorized over-spending, and the CEO continues to direct activities under his office's control to eliminate unnecessary expenditures.

In mid-2010, the CEO and Board of Commissioners established a Revenue Enhancement Commission consisting of business representatives and community leaders. The Commission made its recommendations for new and enhanced revenues with potential increases in business registration fees, identifying under-reported property values, and other revenue streams. House Bill 1221, adopted by the General Assembly in 2010, amended the application of the Homestead Option Sates Tax to include food items effective January 1, 2011. This amendment will potentially increase revenues by more than $10 million annually. Other adopted State legislation will increase fees charged by various courts starting in 2011. The County has devoted considerable attention to increasing revenues by the reduction of unpaid traffic fines, and implementing a paperless citation procedure and other court measures to streamline collections.

In the event that the deficit reduction initiatives described were to fall short of anticipated results, the County would evaluate other available options including additional tax levies.

The County's total debt relative to governmental activities decreased by $24,459,000 during the fiscal year due to bond and capital lease retirement. In 2010, the County issued $7,945,000 in new governmental revenue bonds for the acquisition, construction, renovation, and equipping of certain projects. The County also issued $28,400,000 in new Water and Sewer revenue bonds for the acquiring, constructing, installing, and equipping certain additions, extensions, and improvements to the System. The County did not enter into any additional capital lease agreements.

The County has determined the need for a prior period adjustment to restate beginning net assets for the government-wide statements and for certain proprietary and internal service funds and fund balance of the other aggregate remaining fund information. In 2007, the County adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pension*, which provisions required the County to accrue these liabilities over a period of 30 years. As of December 31, 2009 and 2008, the County had not been accumulating the appropriate liability amount in its financial statements. See footnote #2 for additional disclosures.

Overview of the Financial Statements

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

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

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

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

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

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

The government-wide financial statements can be found on pages F16-F17 of this report.

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

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

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

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

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

Proprietary funds. The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses *enterprise funds* to account for its watershed system fund, sanitation fund, DeKalb Peachtree Airport fund, and stormwater utility fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its vehicle maintenance fund, vehicle replacement fund, and risk management fund. Because the risk management fund predominantly benefits governmental activities rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. Because the vehicle maintenance fund and vehicle replacement fund predominantly benefit business-type functions rather than governmental, they have been included within business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the watershed system fund and the sanitation fund. The DeKalb Peachtree Airport fund and stormwater utility fund are combined into a single aggregated presentation. Conversely, all three internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages F25-F27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages F28-F29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages F32-F56 of this report.

Government-wide Financial Analysis

In the government-wide financial statements, all of the activities of the County, aside from its discretely presented component units, are considered either governmental or business-type activities. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, government-wide assets exceeded liabilities by $1,636,017,000 at the close of the fiscal year.

The basic financial statements include a reconciliation between the fiscal year 2010 governmental funds statement of revenues, expenditures, and changes in fund balances which reports a decrease of $40 million in fund balances and the $117 million decrease in net assets reported in the government-wide statement of activities, a difference of $77 million.

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

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

An additional portion of the County's net assets (6%) represent resources that are subject to external restrictions on how they may be used. The remaining negative balance of unrestricted net assets ($386 million) results since all are restricted to capital or other legal restrictions. As background from 2009 to 2010, there was a decrease in the County's unrestricted net assets due to the County's implementation of GASB Statement No. 45 which required the accrual of liabilities associated with OPEB costs totaling $149,859,000 in 2010 and $138,028,000 in 2009. The County will reevaluate the impact of OPEB costs for fiscal year 2011.

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

DeKalb County's Net Assets
December 31, 2010 and 2009
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2010	2009 (restated)	2010	2009 (restated)	2010	2009 (restated)
Current and other assets	$ 289,540	$ 335,875	$ 238,962	$ 212,589	$ 528,502	$ 548,464
Capital assets	1,328,301	1,307,585	1,410,656	1,390,021	2,738,957	2,697,606
Total assets	$ 1,617,841	$ 1,643,460	$ 1,649,618	$ 1,602,610	$ 3,267,459	$ 3,246,070
Long-term liabilities (other than OPEB)	$ 443,691	$ 452,914	$ 579,513	$ 555,162	$ 1,023,204	$ 1,008,076
OPEB long-term liabilities (2009 as restated)	349,427	237,477	111,472	73,563	460,899	311,040
Other liabilities	132,976	144,814	14,363	61,149	147,339	205,963
Total liabilities	$ 926,094	$ 835,205	$ 705,348	$ 689,874	$ 1,631,442	$ 1,525,079
Net assets:						
Capital assets, net of related debt	$ 1,015,406	$ 996,928	$ 914,991	$ 906,295	$ 1,930,397	$ 1,903,223
Restricted	87,196	40,306	3,948	68,357	91,144	108,663
Unrestricted (2009 as restated)	(410,855)	(228,979)	25,331	(61,916)	(385,524)	(290,895)
Total net assets	$ 691,747	$ 808,255	$ 944,270	$ 912,736	$ 1,636,017	$ 1,720,991

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

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

Components of DeKalb County's Governmental Net Assets
December 31, 2010 and 2009
(in thousands of dollars)

	Governmental Activities	
	2010	2009 (restated)
Net Assets Invested in Capital Assets, net of related debt	$ 1,015,406	$ 996,928
Net Assets restricted for:		
Debt service	13,096	6,756
Public safety	43,477	-
Capital projects	22,671	32,459
Other purposes	7,952	1,091
Total restricted net assets	87,196	40,306
Unrestricted Net Assets (Deficit)		
Unrestricted in governmental funds	(54,755)	(20,563)
Unrestricted in internal service funds	(731)	8,609
Unearned revenue accruals	4,774	37,525
Certain long-term obligations that do not require current funding:		
OPEB obligation (2009 as restated)	(349,427)	(237,477)
Pension asset	22,688	24,947
Compensated absences	(32,104)	(36,260)
Deferred debt issuance costs	-	(5,275)
Claims and judgments	(1,300)	(485)
Total unrestricted net assets (deficit)	(410,855)	(228,979)
Total Net Assets	$ 691,747	$ 808,255

DeKalb County's Changes in Net Assets
For the Years Ended December 31, 2010 and 2009
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2010	2009 (restated)	2010	2009 (restated)	2010	2009 (restated)
Revenues:						
Program revenues:						
Charges for services	$ 100,166	$ 110,349	$ 282,967	$ 254,538	$ 383,133	$ 364,887
Operating grants and contributions	40,224	26,258	-	-	40,224	26,258
Capital grants and contributions	15,503	13,666	740	1,499	16,243	15,165
General revenues:						
Property taxes	259,848	260,984	-	-	259,848	260,984
Sales taxes	88,622	86,978	-	-	88,622	86,978
Other taxes	71,711	75,444	-	-	71,711	75,444
Grants not restricted to specific programs	-	18,182	-	-	-	18,182
Other	8,494	8,601	158	465	8,652	9,066
Total revenues	584,568	600,462	283,865	256,502	868,433	856,964
Expenses:						
General government	123,999	126,143	-	-	123,999	126,143
Public safety	220,431	231,146	-	-	220,431	231,146
Civil and criminal court system	178,462	181,022	-	-	178,462	181,022
Planning and development	2,063	2,709	-	-	2,063	2,709
Public works	48,529	53,220	-	-	48,529	53,220
Human services and community development	30,757	9,091	-	-	30,757	9,091
Parks and recreation	22,576	26,107	-	-	22,576	26,107
Library	16,919	13,510	-	-	16,919	13,510
Health and welfare	41,473	42,753	-	-	41,473	42,753
Interest on long-term debt	21,459	22,834	-	-	21,459	22,834
Bond issuance expense	-	221	-	-	-	221
Water	-	-	69,771	86,212	69,771	86,212
Sewer	-	-	88,800	109,776	88,800	109,776
Stormwater utility	-	-	12,978	13,054	12,978	13,054
Sanitation	-	-	70,977	68,798	70,977	68,798
Airport	-	-	4,213	4,147	4,213	4,147
Total expenses	706,668	708,756	246,739	281,987	953,407	990,743
Change in net assets before transfers	(122,100)	(108,294)	37,126	(25,485)	(84,974)	(133,779)
Transfers	5,592	1,300	(5,592)	(1,300)	-	-
Change in net assets	(116,508)	(106,994)	31,534	(26,785)	(84,974)	(133,779)
Net assets - beginning as restated (see footnote 2)	808,255	915,249	912,736	939,521	1,720,991	1,854,770
Net assets - ending	$ 691,747	$ 808,255	$ 944,270	$ 912,736	$ 1,636,017	$ 1,720,991

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

GASB Statement No. 45 requires the financial reports of governments to provide a systematic, accrual-basis measurement of an annual OPEB cost. The following schedule displays the effect of GASB Statement No. 45 expenses as they appear in the Statement of Activities for the fiscal years 2010 and 2009.

Government-wide Expenses by Functions/Programs
For the Years Ended December 31, 2010 and 2009
(in thousands of dollars)

	2010			2009 (restated)		
Functions/Programs	Expenses per Statement of Activities	GASB 45 Expenses	Expenses excluding GASB 45	Expenses per Statement of Activities	GASB 45 Expenses	Expenses excluding GASB 45
Governmental:						
General government	$ 123,999	$ 21,995	$ 102,004	$ 126,143	$ 20,777	$ 105,366
Public safety	220,431	42,910	177,521	231,146	40,532	190,614
Civil and criminal court system	178,462	30,276	148,186	181,022	28,598	152,424
Planning and development	2,063	442	1,621	2,709	417	2,292
Public works	48,529	8,833	39,696	53,220	8,344	44,876
Human services and community development	30,757	2,403	28,354	9,091	2,269	6,822
Parks and recreation	22,576	5,091	17,485	26,107	4,809	21,298
Library	16,919	-	16,919	13,510	-	13,510
Health and welfare	41,473	-	41,473	42,753	-	42,753
Interest on long-term debt	21,459	-	21,459	22,834	-	22,834
Bond issuance expense	-	-	-	221	-	221
Total governmental expenses	706,668	111,950	594,718	708,756	105,746	603,010
Business-type:						
Water	69,771	10,190	59,581	86,212	8,841	77,371
Sewer	88,800	12,968	75,832	109,776	11,253	98,523
Stormwater utility	12,978	-	12,978	13,054	-	13,054
Sanitation	70,977	13,439	57,538	68,798	11,307	57,491
Airport	4,213	1,312	2,901	4,147	881	3,266
Total business-type expenses	246,739	37,909	208,830	281,987	32,282	249,705
Total expenses	$ 953,407	$ 149,859	$ 803,548	$ 990,743	$ 138,028	$ 852,715

Analysis of governmental activities

Net assets of the governmental activities of the County decreased by $116,508,000 in 2010. Property taxes accounted for 44% of the governmental activities revenues, sales taxes accounted for 15%, and charges for services accounted for an additional 17%. In 2010, operating grant revenue increased 53% or $13.9 million due primarily to an increase in revenue applied to Public Safety for homeland security and drug control related grants.

Charges for services and fines and forfeitures decreased in areas of Civil and Criminal Court System and Planning and Development. There was a $5.7 million decrease in revenue from the Recorders Court as the court had to write off old account receivables. New development was down, reducing permit fees. The County collected $1.6 million more in sales tax, a 1.9% increase. Property taxes declined by .4% as a result of lower assessments and significant volumes of foreclosure sales. Senate Bill #55 required consideration of foreclosure sales in setting assessments. House Bill #233 established a moratorium on reassessment increases for residential and commercial properties through 2011. Investment income increased nearly $6.3 million during 2010. Overall, total governmental activities revenue decreased by $15.8 million or 2.6%.

Public safety expenses accounted for 31% of governmental activities expenses during 2010 and were used for police, fire and rescue services. The civil and criminal court system accounted for an additional 25% of the total expenses during 2010 for governmental activities. General government expenses, which represented 17% of the total expenses for governmental activities, included the general administration of the County such as management of finances, information systems, human resources, and facilities management, as well as the executive and legislative functions of County government. Public works, which includes the management of roads and transportation networks of the County, accounted for 7% of the total expenses of the governmental activities during 2010.

Salaries and employee benefits, which comprised 66% of the total governmental expenses in the tax funds, increased 1% during 2010. In an effort to reduce the impact of the economic downturn on the tax funds and property taxes, the County eliminated annual pay merit increases and unfunded one holiday. The County also reduced positions in Parks and Recreation, Public Works, and Planning and Development.

The County continued these cost saving measures into 2010 by unfunding seven holidays for employees. The County also offered employees meeting certain criteria, an early retirement incentive program estimated to generate 750 retirements to which achieved 843 retirements. The program credited employees with 2 additional years of service and reimbursed the employee for 1.5 times the accrued unused annual leave, up to a maximum of 480 hours.

Analysis of business-type activities

Charges for services accounted for 99% of business-type activities revenues during 2010. Water expenses accounted for 28% of business-type activities expenses, sewer expenses accounted for 36%, sanitation services accounted for 29%, the stormwater utility program accounted for 5%, and the DeKalb Peachtree Airport accounted for 2% of expenses during 2010.

The Watershed System's metered sales increased by 16% in 2010 due to a phased in increase in rates and charges. Capital donations which comprise developer assessments, impact and tap fees, decreased 84% due to the continued downturn in residential and commercial development. In all, capital donations have declined $759,000 or 51%.

The DeKalb County Board of Commissioners increased overall water and sewer rates effective 2008, to be phased in over the subsequent 3 years. For the average residential customer, the rate change reflects an overall increase of 16% effective January, 2008, 16% effective January, 2009, 16% effective October, 2009 , and 16% effective 2011.

Total Watershed operating expenses decreased 8% and revenue including capital donations increased 11.4% from 2009 levels. The overall result was a $36.6 million increase in net assets during 2010.

Sanitation revenues decreased $1.6 million from 2009. Revenue in 2010 was lower due to a major write off of receivables deemed uncollectible. Sanitation held down costs by reducing new vehicle acquisition and a reduction in replacement of older vehicles. In sanitation, net assets decreased $5.4 million during 2010.

Airport revenues increased by $1.7 million from 2009, while rental fees remained steady. This contributed to a smaller increase in net assets of only $2.6 million in 2010.

Stormwater utility revenue increased $1.6 million during 2010 due to a continuing decline in grant revenues from other governments. The stormwater fee generated an additional $6.4 million in 2010. These transactions contributed to a growth in net assets of $6 million during 2010.

Net assets for the business-type activities increased by $31.5 million from 2009, primarily due to an increase of revenue over expenses.

Analysis of the County's Funds.

Governmental Funds

As noted earlier, the focus of the County's governmental fund statements is to provide information on near-term inflows, outflows, and balances of resources available to spend. In its general and special revenue funds, the County reported combined ending fund balance of negative ($28,131,000) a increase of $8,659,000 from the prior year. Additionally, the governmental funds include the debt service and capital project funds with a total fund balance of $170,224,000 which will be spent on outstanding debt and capital projects of the County. The 2006 Transportation, Parks and Libraries Bonds Fund represents 63% of this fund balance. In 2010 this Fund expended 22% of its prior year ending fund balance.

The General Fund is the chief operating fund of the County. The unreserved, undesignated fund balance of the general fund was negative ($33,769,000) as of December 31, 2010.

The fund balance deficit in the General Fund as of December 31, 2010 increased by $9,351,000 from the prior year. The fund balances deficits of the Special Tax District – Unincorporated Fund and the Special Tax District - Designated Services Fund at December 31, 2010 were also negative, ($8,309,000) and ($92,000), respectively. The increases in the deficits were attributable to expenditures exceeding revenues.

As a result, the County has taken significant steps to reduce the size of its workforce and therefore, lowering future operating expenditures by an annualized $30 million discussed on page F2.

The reduction in fund balance of the 2006 Transportation, Parks, and Libraries Bond Fund during 2010, a decrease of $23,381,000, was directly in proportion to the amount spent on capital projects for which the fund was established, less the interest earned on funds waiting to be spent. Significant progress was made on the construction of three new and five replacement libraries during 2010.

Proprietary Funds

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

The County's proprietary funds report the activities of the watershed, sanitation, airport, and stormwater utility services within the County and report the same level of activity, with an overall increase in net assets of $40,143,000 during 2010, as part of the business-type activities described earlier. A staged rate increase from 2008-2011 is intended to double revenues over that period. The increase is anticipated to facilitate an expanded capital improvement program geared primarily towards sewer treatment facility improvements. The Watershed System reports unrestricted net assets 30,215,000 as its net assets are all currently restricted to debt, capital assets, and capital projects.

The Sanitation Fund's net assets decreased by $5,468,000 during 2010 as expenses exceeded revenues for the year.

The DeKalb Peachtree Airport had an increase in net assets totaling $2,672,000 as a result of revenues exceeding expenditures. Rental income was steady and expenses experienced a small decrease.

The Stormwater Utility Fund's assets increased $6,302,000 during 2010. Revenues exceeded expenses but were down from 2009 due to a reduction in grant funding from the Georgia Emergency Management Agency.

General Fund Budgetary Highlights

Overall, General Fund revenue decreased $19,604,000 from 2009 levels. While sales tax overall declined, the portion deposited in the General Fund increased by $1 million. County-wide sales taxes were down $1.6 million or 2% attributable to the continuing economic recession. While property taxes overall decreased modestly by 0.4%, the portion deposited in the General Fund decreased $8.2 million.

There were no significant changes between the original and final amended revenue budgets during 2010. All departments were directed to reduce expenditures to match the anticipated revenue shortfalls. Each department's budget was reduced accordingly. Elimination of merit increases, unfunding an employee holiday and a freeze on new hires helped reduce personal services and employee benefits costs by $6 million in the General Fund.

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

The Office of Information Systems incurred expenditures significantly less than budget due to a reduction of maintenance and repair services contracts. Purchases of new equipment were also delayed. The Police Department also reduced maintenance and repair services contracts and supplies, resulting in a significant budgetary savings. The non-departmental expenses differs significantly from the final budget each year due to an unexpended budgetary reserve.

Capital Assets

The County's investment in capital assets as of year-end amounts to $2,738,957,000 (net of accumulated depreciation). The investment in capital assets includes land, land improvements, buildings, plants, infrastructure, vehicles and portable equipment, other equipment, leaseholds, and construction in progress. The County continued to purchase land in 2010 under the Greenspace Program and the 2006 General Obligation Bond program, adding $1.5 million in land assets. Governmental infrastructure assets decreased by $3.1 million relating to roads, sidewalks, and drainage improvements funded by the same general obligation bonds. Construction in progress related to governmental activities increased $36 million during 2010.

The Watershed System placed into service a new 150 million gallon a day (MGD) water filtration treatment plant at a total construction cost of $174 million. In 2009 construction was completed on the Chattahoochee River Raw Water Intake Pump Station. The additional raw water transmission lines linking Intake Pump Station to the new plant are under construction. Readers should refer to note 5 of the financial statements for more information on capital asset activity.

Capital asset balances at year-end are as follows:

Capital Assets
December 31, 2010 and 2009
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	$ 229,803	$ 234,865	$ 53,814	$ 42,428	$ 283,617	$ 277,293
Land improvements	24,001	24,891	157,917	137,315	181,918	162,206
Buildings	284,978	289,711	4,071	3,664	289,049	293,375
Plants	-	-	257,802	257,490	257,802	257,490
Infrastructure	514,078	517,212	527,420	535,188	1,041,498	1,052,400
Vehicles and portable equipment	-	-	38,949	54,264	38,949	54,264
Other equipment	19,614	21,565	32,717	36,474	52,331	58,039
Leaseholds	-	-	127,986	131,460	127,986	131,460
Construction in progress	255,827	219,341	209,980	191,738	465,807	411,079
Total	$ 1,328,301	$ 1,307,585	$ 1,410,656	$ 1,390,021	$ 2,738,957	$ 2,697,606

Debt Administration

DeKalb County's financial condition is measured by the current ratings of its bonds as of December 31, 2010:

	Moody's Investors Service	Standard and Poor's
General obligation	Aa3	AAA
Refunded general obligation	Aa3	AAA
Water and sewerage system revenue	Aa1	AA+
Refunded water and sewerage system revenue	Aa3	AA+
Certificates of participation	Aa2	AA+

Subsequent to year end, Standard & Poor's downgraded and withdrew their ratings. Moody's Investors Service has placed the GL debt on Credit Watch Negative. The County continues to provide financial information to the rating agencies to restore the ratings.

On a budget basis, $25,440,000 of general obligation bonds were retired during the year. The County's gross principal amount, less debt retirement funds available on general obligation debt at year-end was $319,868,000. The constitutional debt limit for general obligation bonds is 10% of the assessed value of taxable property within the County. Based on current gross assessed property values of $25.6 billion, the County's net outstanding general obligation debt represented only 1.3% of gross assessed property values.

Outstanding Debt
December 31, 2010 and 2009
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	$ 331,305	$ 356,745	$ -	$ -	$ 331,305	$ 356,745
Certificates of participation	18,930	20,010	-	-	18,930	20,010
Revenue bonds	91,715	86,915	555,685	538,990	647,400	625,905
Capital leases payments	3,181	5,920	30	381	3,211	6,301
Total	$ 445,131	$ 469,590	$ 555,715	$ 539,371	$ 1,000,846	$ 1,008,961

In terms of bonded debt per capita, the net direct general obligation debt outstanding at year-end decreased as a result of debt retirement to $461.51 per capita, compared to $472.43 in the previous year. Total direct and overlapping debt applicable to the County at December 31, 2010 was $380,874,000, or $550.48 per capita. This compares to $566.63 at December 31, 2009. Details of direct and overlapping debt and legal debt margin are contained in the Statistical Section of this report.

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

Economic Factors and Next Year's Budgets and Rates

In accordance with the Homestead Option Sales Tax legislation, the County may allocate up to 20% of the previous year's receipts to capital outlay projects. In order to mitigate a potential tax burden, the 2010 Budget was adopted by the County providing for the use of only 2.7 percent, or $2.4 million, for capital outlay projects. As a result, the Homestead Exemption Credit in 2010 remained at 56.6%.

Primarily due to historically low home mortgage interest rates, the number of homestead properties in the County has increased from 125,000 in 1999 to 149,607 in 2009, or an increase of 19.7%. Population has increased from 610,000 in 1999 to 731,200 in 2009. Foreclosures and other economic conditions have new caused the population to be reduced to 691,000 in 2010 according to the US Census.

The City of Dunwoody was created effective December 1, 2008. The population of Dunwoody represents approximately 6.7 percent of the County, and the property tax digest in Dunwoody represents 11.9 percent of the County. Starting in 2009, Dunwoody property taxpayers did not pay for special district services such as Parks & Recreation, Roads & Drainage and Police protection. Intergovernmental agreements have been approved, including the provision of Police services on a short term transition period. The County's revenues will also be impacted by the loss of business registration fees, excise fees and fines.

Pursuant to State law, the County had received a Homeowners Tax Relief Grant each year based upon the number of homestead properties multiplied by $8,000 by the appropriate millage rates. The state withheld this grant in 2008 from all eligible governmental organizations. The County received the grant in 2009 for 2008, after which it may be granted only under favorable economic conditions. The County previously received approximately $16.3 million per year, but does not anticipate receiving this grant in the next few years.

In 2010, a homestead freeze was extended by DeKalb voters pursuant to state law. The freeze exemption will be in effect through 2016, unless extended. This allows homestead values to be frozen during this period for current owners. The revenue lost as a result of this legislation is approximately $4-5 million each year.

Requests for Information

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

DeKalb County, Georgia

Statement of Net Assets

December 31, 2010

(in thousands of dollars)

	Primary Government			
ASSETS	Governmental Activities	Business-type Activities	Total	Component Units
Cash and cash equivalents	$ 210,097	$ 108,057	$ 318,154	$ 6,042
Investments	-	-	-	805
Accounts receivable (net)	3,912	43,670	47,582	808
Taxes receivable (net)	45,586	-	45,586	-
Due from other governments	2,956	1,000	3,956	1,533
Due from others	-	-	-	-
Inventories and prepaid items	2,470	4,773	7,243	95
Deferred bond issuance costs	1,831	3,636	5,467	-
Restricted assets:				
Cash and cash equivalents	-	77,826	77,826	161
Net pension assets	22,688	-	22,688	-
Capital assets not being depreciated	485,630	263,794	749,424	-
Capital assets net of accumulated depreciation	842,671	1,146,862	1,989,533	1,240
Total assets	1,617,841	1,649,618	3,267,459	10,684
LIABILITIES				
Accounts payable	39,733	12,912	52,645	204
Accrued interest payable	3,099	-	3,099	-
Other accrued liabilities	5,003	1,090	6,093	-
Advanced payments and deposits	2,620	277	2,897	-
Due to other governments	-	5,781	5,781	1,098
Internal balances	27,253	(27,253)	-	-
Due to others	1,606	-	1,606	-
Unearned revenue	3,081	833	3,914	-
Liabilities payable from restricted assets:				
Accrued interest on revenue bonds	-	6,518	6,518	-
Due to others	-	902	902	-
Noncurrent liabilities:				
Due within one year	50,581	13,303	63,884	316
Due in more than one year	793,118	690,985	1,484,103	1,168
Total liabilities	926,094	705,348	1,631,442	2,786
NET ASSETS				
Invested in capital assets, net of related debt	1,015,406	914,991	1,930,397	1,211
Restricted for debt service	13,096	3,948	17,044	-
Restricted for public safety	43,477	-	43,477	-
Restricted for capital projects	22,671	-	22,671	161
Restricted for other purposes	7,952	-	7,952	-
Unrestricted (deficit)	(410,855)	25,331	(385,524)	6,526
Total net assets	$ 691,747	$ 944,270	$ 1,636,017	$ 7,898

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

DeKalb County, Georgia
Statement of Activities
For the Year Ended December 31, 2010
(in thousands of dollars)

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary government:								
Governmental activities:								
General government	$ 123,999	$ 21,716	$ 9,329	$ -	$ (92,954)	$ -	$ (92,954)	$ -
Public safety	220,431	20,951	1,789	-	(197,691)	-	(197,691)	-
Civil and criminal court system	178,462	44,818	1,294	4,311	(128,039)	-	(128,039)	-
Planning and development	2,063	3,822	-	-	1,759	-	1,759	-
Public works	48,529	5,355	(144)	10,918	(32,400)	-	(32,400)	-
Human and community development	30,757	-	23,279	-	(7,478)	-	(7,478)	-
Parks and recreation	22,576	3,118	694	200	(18,564)	-	(18,564)	-
Library	16,919	-	-	73	(16,846)	-	(16,846)	-
Health and welfare	41,473	386	3,983	-	(37,104)	-	(37,104)	-
Interest on long-term debt	21,459	-	-	-	(21,459)	-	(21,459)	-
Total governmental activities	706,668	100,166	40,224	15,503	(550,775)	-	(550,775)	-
Business-type activities:								
Water	69,771	84,110	-	326	-	14,665	14,665	-
Sewer	88,800	107,050	-	414	-	18,664	18,664	-
Sanitation	70,977	66,019	-	-	-	(4,958)	(4,958)	-
DeKalb Peachtree Airport	4,213	6,772	-	-	-	2,559	2,559	-
Stormwater	12,978	19,016	-	-	-	6,038	6,038	-
Total business-type activities	246,739	282,967	-	740	-	36,968	36,968	-
Total primary government	$ 953,407	$ 383,133	$ 40,224	$ 16,243	(550,775)	36,968	(513,807)	-
Component units:								
Board of health	31,012	11,226	14,035	-	-	-	-	(5,751)
Public library board	15,383	747	2	-	-	-	-	(14,634)
Total component units	$ 46,395	$ 11,973	$ 14,037	$ -	-	-	-	(20,385)
General revenues:								
Sales tax					88,622	-	88,622	-
Property tax					259,848	-	259,848	-
Motor vehicle tax					21,667	-	21,667	-
Hotel / motel tax					4,173	-	4,173	-
Alcoholic beverage tax					4,009	-	4,009	-
Insurance premium tax					24,669	-	24,669	-
Business license tax					17,193	-	17,193	-
Payments from primary government					-	-	-	17,463
Unrestricted investment earnings					8,494	158	8,652	20
Grants and contributions not restricted to specific programs					-	-	-	1,071
Miscellaneous					-	-	-	357
Transfers					5,592	(5,592)	-	-
Total general revenues and transfers					434,267	(5,434)	428,833	18,911
Change in net assets					(116,508)	31,534	(84,974)	(1,474)
Net assets - beginning as restated (see Note 2)					808,255	912,736	1,720,991	9,372
Net assets - ending					$ 691,747	$ 944,270	$ 1,636,017	$ 7,898

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

DeKalb County, Georgia
Governmental Funds
Balance Sheet
December 31, 2010
(in thousands of dollars)

ASSETS	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ -	$ -	$ 2,366	$ 88,995	$ 116,118	$ 207,479
Taxes receivable (net)	9,772	3,355	26,245	-	6,214	45,586
Accounts receivable (net)	979	1,119		-	1,814	3,912
Due from other governments	-	-	-	-	2,956	2,956
Due from other funds	177	-	-	-	-	177
Inventories and prepaid items	1	-	-	-	-	1
Total assets	$ 10,929	$ 4,474	$ 28,611	$ 88,995	$ 127,102	$ 260,111
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts and contracts payable	$ 16,511	$ 2,280	$ 788	$ 3,052	$ 11,057	$ 33,688
Other accrued liabilities	2,468	1,563	81	-	891	5,003
Advance payments and deposits	554	-	2,066	-	-	2,620
Due to other funds	19,953	7,300	-	-	9,534	36,787
Due to others	437	-	-	-	1,169	1,606
Unearned revenue	-	-	-	36	3,045	3,081
Deferred revenue	4,774	1,640	25,768	-	3,051	35,233
Total liabilities	44,697	12,783	28,703	3,088	28,747	118,018
Fund balances:						
Reserved for encumbrances	-	-	-	10,308	25,778	36,086
Reserved for inventories and prepaid items	1	-	-	-	-	1
Unreserved, reported in:						
General fund	(33,769)	-	-	-		(33,769)
Special revenue funds	-	(8,309)	(92)	-	9,050	649
Debt service funds	-	-	-	-	13,144	13,144
Capital projects funds	-	-	-	75,599	50,383	125,982
Total fund balances (deficit)	(33,768)	(8,309)	(92)	85,907	98,355	142,093
Total liabilities and fund balances (deficit)	$ 10,929	$ 4,474	$ 28,611	$ 88,995	$ 127,102	$ 260,111

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

DeKalb County, Georgia

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

December 31, 2010

Total fund balances for governmental funds		$ 142,093
Total net assets reported for governmental activities in the Statement of Net Assets differs from total fund balances for governmental funds because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		1,328,301
An internal service fund is used by management to charge the costs of risk management to individual funds. The assets and liabilities of the risk management fund have been allocated to the governmental activities on the Statement of Net Assets.		(731)
Some of the County's taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the governmental funds.		35,233
Deferred bond issuance cost is not recognized as an asset in the governmental funds.		1,831
Deferred loss on debt refunding is not recognized as an asset in the governmental funds.		1,649
Net pension assets is not recognized as an asset in the governmental funds.		22,688
Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the Statement of Net Assets.		
Accrued interest on bonds	$ (3,099)	
Capital lease payable	(3,181)	
Certificates of participation payable	(18,930)	
General obligation bonds payable	(331,305)	
Revenue bonds payable	(91,715)	
Unamortized premium on bonds payable	(8,256)	
Claims and judgments not accounted for in the internal service funds	(1,300)	
Net other postemployment benefits (OPEB) obligation	(349,427)	
Compensated absences	(32,104)	
Total long-term liabilities		(839,317)
Total net assets of governmental activities		$ 691,747

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

DeKalb County, Georgia
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)
For the Year Ended December 31, 2010
(in thousands of dollars)

REVENUES	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	2006 Transportation, Parks, and Libraries Bonds	Other Governmental Funds	Total Governmental Funds
Taxes	$ 199,089	$ 48,138	$ 48,079	$ -	$ 119,639	$ 414,945
Licenses and permits	156	994	16,984	-	3,726	21,860
Use of money and property	-	-	2	241	7,173	7,416
Intergovernmental	7,406	-	-	-	52,231	59,637
Fines and forfeitures	10,828	-	22,445	-	2,944	36,217
Charges for services	16,641	2,451	20	-	6,199	25,311
Miscellaneous	-	546	5	-	17,493	18,044
Total revenues	234,120	52,129	87,535	241	209,405	583,430
EXPENDITURES						
Current:						
General government	73,296	3,638	934	-	17,464	95,332
Public safety	13,594	95,055	1,810	-	64,026	174,485
Civil and criminal court system	134,102	-	3,482	-	3,167	140,751
Planning and development	875	-	862	-	-	1,737
Public works	338	16,804	-	-	6,849	23,991
Human and community development	-	-	-	-	24,593	24,593
Parks and recreation	-	15,220	-	-	1,557	16,777
Library	12,138	-	-	-	-	12,138
Health and welfare	11,200	-	-	-	29,340	40,540
Debt service:						
Principal	3,837	-	-	-	29,971	33,808
Interest	1,015	-	-	-	19,684	20,699
Bond issuance costs	-	-	-	-	63	63
Capital outlay:						
General government	-	-	-	-	18,458	18,458
Public safety	-	-	-	-	1,009	1,009
Civil and criminal court system	-	-	-	-	306	306
Public works	-	-	-	4,260	11,250	15,510
Parks and recreation	-	-	-	9,754	4,059	13,813
Library	-	-	-	9,608	-	9,608
Health and welfare	-	-	-	-	-	-
Total expenditures	250,395	130,717	7,088	23,622	231,796	643,618
Excess (deficiency) of revenues over expenditures	(16,275)	(78,588)	80,447	(23,381)	(22,391)	(60,188)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	-	7,945	7,945
Transfers in	15,417	76,218	-	-	11,163	102,798
Transfers out	(8,493)	(225)	(76,218)	-	(5,555)	(90,491)
Total other financing sources (uses)	6,924	75,993	(76,218)	-	13,553	20,252
Net change in fund balance	(9,351)	(2,595)	4,229	(23,381)	(8,838)	(39,936)
Fund balance (deficit) - beginning	(24,417)	(5,714)	(4,321)	109,288	107,193	182,029
Fund balance (deficit) - ending	$ (33,768)	$ (8,309)	$ (92)	$ 85,907	$ 98,355	$ 142,093

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

DeKalb County, Georgia
Reconciliation of Governmental Funds Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficit) to the Statement of Activities
For the Year Ended December 31, 2010
(in thousands of dollars)

Net change in fund balance (deficit) - Total Governmental Funds		$ (39,936)
The change in net assets reported for governmental activities in the Statement of Activities differs from net change in fund balance for total governmental funds because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and reported as depreciation expense over their estimated useful lives. This is the amount by which capital outlays ($54,863 net of $563 that was not capitalized due to capitalization thresholds) and donated infrastructure assets ($2,297) exceeded depreciation ($35,881) in the current period.		20,716
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Assets, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the related long-term liability in the Statement of Net Assets. This adjustment combines the net changes of the following:		
Bond sales	$ (7,945)	
Repayments of bonds	$ 29,665	
Amortization of bond issuance expense	(145)	
Amortization of premium on bond sales	1,007	
Amortization of loss on bond refunding	(363)	22,219
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when it is due, rather than as it accrues. This adjustment combines the net changes of the following:		
Net pension asset	$ (2,259)	
Net other postemployment benefits (OPEB) obligations	(111,950)	
Claims and judgments	(815)	
Compensated absences	4,156	
Capital leases	2,739	
Accrued interest on bonds	276	(107,853)
Deferred revenue in governmental funds is susceptible to full accrual on the Statement of Activities.		(2,514)
An internal service fund is used by management to charge the costs of risk management to individual funds. The net revenue of the risk management fund is reported within governmental activities.		(9,140)
Change in net assets of governmental activities		$ (116,508)

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

DeKalb County, Georgia
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended December 31, 2010
Non-GAAP Budget Basis (in thousands of dollars)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:				
Property taxes	$ 145,280	$ 154,402	$ 138,618	$ (15,784)
Sales taxes	52,800	52,800	53,504	704
Other taxes	35,692	6,648	6,472	(176)
Licenses and permits	-	155	156	1
Intergovernmental	4,253	4,392	5,725	1,333
Charges for services	11,357	31,738	25,569	(6,169)
Fines and forfeitures	12,311	12,311	11,082	(1,229)
Investment income	466	384	(8)	(392)
Miscellaneous	3,729	3,694	(6,883)	(10,577)
Total revenues	265,888	266,524	234,235	(32,289)
Expenditures:				
Current:				
General government:				
Chief executive officer	2,336	1,857	1,827	(30)
Board of commissioners	2,968	2,812	2,590	(222)
Law department	4,429	4,613	4,463	(150)
Ethics	1	1	1	-
Geographic information system	2,148	2,106	1,704	(402)
Facilities management	16,276	15,670	15,166	(504)
Purchasing	3,717	3,558	3,347	(211)
Human resources and merit system	3,978	3,637	2,783	(854)
Office of information systems	18,549	15,875	14,478	(1,397)
Finance	5,866	5,814	5,572	(242)
Property appraisal and assessments	4,314	4,199	3,870	(329)
Tax commissioner	6,293	6,770	6,837	67
Registrar and elections	3,005	3,199	2,991	(208)
Economic development	1,109	995	925	(70)
Cooperative extension	913	884	749	(135)
Citizens' help center	-	-	(8)	(8)
Non-departmental	26,616	20,303	12,106	(8,197)
Total general government	102,518	92,293	79,401	(12,892)
Public safety:				
Police	3,652	3,251	1,194	(2,057)
Fire and rescue services	16,487	15,381	13,822	(1,559)
Total public safety	20,139	18,632	15,016	(3,616)
Civil and criminal court system:				
Sheriff	77,521	74,396	73,793	(603)
Juvenile court	9,664	9,970	9,098	(872)
Superior court	7,590	8,523	8,093	(430)
Clerk, superior court	4,640	5,314	5,200	(114)
State court	11,204	12,215	11,988	(227)
Solicitor, state court	4,435	5,002	4,889	(113)
District attorney	12,577	11,613	11,566	(47)
Child advocate	1,685	1,713	1,565	(148)
Probate court	1,468	1,582	1,606	24
Medical examiner	2,401	2,334	2,181	(153)
Public defender	6,337	6,690	6,468	(222)
Magistrate court	2,142	2,454	2,408	(46)
Total civil and criminal court system	141,664	141,806	138,855	(2,951)

(Continued)

DeKalb County, Georgia
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended December 31, 2010
Non-GAAP Budget Basis (in thousands of dollars)
(continued)

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Expenditures (continued):				
Current (continued):				
Planning and development	$ 1,302	$ 1,245	$ 981	$ (264)
Public works:		-		
Administration	357	308	394	86
Library system	12,541	12,932	12,467	(465)
Health and welfare:				
Public health	4,465	4,838	4,837	(1)
Community service board	1,947	2,047	2,047	-
Human and community development	4,251	2,190	2,227	37
Family and children services	1,644	1,644	1,644	-
Total health and welfare	12,307	10,719	10,755	36
Total expenditures	290,828	277,935	257,869	(20,066)
Excess (deficiency) of revenues over expenditures	(24,940)	(11,411)	(23,634)	(12,223)
Other financing sources (uses):				
Transfers in	18,842	16,953	15,417	(1,536)
Transfers out	(6,720)	(8,710)	(8,493)	217
Excess (deficiency) of revenues and other sources over expenditures and other uses	(12,818)	(3,168)	(16,710)	(13,542)

Explanation of differences between budget basis and GAAP:	
Deficiency of revenues and other sources over expenditures and other uses - budget basis	$ (16,710)
Differences - budget basis to GAAP:	
Net change in revenue accruals	592
Net change in expenditure accruals	6,767
Net change in fund balance (deficit) - GAAP basis	$ (9,351)

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

DeKalb County, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual
For the Year Ended December 31, 2010
Non-GAAP Budget Basis (in thousands of dollars)

	Major Special Revenue Funds Special Tax District - Designated Services				Major Special Revenue Funds Special Tax District - Unincorporated			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:								
Property taxes	$ 51,674	$ 48,522	$ 46,358	$ (2,164)	$ -	$ -	$ -	$ -
Sales taxes	1,760	1,760	1,783	23	50,184	14,960	15,159	199
Other taxes	5,910	-	-	-	650	30,100	33,067	2,967
Licenses and permits	1,347	1,350	994	(356)	18,975	19,078	16,984	(2,094)
Charges for services	3,972	3,496	2,450	(1,046)	78	-	20	20
Fines and forfeitures		-	-	-	20,600	25,900	22,445	(3,455)
Investment income	19	(174)	(52)	122	12	12	2	(10)
Miscellaneous	152	818	313	(505)	1,122	948	5	(943)
Total revenues	64,834	55,772	51,846	(3,926)	91,621	90,998	87,682	(3,316)
Expenditures:								
Current:								
General government:								
Chief executive officer	-	-	-	-	294	294	393	99
Finance	-	-	-	-	815	813	713	(100)
Total general government	-	-	-	-	1,109	1,107	1,106	(1)
Public safety:								
Police	103,828	98,379	97,391	(988)	1,918	1,771	1,862	91
Total public safety	103,828	98,379	97,391	(988)	1,918	1,771	1,862	91
Civil and criminal court system - recorders court	-	-	-	-	4,052	3,890	3,338	(552)
Planning and development	-	-	-	-	1,006	954	899	(55)
Public works:								
Transportation	3,911	3,641	3,209	(432)	-	-	-	-
Roads and drainage	18,806	16,387	13,596	(2,791)	-	-	-	-
Total public works	22,717	20,028	16,805	(3,223)	-	-	-	-
Parks and recreation	17,825	16,927	15,924	(1,003)	-	-	-	-
Arts, culture, and entertainment	-	-	85	85	-	-	-	-
Miscellaneous:								
Non-departmental	4,408	4,244	3,476	(768)	190	89	101	12
Total miscellaneous	4,408	4,244	3,476	(768)	190	89	101	12
Total expenditures	148,778	139,578	133,681	(5,897)	8,275	7,811	7,306	(505)
Excess (deficiency) of revenues over expenditures	(83,944)	(83,806)	(81,835)	1,971	83,346	83,187	80,376	(2,811)
Other financing sources (uses):								
Transfers in	83,944	83,943	76,218	(7,725)	(83,346)	(83,346)	(76,218)	7,128
Transfers out	-	(244)	(225)	19	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(107)	(5,842)	(5,735)	-	(159)	4,158	4,317

Explanation of differences between budget basis and GAAP:		
Deficiency of revenues and other sources over expenditures and other uses - budget basis	$ (5,842)	$ 4,158
Differences - budget basis to GAAP:		
Net change in revenue accruals	272	(147)
Net change in expenditure accruals	2,975	218
Net change in fund balance (deficit) - GAAP basis	$ (2,595)	$ 4,229

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

DeKalb County, Georgia
Proprietary Funds Statement of Net Assets
December 31, 2010
(in thousands of dollars)

	Watershed System	Sanitation	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	$ 58,143	$ 30,752	$ 17,936	$ 106,831	$ 3,844
Restricted cash and cash equivalents	8,344	-	-	8,344	-
Accounts receivable (net)	38,263	4,927	480	43,670	-
Due from other funds	-	-	-	-	37,140
Due from other governments	928	-	72	1,000	-
Inventories and prepaid items	2,355	-	-	2,355	4,887
Total current assets	108,033	35,679	18,488	162,200	45,871
Noncurrent assets:					
Restricted cash and cash equivalents	69,482	-	-	69,482	-
Deferred bond issuance costs	3,636	-	-	3,636	-
Capital assets (net)	1,162,908	113,655	93,739	1,370,302	40,354
Total noncurrent assets	1,236,026	113,655	93,739	1,443,420	40,354
Total assets	1,344,059	149,334	112,227	1,605,620	86,225
LIABILITIES					
Current liabilities:					
Accounts payable	9,389	1,143	393	10,925	8,032
Claims and judgments payable, current portion	-	-	115	115	4,190
Obligation under capital leases, current portion	-	-	-	-	30
Compensated absences payable	494	311	18	823	92
Other accrued liabilities	584	379	18	981	109
Advance payments and deposits	242	-	35	277	-
Due to other governments	5,781	-	-	5,781	-
Due to other funds	-	-	-	-	530
Unearned revenue	-	-	833	833	-
Payable from restricted assets:					
Revenue bonds payable, current portion	12,190	-	-	12,190	-
Accrued interest on revenue bonds	6,518	-	-	6,518	-
Due to others	902	-	-	902	-
Total current liabilities	36,100	1,833	1,412	39,345	12,983
Noncurrent liabilities:					
Claims and judgments payable, long-term portion	-	-	-	-	4,940
Landfill closure and postclosure cost	-	25,637	-	25,637	-
Pollution remediation obligation	-	1,432	-	1,432	-
Net OPEB obligation	56,048	33,272	3,049	92,369	19,103
Compensated absences payable	2,284	1,466	75	3,825	451
Revenue bonds payable, long-term portion	543,495	-	-	543,495	-
Unamortized premium on bonds payable	24,121	-	-	24,121	-
Deferred loss on debt refunding	(19,395)	-	-	(19,395)	-
Total noncurrent liabilities	606,553	61,807	3,124	671,484	24,494
Total liabilities	642,653	63,640	4,536	710,829	37,477
NET ASSETS					
Invested in capital assets, net of related debt	667,243	113,655	93,739	874,637	40,354
Restricted for debt service	3,948	-	-	3,948	-
Unrestricted (deficit)	30,215	(27,961)	13,952	16,206	8,394
Total net assets	$ 701,406	$ 85,694	$ 107,691	894,791	$ 48,748
Adjustment to reflect the consolidation of internal service fund activities related to proprietary funds				49,479	
Net assets of business-type activities				$ 944,270	

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

DeKalb County, Georgia

Proprietary Funds

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

For the Year Ended December 31, 2010

(in thousands of dollars)

	Watershed System	Sanitation	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
Operating revenues:					
Metered sales	$ 189,018	$ -	$ -	$ 189,018	$ -
Collection and disposal fees	-	65,897	-	65,897	-
Rental fees	-	-	4,682	4,682	-
Intergovernmental	-	-	5,048	5,048	154
Charges for services	-	-	16,058	16,058	128,840
Miscellaneous	2,142	122	-	2,264	4,787
Total operating revenues	191,160	66,019	25,788	282,967	133,781
Operating expenses:					
Salaries and employee benefits	73,533	47,594	3,249	124,376	13,903
Supplies	299	2,137	100	2,536	16,842
Operating services and charges	27,151	17,437	12,790	57,378	94,100
Leasehold operating expenses	(590)	-	-	(590)	-
Miscellaneous	12,902	-	-	12,902	26
Depreciation and amortization	28,441	2,366	702	31,509	16,482
Total operating expenses	141,736	69,534	16,841	228,111	141,353
Operating income	49,424	(3,515)	8,947	54,856	(7,572)
Nonoperating revenues (expenses)					
Interest income	84	47	27	158	39
Interest expense	(13,611)	-	-	(13,611)	(10)
Loss on sale of capital assets					(99)
Income (loss) before capital donations and transfers	35,897	(3,468)	8,974	41,403	(7,642)
Capital donations	740	-	-	740	-
Transfers out	-	(2,000)	-	(2,000)	(10,307)
Change in net assets	36,637	(5,468)	8,974	40,143	(17,949)
Net assets - beginning as restated (see Note 2)	664,769	91,162	98,717		66,697
Net assets - ending	$ 701,406	$ 85,694	$ 107,691		$ 48,748
Adjustment to reflect the consolidation of internal service fund activities related to proprietary funds				(8,609)	
Change in net assets of business-type activities				$ 31,534	

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

DeKalb County, Georgia

Proprietary Funds

Statement of Cash Flows

For the Year Ended December 31, 2010

(in thousands of dollars)

	Watershed System	Sanitation	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	$ 189,018	$ 65,897	$ 24,298	$ 279,213	$ -
Receipt by interfund services provided	-	-	-	-	133,781
Cash payments to suppliers for goods and services	(33,597)	(4,982)	(13,598)	(52,177)	(108,897)
Cash payments to employees for services	(73,533)	(47,594)	(3,249)	(124,376)	(13,903)
Other operating revenues	2,142	122	2,090	4,354	-
Net cash provided by operating activities	84,030	13,443	9,541	107,014	10,981
Cash flows from noncapital financing activities:					
Transfers (to) from other funds	-	(2,000)	-	(2,000)	(35,373)
Net cash provided (used) by noncapital financing activities	-	(2,000)	-	(2,000)	(35,373)
Cash flows from capital and related financing activities.					
Acquisition and construction of capital assets	(4,645)	(14,004)	(5,290)	(23,939)	(15,103)
Proceeds from sale of capital assets	-	-	-	-	1,567
Principal and interest paid on revenue bonds	(25,301)	-	-	(25,301)	-
Bond issuance expenses	(180)	-	-	(180)	-
Payments on leases	-	-	-	-	(361)
Decrease in escrow deposits	(5,860)	-	-	(5,860)	-
Net cash (used) by capital and related financing activities	(35,986)	(14,004)	(5,290)	(55,280)	(13,897)
Cash flows from investing activities:					
Interest on investments	84	47	27	158	39
Net cash provided by investing activities	84	47	27	158	39
Net increase (decrease) in cash and cash equivalents	48,128	(2,514)	4,278	49,892	(38,250)
Cash and cash equivalents at beginning of year	87,841	33,266	13,658	134,765	42,094
Cash and cash equivalents at end of year	$ 135,969	$ 30,752	$ 17,936	$ 184,657	$ 3,844
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	$ 49,424	$ (3,515)	$ 8,947	$ 54,856	$ (7,572)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities.					
Depreciation and amortization	28,441	2,366	702	31,509	16,482
OPEB obligation	18,793	11,885	1,774	32,452	5,979
Change in assets and liabilities:					
Increase (decrease) in receivables	(6,755)	(415)	1,058	(6,112)	-
Increase in inventories	707	-	-	707	146
Increase (decrease) in payables	(5,320)	3,954	(394)	(1,760)	(3,796)
Increase (decrease) in other liabilities	(1,314)	(832)	(2,546)	(4,692)	(258)
Increase in advance deposits	54	-	-	54	-
Net cash provided by operating activities	$ 84,030	$ 13,443	$ 9,541	$ 107,014	$ 10,981
Noncash capital donations	$ 740	$ -	$ -	$ 740	$ -

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

DeKalb County, Georgia
Fiduciary Funds
Statement of Fiduciary Net Assets
December 31, 2010
(in thousands of dollars)

	General Employees' Pension	Agency Funds
ASSETS		
Cash and cash equivalents	$ 105,471	$ 24,137
Investments:		
US Government securities	59,733	-
Collateralized mortgage obligations	11,279	-
Corporate bonds	126,531	-
Corporate stocks	719,981	-
Accrued interest receivable	64,520	-
Total assets	1,087,515	24,137
LIABILITIES		
Accounts payable	1,743	-
Due to others	95	24,137
Total liabilities	1,838	24,137
NET ASSETS		
Held in trust for pension benefits and other purposes	$ 1,085,677	

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

DeKalb County, Georgia

Fiduciary Funds

Statement of Changes in Fiduciary Net Assets

For the Year Ended December 31, 2010
(in thousands of dollars)

	General Employees' Pension
Additions:	
Contributions:	
Employer	$ 27,677
Employee	13,137
Other	92
Total contributions	40,906
Investment earnings:	
Dividends and interest	35,699
Net increase in fair market value of investments	117,908
Total investment earnings	153,607
Less investment expense	(4,764)
Net investment earnings	148,843
Total additions	189,749
Deductions:	
Benefit payments	142,183
Refunds of contributions	1,642
Administrative expenses	182
Total deductions	144,007
Change in net assets	45,742
Net assets, beginning of year	1,039,935
Net assets, end of year	$ 1,085,677

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

DeKalb County, Georgia

Component Units

Statement of Net Assets

December 31, 2010
(in thousands of dollars)

ASSETS	Board of Health	Public Library Board	Total
Cash and cash equivalents	$ 4,441	$ 1,601	$ 6,042
Cash and cash equivalents, restricted	161	-	161
Investments	-	805	805
Accounts receivable (net)	794	14	808
Due from other governments	1,533	-	1,533
Prepaid items	95	-	95
Capital assets (net)	238	1,002	1,240
Total assets	7,262	3,422	10,684
LIABILITIES			
Accounts and contracts payable	137	67	204
Due to other governments	1,098	-	1,098
Noncurrent liabilities:			
Due within one year	291	25	316
Due in more than one year	1,164	4	1,168
Total liabilities	2,690	96	2,786
NET ASSETS			
Invested in capital assets (net of related debt)	238	973	1,211
Restricted for special use	161	-	161
Unrestricted	4,173	2,353	6,526
Total net assets	$ 4,572	$ 3,326	$ 7,898

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

DeKalb County, Georgia

Component Units

Statement of Activities

Year Ended December 31, 2010

(in thousands of dollars)

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Board of Health	Public Library Board	Total
Board of Health	$ 31,012	$ 11,226	$ 14,035	$ -	$ (5,751)	$ -	$ (5,751)
Public Library Board	15,383	747	2	-	-	(14,634)	(14,634)
Total component units	$ 46,395	$ 11,973	$ 14,037	$ -	(5,751)	(14,634)	(20,385)
General revenues:							
Intergovernmental, not restricted for specific programs					-	1,071	1,071
Payments from DeKalb County					4,816	12,647	17,463
Unrestricted investment earnings					-	20	20
Miscellaneous					21	336	357
Total general revenues					4,837	14,074	18,911
Change in net assets					(914)	(560)	(1,474)
Net assets - beginning					5,486	3,886	9,372
Net assets - ending					$ 4,572	$ 3,326	$ 7,898

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

DEKALB COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010

1. Summary of Significant Accounting Policies

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

(A) The Financial Reporting Entity

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

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

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

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

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

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

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

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

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

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

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

(B) Basis of presentation

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

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

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

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

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

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

The County reports the following major governmental funds:

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

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

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

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

The County reports the following major proprietary funds:

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

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

The County reports the following fiduciary funds:

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

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

The County reports the following other fund types:

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

(C) Measurement Focus, Basis of Accounting

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

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

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

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

(D) Budgetary Data

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

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

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

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

(E) Encumbrances

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

(F) Property Taxes

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

(G) Cash, Cash Equivalents, and Investments

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

(H) Inventories and Prepaid Items

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

(I) Restricted Assets

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

The government-wide statement of net assets reports $91,144,000 of restricted net assets, of which is restricted by enabling legislation.

(J) Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets consist of the road network assets that were acquired or that received substantial improvements subsequent to January 1, 1980 and are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized. The County capitalized $4,608,783 of interest incurred in business-type activities for the year. Capital assets are depreciated using the straight-line method over the following estimated useful lives and with the following capitalization thresholds:

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

(K) Claims, Judgments, and Compensated Absences

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

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

(L) Landfill Closure and Postclosure Care Costs

State and federal laws and regulations require the County to place a final cover on its Seminole Road landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense during each period based on landfill capacity used as of each financial reporting date. The $25,637,000 reported as landfill closure and postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 52.3% of the estimated capacity of the landfill, net of related expenditures to date of $4,766,000. The County will recognize the remaining estimated cost of closure and postclosure care of $24,128,000 as the remaining estimated capacity is filled. These amounts are based on the estimated cost to perform all closure and postclosure in 2010. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Closure and postclosure care financial assurance requirements will be met by adjusting the sanitation rate structures in the enterprise fund as required. The County expects to close the current landfill cell in the year 2011, but has previously acquired enough additional land to meet landfill needs through 2019.

(M) Management Estimates

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

2. Restatement

The County is required to accrue liabilities associated with its other postemployment benefits (OPEB) obligation under GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*. During 2010, the County determined that its OPEB liability was understated due the County recording the current yeare OPEB expense and reversing the prior year liability amount. The County restated its net assets as of December 31, 2009 to correctly reflect the OPEB obligation.

The County's December 31, 2009 net assets have been restated for the following funds (in thousand of dollars):

	Governmental Activities	Business - Type Activities				
	Governmental	Business	Watershed	Sanitation	Airport	Maintenance
Net Assets at December 31, 2009, as previously reported	$ 939,986	$ 954,017	$ 685,738	$ 102,598	$ 71,263	$ (5,677)
OPEB liability accrual error	(131,731)	(41,281)	(20,969)	(11,436)	(969)	(7,907)
Net Assets at December 31, 2009, as restated	$ 808,255	$ 912,736	$ 664,769	$ 91,162	$ 70,294	$ (13,584)

As a result of the correction, certain footnotes have also been restated.

3. Joint Ventures

DeKalb County is party to a contract with Fulton County, Georgia and the Fulton-DeKalb Hospital Authority (the "Hospital Authority") for the operation of Grady Memorial Hospital (the "Hospital"). The Hospital provides health services to indigent citizens of both counties. Three members of the Hospital Authority's Board of Trustees are appointed by the DeKalb County Board of Commissioners with another seven members appointed by the Fulton County Board of Commissioners. The entire operations of the Hospital Authority are disclosed as a component unit in the Fulton County, Georgia Comprehensive Annual Financial Report. DeKalb County has a financial interest in the Hospital Authority because operating deficits of the Hospital, up to an annually predetermined amount relating to indigent care, must be funded by Fulton County or DeKalb County under the terms of the contract. The funding formula is based on the ratio of patient levels between the two counties. For the year 2010, DeKalb County funded $14,389,595 of the Hospital's operating deficit. DeKalb County has limited control over the operating budget of the Hospital, but must approve any debt issuance of the Hospital Authority. The Hospital Authority's debt is secured by a pledge of the operating revenues of the Hospital. Payments to the Hospital Authority are made from the County's other governmental funds. For the year 2010, DeKalb County paid an additional $7,704,741 towards the Hospital Authority's debt service. Separate financial statements of the Hosital Authority may be obtained from: Fulton-DeKalb Hospital Authority; 80 Butler St. SE; Atlanta, Georgia 30314.

Condensed financial information for the Hospital Authority as of and for the year ended December 31, 2009 (December 31, 2010 amounts are unavailable) is as follows (in thousands of dollars):

Total Assets	$ 684,699	Total Operating Revenues	$ 603,087
Total Liabilities	475,906	Total Operating Expenses	639,898
Total Net Assets	208,793	Non-operating Revenue (Expenses)	(8,925)
Current Debt	20,200	Fulton County and DeKalb County Contributions	99,713
Long-term Debt	213,078	Increase in Net Assets	109,883

The Atlanta Regional Commission (ARC) is the regional planning and intergovernmental coordination agency for the 10-county Atlanta metropolitan area. Under Georgia law, the County, in conjunction with other cities and counties in metropolitan Atlanta, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto. During 2010, the County paid $713,280 in such dues. Membership in the ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the ARC. The ARC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any obligations of the ARC. Separate ARC financial statements may be obtained from: Atlanta Regional Commission; 40 Courtland St NE; Atlanta, Georgia 30303.

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

4. Budget Basis of Accounting

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

The major differences between the budget basis and GAAP are:

(1) Revenues (principally property taxes, grants, and interest) are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP);

(2) Expenditures (principally payroll, workers' compensation, and purchases) are recorded when paid (budget basis) as opposed to when incurred (GAAP);

5. Cash, Cash Equivalents, and Investments

Following are the components of the County's cash and cash equivalents, and investments (including the General Employees' Pension Fund, Agency Funds, and the Component Units) at December 31, 2010 (in thousands of dollars).

	Unrestricted	Restricted	Pension Restricted	Agencies Unrestricted	Total	Component Units
Cash and Cash Equivalents	$ 318,154	$ 77,826	$ 105,471	$ 24,137	$ 525,588	$ 6,203
Investments	-	-	917,524	-	917,524	805
	$ 318,154	$ 77,826	$ 1,022,995	$ 24,137	$ 1,443,112	$ 7,008

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

Custodial Credit Risk - Deposits

To control custodial credit risk, the County's investment policy requires all securities and collateral to be held by an independent third-party custodian in the County's name. The custodian provides the County with monthly values.

Concentration of Credit Risk

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

As of December 31, 2010, the County's reporting entity had the following investments:
(in thousands of dollars)

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Primary Government					
Georgia Fund 1	$ 186,344	$ 186,344	$ -	$ -	$ -
Restricted Trust Accounts					
Money Market Mutual Funds	53,997	53,997	-	-	-
Total Primary Government (non-fiduciary)	$ 240,341	$ 240,341	$ -	$ -	$ -

	Fair Value	Investment Maturities (in Years) con't			
		Less than 1	1-5	6-10	More than 10
Fiduciary Fund					
Pension Trust Fund:					
Corporate Stocks	$ 719,981	$ -	$ -	$ -	$ -
Money Market Mutual Funds	105,471	-	-	-	-
U.S. Government Securities	59,733	-	11,256	9,659	38,818
CMOs	11,279	-	8,700	1,848	731
Corporate Bonds	126,531	1,220	68,979	30,275	26,056
Total Fiduciary Fund	$ 1,022,995	$ 1,220	$ 88,935	$ 41,782	$ 65,605

Credit Risk - Investments

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

The County's pension trust fund (the Plan) investment policy requires that the fixed income portfolio be of high quality and chosen with respect to maturity ranges, coupon levels, refunding characteristics, and marketability. Fixed income managers are engaged to reduce volatility of the Plan's assets, provide a deflation hedge, and produce a highly predictable and dependable source of income. The quality rating of the overall portfolio must be A or better at all times. As of December 31, 2010, the weighted average of the fixed income portfolio for Denver Investment Advisors was AA-, the J.P. Morgan Assets Management was AA+, and the Mesirow Financial Investment was AA by Standard & Poor's Rating Service.

Interest Rate Risk - Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. This risk is managed within the portfolio using the duration method. This method is used in the management of fixed income portfolios to quantify the portfolios' sensitivity to interest rate changes. As of December 31, 2010, the weighted average of the Option Adjusted Duration of the pension fund's fixed income portfolio for Denver Investment Advisor was 3.97 years, J.P. Morgan Asset Management was 4.27 years, and Mesirow Financial Investment was 3.78, as compared to the benchmark BC Aggregate Bond Index duration of 3.91 years.

Georgia's State Depository Board through the Director of the Office Treasury and Fiscal Services is the oversight agency for Georgia Fund 1. The primary investment objectives of the Georgia Fund 1 investment pool are safety of capital, liquidity, yield, and diversification with primary emphasis of safety of capital and liquidity. Georgia Fund 1 is rated AAAm by Standard and Poor's and had a WAM (weighted average maturity) of 41 days as of December 31, 2010. The County's fair value in the pool is the same as the value of the pool shares.

6. Capital Assets

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

	Balance 12/31/2009	Additions	Deletions	Balance 12/31/2010	Accumulated Depreciation and Amortization 12/31/2009	Additions	Deletions	Accumulated Depreciation and Amortization 12/31/2010	Book Value 12/31/2010
Governmental activities									
Not depreciated:									
Land	$ 234,865	$ 1,577	$ (6,639)	$ 229,803	$ -	$ -	$ -	$ -	$ 229,803
Construction in progress	219,341	61,006	(24,519)	255,827	-	-	-	-	255,827
Depreciated:									
Land improvements	39,193	2,144	(2,675)	38,662	14,302	759	(399)	14,662	24,001
Buildings	401,695	4,867	(2,127)	404,435	111,984	8,497	(1,024)	119,457	284,978
Infrastructure	711,116	14,537	-	725,653	193,904	17,671	-	211,575	514,078
Other equipment	42,705	7,006	(2,882)	46,828	21,140	8,954	(2,882)	27,214	19,614
Totals	$ 1,648,915	$ 91,137	$ (38,842)	$ 1,701,208	$ 341,330	$ 35,882	$ (4,305)	$ 372,908	$ 1,328,301
Business-type activities									
Not depreciated:									
Land	$ 42,428	$ 11,386	$ -	$ 53,814	$ -	$ -	$ -	$ -	$ 53,814
Construction in progress	191,738	64,064	(45,822)	209,980	-	-	-	-	209,980
Depreciated:									
Land improvements	162,325	23,326	-	185,651	25,010	2,724	-	27,734	157,917
Buildings	11,733	754	-	12,487	8,069	347	-	8,416	4,071
Plants	336,944	3,440	-	340,384	79,454	3,127	-	82,581	257,802
Lines	772,702	7,714	(4,900)	775,516	237,514	15,482	(4,900)	248,096	527,420
Water meters	63,222	(2)	(3,390)	59,830	31,787	4,110	(3,390)	32,507	27,323
Vehicles and portable equipment	171,671	995	(19,301)	153,364	117,407	16,210	(19,202)	114,415	38,949
Other equipment	12,860	2,624	(2,171)	13,313	7,821	2,268	(2,171)	7,918	5,395
Leaseholds	169,411	-	-	169,411	37,951	3,477	-	41,428	127,986
Totals	$ 1,935,034	$ 114,301	$ (75,584)	$ 1,973,750	$ 545,013	$ 47,745	$ (29,663)	$ 563,094	$ 1,410,656
Component units									
Depreciated:									
Other equipment	$ 2,261	$ 285	$ -	$ 2,546	$ 1,135	$ 171	$ -	$ 1,306	$ 1,240

During fiscal year 2010, the County did not experience any capital asset impairment loss with respect to the provisions of GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries.*

Depreciation was charged to functions / programs of the primary government during 2010 as follows (in thousands of dollars):

Governmental activities:		Business-type activities	
General government	$ 4,374	Water and sewerage system	$ 28,195
Public safety	4,734	Sanitation	2,366
Civil and criminal court system	4,489	DeKalb Peachtree Airport	434
Planning & Development	32	Stormwater	268
Public works	17,774	Vehicle maintenance	272
Community development	92	Vehicle replacement	16,210
Library	2,042		$ 47,745
Parks and recreation	1,495		
Health and welfare	851		
	$ 35,881		

Construction in progress at December 31, 2010 is composed of the following (in thousands of dollars):

	Project Authorization	Expended as of 12/31/2010	Committed
Governmental activities			
Parks and recreation facilities	$ 179,972	$ 47,878	$ 132,094
Infrastructure	185,879	130,305	55,575
Court facilities	89,580	15,127	74,453
Public safety facilities	52,833	19,614	33,219
General government facilities	9,261	7,309	1,952
Library facilities	55,771	35,594	20,177
Totals	$ 573,296	$ 255,827	$ 317,469
Business-type activities			
Water and sewer facilities	$ 78,416	$ 120,326	$ (41,910)
Sanitation facilities	83,267	70,993	12,274
Airport facilities	18,727	11,983	6,744
Stormwater facilities	8,953	6,607	2,346
Vehicle maintenance	389	71	318
Totals	$ 189,752	$ 209,980	$ (20,227)

7. Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2010 are as follows (in thousands of dollars):

	Balance (as restated) 12/31/2009	Additions	Payments/ Retirements	Balance 12/31/2010	Current Portion	Long-term Portion
Governmental activities						
Claims and judgments payable	$ 12,218	$ 86,523	$ (88,311)	$ 10,430	$ 5,490	$ 4,940
Net OPEB obligation	237,477	111,950	-	349,427	-	349,427
Compensated absences payable	36,260	27,489	(31,645)	32,104	16,060	16,044
Capital leases (equipment)	5,920	-	(2,739)	3,181	1,628	1,553
General obligation bonds payable	356,745	-	(25,440)	331,305	22,220	309,085
Revenue bonds payable	86,915	7,945	(3,145)	91,715	3,445	88,270
Certificates of participation payable	20,010	-	(1,080)	18,930	1,120	17,810
Unamortized premium on bonds payable	9,263	-	(1,006)	8,256	950	7,306
Deferred loss on bond refunding	(2,012)	-	363	(1,649)	(332)	(1,317)
Totals	$ 762,796	$ 233,907	$ (153,003)	$ 843,699	$ 50,581	$ 793,118
Business-type activities						
Claims and judgments payable	$ 8,665	$ -	$ (8,550)	$ 115	$ 115	$ -
Landfill closure and postclosure costs	21,690	3,947	-	25,637	-	25,637
Pollution remediation obligation	1,432	-	-	1,432	-	1,432
Net OPEB obligation	73,563	37,909	-	111,472	-	111,472
Compensated absences payable	6,166	1,353	(2,328)	5,191	915	4,276
Capital leases (vehicles)	381	-	(351)	30	30	-
Revenue bonds payable	538,990	28,400	(11,705)	555,685	12,190	543,495
Unamortized premium on bonds payable	25,744	-	(1,623)	24,121	1,608	22,513
Deferred loss on bond refunding	(20,983)	-	1,588	(19,395)	(1,555)	(17,840)
Totals	$ 655,648	$ 71,609	$ (22,969)	$ 704,288	$ 13,303	$ 690,985
Component Units						
Compensated absences payable	$ 1,491	$ 11	$ (18)	$ 1,484	$ 316	$ 1,168

Governmental activities:

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

The following is a schedule of future minimum installment purchase payments on capital leases (equipment) in the governmental activities with the present value of the net minimum lease payments as of December 31, 2010 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2011	1,628	101	1,729
2012	1,553	32	1,585
Totals	$ 3,181	$ 133	$ 3,314

For financial accounting and reporting purposes, all governmental activities bonds defeased ($83,575,000 at December 31,2010) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements.

The following is a summary of the County's outstanding general obligation bond issues at December 31,2010 (in thousands of dollars):

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
1998	Jail	5.00	1-1 & 7-1	08/01/98	01/01/20	$ 2,000	$ -	$ 2,000
2001	Parks	3.625-5.00	6-1 & 12-1	10/01/01	12/01/15	125,000	73,430	51,570
2003A	Refunding issue	3.625-4.00	1-1 & 7-1	07/22/03	01/01/20	53,295	31,275	22,020
2003B	Refunding issue	4.00-5.00	1-1 & 7-1	12/05/03	01/01/20	74,620	19,035	55,585
2006	Parks, Libraries, Transportation	3.30-5.00	6-1 & 12-1	02/07/06	12/01/30	230,000	29,870	200,130
	Totals					$ 484,915	$ 153,610	$ 331,305

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

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

The following is a summary of general obligation bonds debt service requirements to maturity as of December 31, 2010.(in thousands of dollars):

Year Payable	Principal	Interest	Total
2011	22,220	15,020	37,240
2012	23,310	14,036	37,346
2013	24,335	12,923	37,258
2014	25,555	11,772	37,327
2015	26,790	10,578	37,368
2016-2020	89,020	38,714	127,734
2021-2025	53,610	22,895	76,505
2026-2030	66,465	9,490	75,955
Totals	$ 331,305	$ 135,428	$ 466,733

The County is subject to the laws of the State of Georgia, which limit the amount of net bonded debt (exclusive of revenue bonds) the County may have outstanding to 10% of the assessed valuation of taxable property within the County. At year-end, general obligation bonds outstanding, net of amounts available in the Debt Service Funds, totaled $319,868,000. The statutory limit at that date was $2,596,800,000, providing a debt margin of $2,276,932,000.

The following is a summary of the County's outstanding Certificates of Participation at December 31, 2010 (in thousands of dollars):

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
2003	Office building and courthouse	4.00-4.75	6-1 & 12-1	10/14/03	12/01/23	$ 25,000	$ 6,070	$ 18,930

The following is a summary of Certificates of Participation debt service requirements to maturity as of December 31, 2010 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2011	4.0	1,120	831	1,951
2012	4.5	1,165	786	1,951
2013	4.0	1,220	734	1,954
2014	4.0	1,270	685	1,955
2015	4.1	1,320	634	1,954
2016-2020	4.20-4.50	7,490	2,284	9,774
2021-2023	4.6-4.75	5,345	514	5,859
Totals		$ 18,930	$ 6,469	$ 25,399

The following is a summary of the County's outstanding governmental activities revenue bond issues at December 31, 2010 (in thousands of dollars):

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
2003	Juvenile Justice Center	2.5-5.0	6-1 & 12-1	07/01/03	12/01/23	$ 15,000	$ 4,315	$ 10,685
2004	Public Safety and Judicial Facilities	3.0-5.0	6-1 & 12-1	12/29/04	12/01/34	50,000	6,065	43,935
2005	Juvenile Justice Center	3.0-5.0	6-1 & 12-1	07/14/05	12/01/25	35,670	6,520	29,150
2010	Urban Redevelopement Agency	6.010	4-1 & 10-1	12/07/10	10/01/30	7,945	-	7,945
						$ 108,615	$ 16,900	$ 91,715

The following is a summary of the County's governmental activities revenue bonds debt service requirements to maturity as of December 31, 2010 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2011	2.63-5.0	3,445	3,960	7,405
2012	3.0-3.25	3,670	3,913	7,583
2013	3.0-5.0	3,785	3,787	7,572
2014	3.0-5.0	3,940	3,628	7,568
2015	3.25	4,095	3,461	7,556
2016-2020	3.25-4.0	22,825	14,790	37,615
2021-2025	3.88-5.0	25,505	9,636	35,141
2026-2030	4.25-5.0	13,480	4,901	18,381
2031-2034	5.0	10,970	1,404	12,374
Totals		$ 91,715	$ 49,480	$ 141,194

The following is a schedule of future minimum installment purchase payments on capital leases for vehicles in the business-type activities with the present value of the net minimum payments as of December 31, 2010 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2011	30	-	30
Totals	$ 30	$ -	$ 30

The following is a summary of the County's outstanding business-type activities revenue bond issues as of December 31, 2010 (in thousands of dollars):

Series	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Out-standing
1999	4.50-4.625	4-1 10-1	05/01/99	10/01/11	$ 96,345	$ 95,060	$ 1,285
2000	4.75-5.25	4-1 10-1	11/01/00	10/01/11	214,525	210,865	3,660
2003	3.25-5.0	4-1 10-1	11/18/03	10/01/35	179,865	17,345	162,520
2006A	4.0-5.0	4-1 10-1	04/27/06	10/01/35	94,990	7,065	87,925
2006B	4.25-5.25	4-1 10-1	04/27/06	10/01/35	271,895	-	271,895
2010	5.44	4-1 10-1	12/07/10	10/01/25	28,400	-	28,400
Totals					$ 886,020	$ 330,335	$ 555,685

The following is the purpose of each series of the County's outstanding business-type activities revenue bond issues as of December 31, 2010:

Series	Purpose
1999	Water reservoir expansion. City of Atlanta Phosphorous Reduction Program
2000	New filter plant, sewer plant improvements, relief sewers
2003	Refunding issue, Nancy Creek Tunnel, new Water & Sewer administration building, sewer renovation
2006A	New raw water pump station, sewer plant improvement design, lift station improvements
2006B	Refunding issue
2010	Water & Sewer Recovery Zone Economic Development Program

Part of the proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 2003, was used to refund $114,335,000 of the Series 1993 Water and Sewerage Revenue Bonds. The proceeds of the Water and Sewerage Revenue Bonds, Series 1993, were used to: (1) fund a portion of the City of Atlanta Phosphorous Reduction Program, (2) to refund $5,195,000 in Series 1985 Water and Sewerage Refunding Revenue Bonds, and (3) to refund $23,870,000 in Series 1990 Water and Sewerage Revenue Bonds (issued to fund filter plant expansion and relief sewer capital projects). The proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 1985, were used to refund all outstanding Water and Sewerage Revenue Bonds at that time, which was $92,235,000 in Series 1962, Series 1963, Series 1971, Series 1973, Series 1974, and Series 1978 Water and Sewerage Revenue Bonds. The proceeds of the Water and Sewerage Refunding Revenue Bonds, Series 2006B were used to refund $90,440,000 of the Series 1999 Water and Sewerage Revenue Bonds, and to refund $191,940,000 of the Series 2000 Water and Sewerage Revenue Bonds. The W& S Recovery Zone Series 2010 proceeds were used to fund projects within designated recovery zones

For financial accounting and reporting purposes, all revenue bonds defeased ($376,070,000 at December 31, 2010) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements.

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various resticted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages.

The following is a summary of the County's outstanding business-type activities revenue bonds debt service requirements to maturity as of December 31, 2010 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2011	13,505	27,897	41,402
2012	14,205	27,546	41,751
2013	14,845	26,866	41,711
2014	15,525	26,136	41,661
2015	16,190	25,434	41,624
2016-2020	93,125	114,247	207,372
2021-2025	118,515	87,937	206,452
2026-2030	127,185	55,388	182,573
2031-2035	142,590	22,181	164,771
Totals	$ 555,685	$ 413,632	$ 969,317

8. Leases

Operating Leases

The County leases building and office facilities and equipment under leases and rental agreements which are cancelable annually. In 2010, the County paid $4,851,437 to lease office space for Tax Commissioner, Police, Registrar, and Workforce Development The County leases office equipment, emergency construction, and event equipment on an as needed basis. In 2010, equipment rentals totaled $2,388,073.

The Development Authority of DeKalb County issued the Series 2006 Revenue Bonds for the purpose of financing the costs of the acquisition, design, construction, installation and equipping of a performing arts center facility and related parking deck. The Series 2006 Bonds are secured by a pledge of the Development Authority's right, title and interest in the rents and other payments derived by the Development Authority pursuant to a lease agreement between the Development Authority and the County. Under the lease agreement, the County is obligated to make rental payments to the Development Authority in amounts sufficient to pay the principal, premium and interest on the 2006 Bonds. In 2010, that amount was $709,825. The future minimum lease payments as of December 31, 2010 are as follows (in thousands of dollars):

Year Payable	Amount
2011	705
2012	709
2013	708
2014	705
2015	705
2016-2017	1,415
	$ 4,947

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

Capital Leases

The County has entered into a multi-year lease purchase arrangement pursuant to OCGA 36-60-13 for the purchase of certain vehicles, equipment and other capital outlay projects. These leases are paid over periods not to exceed five (5) years. In 2010 the County did not enter into any new leases.

The following is a schedule summarizing future lease payments by the following major asset classes as of December 31, 2010 (in thousands of dollars):

	Equipment	Vehicles	Total
Governmental activities:	$ 3,181	$ -	$ 3,181
Business-type activities:	-	30	30
	$ 3,181	$ 30	$ 3,211

9. Pollution Remediation Obligations

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

10. Employee Benefits

(A) Defined Benefit Pension Plan Description

The County provides pension benefits for substantially all of its full-time and permanent part-time employees through a single employer defined benefit plan (the "Plan"). The Plan is administered by the DeKalb County Pension Board (the "Board"), composed of seven voting members (the Chief Executive Officer of DeKalb County, two members elected by County employees, two members selected by the DeKalb County Board of Commissioners, one member elected by County retirees, and one member appointed by the other voting members of the Board) and two non-voting members (the County Director of Finance and the County Merit System Director). The Plan does not issue separate financial statements. The County's payroll for employees covered by the Plan for the year ended December 31, 2010 was $309,750,000, as compared to a total County payroll of $327,325,000.

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

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

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

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

Retirement benefits are payable monthly for life (ten years guaranteed) with survivor options available subject to reduced monthly benefits. The Plan also provides disability benefits. These benefit provisions and all other requirements are established by State statute and by the DeKalb Pension Act. Any changes to the Plan benefits must be approved by the DeKalb County Board of Commissioners. Contribution levels to the Plan are determined using the actuarial basis specified by statute. Contribution levels in 2010, as approved by the DeKalb County Board of Commissioners, are employee 4.5% and County 9.5% of employee earnings. The accrual basis of accounting is used to report the activities of the Plan. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Assets are valued at fair value, based on quoted market prices, with actuarial valuations of investments adjusted to market at a 10-year smoothed rate. As of year end, no investment in any one organization represented 5% or more of plan assets. Administrative costs of the Plan are financed through investment earnings. As of year-end, Plan membership was composed of the following:

Active vested employees covered by the Plan	1,853
Active nonvested employees covered by the Plan	4,229
Retirees currently receiving normal retirement benefits	3,630
Retirees currently receiving disability benefits	124
Beneficiaries of deceased retirees currently receiving benefits	263
Terminated employees entitled to benefits, but not yet receiving them because of age	454
Total members	10,553

(B) Actuarial assumptions

The actuarial accrued liability was computed as part of an actuarial valuation performed as of April 1, 2009. Under GASB 27, for financial reporting purposes, an actuarial valuation should be performed at least biennially only if no significant changes. Significant actuarial assumptions used in the valuation include: (a) rate of return on investment of present and future assets of 8% per year compounded annually, (b) projected salary increases of 3.5% to 7.8% for inflation plus 3.5% for merit / seniority based on an age-graduated scale, compounded annually, and (c) no postretirement benefit increases were assumed. In 2010, the County offered to employees meeting certain age and years of service criteria, an early retirement incentive program The program was estimated to generate 750 retirements, and 841 employees retired under this program. The program credits employees over age 50 with 2 additional years of service and reimburses the employee for 1.5 times the accrued unused annual leave, up to a maximum of 480 hours.

GASB 27 was effective for the fiscal year beginning January 1, 2001. The results shown in this report represent the accounting impact of GASB 27. Prospective application of GASB 27 has been assumed. The amount of annual contribution required to fund the Plan is comprised of an employer normal cost payment and a payment of the unfunded actuarial accrued liability. The recommended contribution is based on an open 30 year level percentage of pay amortization of the unfunded actuarial accrued liability. The amortization period is reset every year.

The Entry Age Normal (EAN) actuarial cost method is used for valuation of the Pension Fund. EAN is the age at the time the participant would have commenced participation if the plan had always been in existence. Normal Cost and Actuarial accrued liability are calculated on an individual basis and are allocated by service, the Normal cost determined as if the current benefit accrual rate had always been in effect. There have been no assumption changes with this valuation.

The participant data is supplied by the plan sponsor. The actual claims experience data through December 2008 was trended to the midpoint of the projection period, and then blended with an age-adjusted per capita active claims cost. Administrative fees are included in this amount.

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

The Plan's funding policy provides for actuarially determined contributions at rates that, for individual employees, are a level percentage of payroll. The contribution rate for normal rate for normal cost was changed from the projected unit credit cost method to the entry age normal method for 2006. The recommended contribution calculated under the entry age normal cost method is less than the contribution calculated under projected unit credit. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the actuarial accrued liability as described above. The actuaries used an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the plan costs are more stable. To develop the Annual Required Contribution, the UAAL has been amortized over 10 years using level dollar amortization in years when an overfunding existed, and over 30 years as a level percentage of payroll in years of underfunding. The total contributions to the Plan for the year were made in accordance with actuarially determined requirements computed through an actuarial valuation performed April 1, 2010. The April 2010 valuation report was revised from previously issued reports pursuant to action by the County to bring the Plan into compliance with State funding requirements. Some of the historical information in this report has been revised to reflect changes made to meet such compliance standards.

The April 1, 2010 valuation is used to determine the recommended contribution for the fiscal year beginning January 1, 2012. The recommended contribution is the minimum amount required to satisfy the minimum funding standards under Georgia law by virtue of Code section 47-20-10. The minimum required contribution under Georgia law is based on the Plan's normal cost plus the sum of individual bases established for experience gains and losses, plan amendments, assumption changes and method changes. Georgia Code Section 47-20-10(b) also allows a Plan to be in compliance if the sponsor makes contributions equal to the Annual Required Contribution (ARC) under GASB.

Based on the April 1, 2010 valuation, employer contributions of $30,600,000 represent 105% of the employer annual required contribution. The net pension asset of $22,688,000 was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. The amortization period for the County's actuarial accrued surplus is open. The fund allocation is based on a percentage of payroll annually.

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

	Valuation Date April 1, 2010
Actuarial value of plan assets	$ 1,243,277
Actuarial accrued liability (AAL)	1,808,967
Assets in excess (deficiency) of / unfunded actuarial accrued liability (UAAL)	$ (565,690)
Funded ratio	68.73%
Annual covered payroll	$ 265,696
UAAL as a percentage of covered payroll (not less than zero)	212.91%

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

	Fiscal Year 2010	2009	2008
Annual required contribution (ARC)	$ 33,133	$ 28,932	$ 29,038
Interest on net pension asset	(1,838)	(1,772)	(2,010)
Annual required contribution adjustment	1,410	1,359	1,453
Annual pension cost (APC)	32,705	28,519	28,481
Annual employer contributions made	(31,671)	(29,375)	(26,216)
Change in net pension asset	1,034	(856)	2,265
Beginning of year net pension asset	(23,722)	(22,866)	(25,131)
End of year net pension asset	$ (22,688)	$ (23,722)	$ (22,866)
Amortization	16.8215	16.8215	17.3015
Percentage of annual employer contributions made to annual required contributions	95.59%	101.53%	90.28%
Percentage of annual employer contributions made to annual pension cost	96.84%	103.00%	92.05%

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

(D) Schedule of contributions as a percentage of salary

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Employee	4.5%	4.5%	4.0%	3.5%	2.5%	1.5%	.5%	.5%	.5%	.5%
Employer	9.5%	9.5%	8.0%	6.5%	4.0%	3.0%	.5%	.5%	.5%	.5%

The Board of Commissioners has approved changes to the employee and employer contributions to the Pension Plan starting in January 2011 of 8.38% and 17%, respectively.

(E) Other Postretirement Benefits

Group health benefits are available to all retirees, beneficiaries of, and dependents of retirees, with the County paying up to 70% of the total cost and the retiree paying the remaining amount. Life insurance in the amount of $7,000 is provided to all retirees without cost to the retiree. These benefits are provided by the DeKalb County Board of Commissioners each year and are not statutory, contractual, or required by other authority. The total cost of retiree health benefits (including retirees' portions), $21,391,244 for 2010, is recognized as an expense in the Internal Service Funds as claims are incurred. The enterprise funds and major governmental funds reimburse the Internal Service Funds for their share of these expenses. Currently 4,220 retirees, beneficiaries, and dependents of retirees are receiving group health benefits under the Plan.

The DeKalb County Employee and Postretirement Medical & Life Insurance Benefits Plan, administered by the County's Board of Commissioners, is a single-employer defined healthcare plan. The plan provides medical, dental, vision, and life insurance benefits to active employees, and eligible retirees, and eligible beneficiaries and dependents of retirees. The annual contribution made is based on the projected pay-as-you-go financing requirements. The County does not prepare a separate audited GAAP-basis postemployment benefit plan report.

The County's annual other postemployment benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. Under GASB 45, for financial reporting purposes, an actuarial valuation is required at least biennially for OPEB plans with a total membership (including employees in active service, terminated employees who have accumulated benefits but are not yet receiving them, and retired employees and beneficiaries currently receiving benefits) of 200 or more. The following schedule shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation.

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

	Valuation Date January 1, 2010
Actuarial accrued liability:	
Retired employees	$ 622,041
Active employees	982,454
Unfunded actuarial accrued liability (UAAL)	$ 1,604,495
Annual covered payroll	$ 309,750
UAAL as a percentage of covered payroll (not less than zero)	518.0%

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

	2010	2009 (as restated)	2008 (as restated)
Beginning net OPEB obligation	$ 315,287	$ 173,012	$ 84,211
Annual required contribution (ARC)	168,242	156,603	105,256
Interest on net OPEB obligation	12,611	6,920	3,368
Annual required contribution (ARC) adjustment	(13,331)	(7,087)	(3,118)
Annual OPEB cost	167,522	156,436	105,506
Annual employer contributions made	(21,910)	(14,161)	(16,705)
Net OPEB obligation as of December 31	$ 460,899	$ 315,287	$ 173,012
Percentage of annual employer contributions made to annual required contributions	13.0%	9.0%	15.9%
Percentage of annual employer contributions made to annual OPEB cost	13.1%	9.1%	15.8%
Net OPEB obligation attributable to:			
Governmental Funds	$ 349,427	$ 240,730	$ 131,731
Business-type Funds	111,472	74,557	41,281
Total	$ 460,899	$ 315,287	$ 173,012

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

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

For the January 1, 2010 actuarial valuation, the projected unit credit method was used. This method allocates benefits of each individual by a consistent formula to valuation years. The amortization amount of the unfunded actuarial accrued liability (UAAL) has been computed as a level percentage of payroll using a 30-year amortization period. A closed amortization period has been used which reduces the period by one year annually such that the unfunded liability becomes fully amortized 30 years from the initial valuation.

The investment return assumption (or discount rate) is to be selected as the estimated long-term investment return on the investments that are expected to be used to finance the payment of benefits. For funded plans, the considerations in selecting this rate would be similar to selecting the funding interest rate for a pension plan. However, for unfunded plans such as DeKalb County's, the discount rate should be determined with reference to the employer's general assets. In this instance, governmental unrestricted general assets are invested in very short-term fixed instruments. This asset allocation leads to a low discount rate. For the purposes of the 2010 actuarial valuation, a discount rate of 4.00% has been used.

Other actuarial assumptions include healthcare cost trend rates ranging from 9.1% in 2011 to 4.5% in 2029 and beyond. Employee salary increases are projected at a range from 6.50% for employees 25 years of age to 3.50% for employees 55 years and older. Retiree medical contributions are assumed to increase at the same rates as incurred claims. A constant cost sharing between employer and employee is assumed. All future retirees and 60% of the spouses of married participants are assumed to elect coverage. While not obligated to continue to provide coverage, it is assumed for the purposes of this valuation that DeKalb County will maintain a consistent level of cost sharing and benefit provisions.

(F) Deferred Compensation Plan

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

11. Risk Management

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

DeKalb County has a Risk Management Fund to account for and to finance its purchase of insurance and coverage of uninsured risks of loss when immunity cannot be asserted. Under this program, the Risk Management Fund finances two reserves: workers' compensation and incurred but unpaid claims under a self-funded employee medical benefit program. The County retains the first $750,000 of expense for each occurrence of workers' compensation injuries, and it retains the first $200,000 of medical expense claims per year for each covered employee under the comprehensive medical insurance plan. Beyond these limits, the County purchases specific excess insurance to limit further loss. Reserves are established for the medical insurance liabilities based on actuarial projection provided by the plan administrator (Blue Cross and Blue Shield of Georgia). Reserves for workers' compensation are established as follows: (1) an estimate of future expenses for known claims and known treatment needs, and (2) a statistical projection of incurred but unreported claims, based on recent historical experience of loss development in the County's claims.

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

Buildings and contents are insured through an "all risk" property damage insurance policy, and the County retains the first $100,000 of each loss, with an aggregate limit of $500,000,000. This retention level is funded by an annual appropriation of $500,000 which, historically, has been adequate to cover all claims.

Workers Compensation claims are self funded up to a $750,000 retention. Medical and Indemnity expenses stemming from work related injuries are primarily paid as they are incurred. Reserves are set for each claim on an undiscounted basis and reduced to zero upon settlement. Healthcare claims are paid through a fully insured HMO and a self funded PPO. Healthcare claims paid for the PPO are paid on a monthly basis. The changes in the liabilities for self-insurance for the last five years are as follows (in thousands of dollars):

	2010	2009	2008	2007	2006
Workers' compensation:					
Incurred claims, net of any changes	$ 5,649	$ 5,780	$ 5,593	$ 3,987	$ 4,292
Payments	(5,467)	(6,080)	(4,262)	(4,097)	(4,456)
Ending balance	8,280	8,098	8,398	7,067	7,177
Health and dental:					
Incurred claims, net of any changes	80,059	75,863	72,245	70,699	64,233
Payments	(82,844)	(76,806)	(72,816)	(69,871)	(63,723)
Ending balance	850	3,635	5,149	5,720	4,892
Total liability for self-insurance	$ 9,130	$ 11,733	$ 13,547	$ 12,787	$ 12,069

12. Proprietary Funds

Contracts and agreements

The County has a shared interest in various water pollution control plants with the City of Atlanta, Gwinnett County, and Fulton County. Each of these agreements requires the County to pay a pro rata share of the plants' operating costs and additional capital improvements which may be made by the other equity interest. During 2010, the County incurred the following operating costs (no capital costs were incurred) (in thousands of dollars):

R. M. Clayton Plant - City of Atlanta	$ 8,940
Big Creek Plant, John's Creek Plant & Marsh Creek Plant - Fulton County	1,376
Jackson Creek Plant - Gwinnett County	441
Total	$ 10,757

13. Allowance For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2010 are as follows (in thousands of dollars):

	Gross Receivables	Uncollectible Receivables	Net Receivables
Governmental activities:			
Taxes receivable	$ 47,665	$ 2,079	$ 45,586
Accounts receivable	13,084	9,172	3,912
	$ 60,749	$ 11,251	$ 49,498
Business-type activities:			
Accounts receivable	$ 53,003	$ 9,333	$ 43,670

14. Due From Other Governments

Amounts due from other governments at December 31, 2010 are as follows (in thousands of dollars):

Governmental activities:		Business-type activities:	
Georgia Department of Transportation	$ 1,402	Georgia Emergency Management Agency	$ 72
Georgia Emergency Management Agency	385	Other local governments	928
U. S. Department of Housing & Urban Development	101	Total	$ 1,000
U. S. Department of Labor	286		
U. S. Department of Health and Human Services	146		
Criminal Justice Coordinating Council	291		
Office of Nationa Drug Control	138		
Others	207	Component units:	
Total	$ 2,956	Miscellaneous State Agencies	$ 1,533

15. Interfund Balances and Activity

(A) Balances Due To / From Other Funds

Balances due to / from other funds at December 31, 2010 consist of the following (in thousands of dollars):

Due to the General Fund from other Governmental funds representing short-term loans.	$ 177
Due to Internal Service Fund from General Fund, representing a short term loan.	19,953
Due to Internal Service Fund from Special Tax District-Designated Services, representing short term loan.	7,300
Due to Internal Service Fund from other Governmental funds, representing short term loans	9,357
Due between Internal Service Funds, representing a short term loan	530
	$ 37,317

(B) Transfers To / From Other Funds

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

Transfer from General Fund to other Nonmajor Governmental funds to match federal and state grants.	$ 2,613
Transfer from General Fund to other Nonmajor Governmental funds for capital projects.	5,880
Transfer from Special Tax District Designated Services Fund to other Nonmajor Governmental funds to match federal and state grants.	225
Transfer from Special Tax District Unincorporated Fund to Special Tax District Designated Services Fund to fund operations.	76,218
Transfer from other Nonmajor Governmental funds to General Fund to fund programs.	3,110
Transfer from other Nonmajor Governmental funds to Debt Service to fund debt service.	1,355
Transfer between other Nonmajor Governmental funds to match grants.	1,090
Transfer from Sanitation Enterprise Fund to General Fund to fund operations.	2,000
Transfer from Internal Service Funds to General Fund to fund operations.	10,307
	$ 102,798

16. Commitments and Contingencies

The County is required by state law to spend 2% of the 5% hotel / motel tax collected on contracts promoting tourism. In fiscal year 2006, the County Board of Commissioners voted to appropriate this 2% portion of the hotel / motel tax collected by the County to the DeKalb Convention and Visitors Bureau ("DCVB"). During 2010, the County paid $1,357,253 to the DCVB.

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

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

17. Fund Deficits and Liquidity

The three major tax funds all completed 2010 with fund balance deficits as follows: the General Fund ($33,529,000); the Special Tax District-Designated Services Fund ($8,299000); the Special Tax District-Unincorporated Fund ($92,000). These deficits were caused by a downturn in the economy forcing revenue to lag behind expenditures. The Nonmajor Special Revenue Recreation Fund ended fiscal 2010 with a fund balance deficit of ($322,000). The County will reduce expenditures to match anticipated income from charges for services at pools and parks. The Nonmajor Special Revenue-Grant-in-Aid Fund ended 2010 with a ($6,950,000) deficit due to expenses incurred prior to being reimbursed. The Nonmajor Special Revenue-Hospital Fund ended 2010 with a ($1,688,000) deficit. The County will increase the fund's tax allocation and reduce expenditures to eliminate this deficit. The Nonmajor Capital Projects -Host Capital Projects Fund ended 2010 with a ($2,603,000) deficit. An amount necessary to eliminate the negative fund balance will be transferred to the fund in 2011. The Internal Service Fund - Vehicle Maintenance ended fiscal 2010 with a fund balance deficit of ($18,301,000). The County will reduce expenditures to match anticipated income from charges for services. The Internal Service Fund - Risk Management ended fiscal 2010 with a fund balance deficit of ($731,000).

The property tax digest declined in 2011 by $3 billion in assessed value from that of 2010. In response to this decline and operational funding requirements, the Board of Commissioners raised the millage rate in the unincorporated by 4.35 mills (from 16.86 to 21.21). Tax rates in the incorporated areas were raised as well, in accordance with service delivery arrangements. The increase in tax rates is expected to generate more revenue than the impact of the tax digest decline, and part of the excess revenue will be designated as budgetary reserves. The County is taking steps to control expenditures, including unpaid days for employees, elimination of certain vacant positions and outsourcing of some services.

Liquidity risk is the risk that the County does not have sufficient liquid financial resources to meet its obligations when they fall due, or would have to incur excessive costs to do so. During times of economic stress such as the current national recession, the County faces a significant risk to its ability to generate cash from revenues sufficient to pay operating expenditures. Two of the County's largest revenue streams, property taxes and sales taxes, are especially susceptible to major downturns in the economy and have declined in recent years due to increasing levels of unemployment, declining property values and the foreclosure crisis. Unemployment increased rapidly from 10.2% in December 2009 to 10.4% in December 2010 (compared to 10% state and 10% national).

The County acknowledges the urgency and criticality of reversing the trend of negative fund balances in certain funds, particularly the general fund, and building back adequate reserves. The current general fund deficit poses significant liquidity risk and potentially could increase the cost of any new bond issuances, and a reduction in services and service levels. The County currently limits its borrowings to fixed interest obligations for essential projects. In response, the County has implemented a number of major deficit reduction initiatives designed to reduce expenditures and increase revenues in 2011 and beyond.

In mid-2010, the County offered early retirement incentives to 1,200 eligible employees, resulting in 843 employees opting for early retirement and a reduction in annual salaries totaling more than $30 million. In addition, the County's liability for unused vacation related to these employees was reduced and paid out by the Pension Fund. The Board of Commissioners eliminated all vacated positions, and authorized primarily the re-creation of certain critical public safety and business type activity positions. The County also implemented changes to the employee insurance programs to limit the growing cost of health insurance; this effort is on-going and is expected to continue to result in significant cost reductions. As a part of the 2010 budget, seven unpaid holidays were implemented, four of which were converted to furlough days. The County maintains absolute funds checking to mitigate the risk of unauthorized over-spending, and the CEO continues to direct activities under his office's control to eliminate unnecessary expenditures.

In mid-2010, the CEO and Board of Commissioners established a Revenue Enhancement Commission consisting of business representatives and community leaders. House Bill 1221, adopted by the General Assembly in 2010, amended the application of the Homestead Option Sales Tax to include food items effective January 1, 2011. This amendment will potentially increase revenues by more than $10 million annually. Other adopted State legislation will increase various fees charged by various courts starting in 2011. The County has devoted considerable attention to increasing revenues by the reduction of unpaid traffic fines, and implementing a paperless citation procedure and other court measures to streamline collections.

In the event that the deficit reduction initiatives described were to fall short of anticipated results, the County would evaluate other available options including additional tax levies.

18. Budget Information

The County exceeded the legal level of budgeted expenditures in the following departments during 2010 (in thousands of dollars):

Fund	Department	Amount
General	Tax Commissioner	$ 67
General	Probate Court	24
General	Public Works-Administration	86
General	Human and community development	37
Special Revenue - Special Tax District - Designated	Arts, culture, and entertainment	85
Special Revenue - Special Tax District - Unincorporated	Chief Executive Officer	99
Special Revenue - Special Tax District - Unincorporated	Police	91
Special Revenue - Special Tax District - Unincorporated	Non Departmental	48
Nonmajor Special Revenue Development	Planning & Development	692
Nonmajor Special Revenue Victim Assistance	Civil and Criminal Court System - District Attorney	13
Nonmajor Special Revenue Recreation	Parks and Recreation	137
Nonmajor Special Revenue Grant-in-Aid	District Attorney	51
Nonmajor Special Revenue Grants ARRA	Public Safety - Police	3,003

The overages in the Special Revenue - Special Tax District - Designated Fund were caused by unexpected expenditures during 2010. The budget for this department in 2011 will be sufficient to cover expenditures. The overages in the Special Revenue - Special Tax District - Unincorporated Fund were a result of the CEO's Office charging maintenance charges to this fund rather than the General Fund. The overages in the Recreation Fund were a result of contractual services and related operating supplies costing more than anticipated. The departmental overage in the Grant-in-Aid Fund results from having to expend on grants prior to reimbursement and establishment of the grant.

As mandated by Georgia law, the County maintains a project-length balanced budget for each capital projects fund. The following is a summary of each of these fund's project-length budgets for the year ended December 31, 2010 (in thousands of dollars):

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	2006 Transportation, Parks, and Libraries Bonds	HOST Capital Projects	Capital Improvement Projects
Project-length revenues:							
Budget	$ 129	$ 224	$ 120	$ 39,905	$ 109,047	$ 22,487	$ 93,144
Actual	-	-	-	87	978	4,416	11,729
Project-length expenditures:							
Budget	129	224	120	39,905	109,047	22,487	93,144
Actual	-	97	-	3,784	24,866	6,082	21,120

	COPS Bonds	Public Safety Judicial Facilities Authority	Building Authority Juvenile Court Project	Urban Redevelopment Project	ARRA Capital Projects	Total
Project-length revenues:						
Budget	$ 1,432	$ 3,163	$ 1,860	$ 7,945	$ 9,477	$ 288,933
Actual	-	(3)	2	7,945	3,041	28,195
Project-length expenditures:						
Budget	1,432	3,163	1,860	7,945	9,477	288,933
Actual	202	737	1,381	63	2,619	60,951

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2010

(Unaudited)

1. Pension Plan

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

	Valuation Date					
	4-1-2010	4-1-2009	4-1-2008	4-1-2007	4-1-2006 *	4-1-2005
Actuarial value of plan assets	$ 1,243,277	$ 1,209,256	$ 1,289,817	$ 1,266,830	$ 1,243,750	$ 1,225,338
Actuarial accrued liability (AAL)	1,808,967	1,677,163	1,576,182	1,495,475	1,415,719	1,140,305
Assets in excess/unfunded of actuarial accrued liability (UAAL)	$ (565,690)	$ (467,907)	$ (286,365)	$ (228,645)	$ (171,969)	$ 85,033
Funded ratio	68.73%	72.10%	81.83%	84.71%	87.85%	107.46%
Annual covered payroll	$ 265,696	$ 315,482	$ 306,037	$ 292,963	$ 284,989	$ 266,022
UAAL as a percentage of covered payroll (not less than zero)	212.91%	148.31%	93.57%	78.05%	60.34%	N/A

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

	Fiscal Year					
	2010	2009	2008	2007	2006	2005
Annual required contribution (ARC)	$ 33,133	$ 28,932	$ 29,038	$ 24,482	$ 13,091	$ 6,253
Percentage of annual employer contributions made to annual required contributions	96%	100%	90%	85%	100%	100%

*Effective April 1,2006, the actuarial cost method changed from Projected Unit Credit to Entry Age Normal. This change in method allows for more level and predictable costs.

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

(Unaudited)

2. Other Postemployment Benefits (OPEB)

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

	Valuation Date			
	1-1-2010	1-1-2009	1-1-2008	1-1-2007
Actuarial accrued liability:				
Retired employees	$ 622,041	$ 614,907	$ 414,901	$ 411,698
Active employees	982,454	855,149	713,608	629,906
Unfunded of actuarial accrued liability (UAAL)	$ 1,604,495	$ 1,470,056	$ 1,128,509	$ 1,041,604
Covered Payroll	$ 309,750	$ 315,482	$ 328,689	$ 315,072
UAAL as a percentage of Covered Payroll	518.0%	466.0%	343.3%	330.6%

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

	2010	2009* (as restated)	2008 (as restated)	2007**
Annual required contribution (ARC)	168,242	156,603	105,256	98,300
Percentage of annual employer contributions made to annual OPEB cost	13.08%	9.05%	15.83%	14.33%

*In 2009, the trend tables were updated to reflect the new anticipated future healthcare costs increase. This change increased both the plan's actuarial accrued liability and annual required contribution almost 20%. Further, several demographic assumptions (i.e., termination rate, retirement rate, and disability rate) were updated from the 2008 valuation to align them with the assumptions used in the valuation of the County's pension obligations.

**Information prior to 2007 is not available

DEKALB COUNTY, GEORGIA

COMBINING STATEMENTS AND SCHEDULES

DEKALB COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

DeKalb County, Georgia

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2010
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 26,313	$ 12,061	$ 77,744	$ 116,118
Taxes receivable (net)	3,999	2,215	-	6,214
Accounts receivable (net)	1,814	-	-	1,814
Due from other governments	1,032	-	1,924	2,956
Total assets	$ 33,158	$ 14,276	$ 79,668	$ 127,102
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and contracts payable	$ 4,846	$ 3	$ 6,208	$ 11,057
Other accrued liabilities	891	-	-	891
Due to other funds	7,445	-	2,089	9,534
Due to others	1,169	-	-	1,169
Unearned revene	2,847	-	198	3,045
Deferred revenue	1,922	1,129	-	3,051
Total liabilities	19,120	1,132	8,495	28,747
Fund balances:				
Reserved	4,988	-	20,790	25,778
Unreserved	9,050	13,144	50,383	72,577
Total fund balances	14,038	13,144	71,173	98,355
Total liabilities and fund balances	$ 33,158	$ 14,276	$ 79,668	$ 127,102

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Governmental Funds

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

For the Year Ended December 31, 2010
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	$ 76,644	$ 42,995	$ -	$ 119,639
Licenses and permits	3,726	-	-	3,726
Use of money and property	218	6,866	89	7,173
Intergovernmental	42,537	-	9,694	52,231
Fines and forfeitures	2,944	-	-	2,944
Charges for services	6,199	-	-	6,199
Miscellaneous	14,309	-	3,184	17,493
Total revenues	146,577	49,861	12,967	209,405
EXPENDITURES				
Current:				
General government	17,443	21	-	17,464
Public safety	64,026	-	-	64,026
Civil and criminal court system	3,167	-	-	3,167
Public works	6,849	-	-	6,849
Human and community development	24,593	-	-	24,593
Parks and recreation	1,557	-	-	1,557
Health and welfare	29,340	-	-	29,340
Debt service:				
Principal	246	28,547	1,178	29,971
Interest	26	19,635	23	19,684
Bond issuance costs	-	-	63	63
Capital outlay:				
General government	-	-	18,458	18,458
Public safety	-	-	1,009	1,009
Civil and criminal court system	-	-	306	306
Public works	-	-	11,250	11,250
Parks and recreation	-	-	4,059	4,059
Total expenditures	147,247	48,203	36,346	231,796
Excess (deficiency) of revenues over expenditures	(670)	1,658	(23,379)	(22,391)
OTHER FINANCING SOURCES (USES)				
Proceeds of bond issuance	-	-	7,945	7,945
Transfers in	3,928	1,355	5,880	11,163
Transfers out	(4,200)	-	(1,355)	(5,555)
Total other financing sources (uses)	(272)	1,355	12,470	13,553
Net change in fund balance	(942)	3,013	(10,909)	(8,838)
Fund balance - beginning	14,980	10,131	82,082	107,193
Fund balance - ending	$ 14,038	$ 13,144	$ 71,173	$ 98,355

See accompanying independent auditors' report.

DeKalb County, Georgia
Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARRA Fund (Amercian Recovery and Reinvestment Act 2009) - to account for year 2009 stimulus monies which are used to support local governments.

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

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

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

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

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

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

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2010

(in thousands of dollars)

	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law Enforcement Confiscated Monies	Street Lights	Speed Humps	Emergency Telephone System	Grant-in-Aid
ASSETS												
Cash and cash equivalents	$ -	$ 1,844	$ 466	$ -	$ -	$ 299	$ 97	$ 8,150	$ 1,549	$ 1,624	$ 8,393	$ -
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable (net)	1,180	-	-	-	-	-	-	-	316	11	119	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	882
Total assets	$ 1,180	$ 1,844	$ 466	$ -	$ -	$ 299	$ 97	$ 8,150	$ 1,865	$ 1,635	$ 8,512	$ 882
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	$ 17	$ 7	$ -	$ -	$ -	$ -	$ 2	$ 184	$ 48	$ 17	$ 270	$ 3,467
Other accrued liabilities	56	-	-	-	5	-	-	-	2	-	122	97
Due to other funds	1,004	-	-	7	317	-	-	-	-	-	-	3,651
Due to others	-	-	-	-	-	-	-	1,158	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-	-	-	632
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	1,077	7	-	7	322	-	2	1,342	50	17	392	7,847
Fund balances:												
Reserved	-	-	-	-	-	-	-	-	-	-	-	3,922
Unreserved	103	1,837	466	(7)	(322)	299	95	6,808	1,815	1,618	8,120	(10,887)
Total fund balances (deficit)	103	1,837	466	(7)	(322)	299	95	6,808	1,815	1,618	8,120	(6,965)
Total liabilities and fund balances	$ 1,180	$ 1,844	$ 466	$ -	$ -	$ 299	$ 97	$ 8,150	$ 1,865	$ 1,635	$ 8,512	$ 882

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2010

(in thousands of dollars)

(continued)

	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	ARRA Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
ASSETS												
Cash and cash equivalents	$ 8	$ 107	$ -	$ 480	$ 1,150	$ 139	$ -	$ 341	$ 673	$ 210	$ 783	$ 26,313
Taxes receivable (net)	-	-	-	-	-	2,770	1,156	10	63	-	-	3,999
Accounts receivable (net)	-	-	-	-	-	36	-	-	-	105	47	1,814
Due from other governments	-	-	-	53	97	-	-	-	-	-	-	1,032
Total assets	$ 8	$ 107	$ -	$ 533	$ 1,247	$ 2,945	$ 1,156	$ 351	$ 736	$ 315	$ 830	$ 33,158
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	$ -	$ -	$ -	$ 7	$ 445	$ 321	$ -	$ 61	$ -	$ -	$ -	$ 4,846
Other accrued liabilities	-	-	-	1	18	590	-	-	-	-	-	891
Due to other funds	-	-	8	-	-	-	2,281	-	-	-	177	7,445
Due to others	-	-	-	-	-	-	-	-	-	11	-	1,169
Unearned revenue	-	-	-	438	1,777	-	-	-	-	-	-	2,847
Deferred revenue	-	-	-	-	-	1,359	563	-	-	-	-	1,922
Total liabilities	-	-	8	446	2,240	2,270	2,844	61	-	11	177	19,120
Fund balances:												
Reserved	-	-	-	2	1,064	-	-	-	-	-	-	4,988
Unreserved	8	107	(8)	85	(2,057)	675	(1,688)	290	736	304	653	9,050
Total fund balances (deficit)	8	107	(8)	87	(993)	675	(1,688)	290	736	304	653	14,038
Total liabilities and fund balances	$ 8	$ 107	$ -	$ 533	$ 1,247	$ 2,945	$ 1,156	$ 351	$ 736	$ 315	$ 830	$ 33,158

See accompanying independent auditors' report

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended December 31, 2010
(in thousands of dollars)

REVENUES	Development	PEG Support	County Jail	Victim Assistance	Recreation	Juvenile Services	Drug Abuse Treatment & Education	Law Enforcement Confiscated Monies	Street Lights	Speed Humps	Emergency Telephone System	Grant-in-Aid
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses and permits	3,726	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	-	3	-	-	-	1	1	185	-	3	15	-
Intergovernmental	-	-	210	375	-	-	-	2,695	-	-	-	30,662
Fines and forfeitures	-	-	2,035	860	-	-	49	-	-	-	-	-
Charges for services	20	-	-	-	811	39	-	-	5,039	290	-	-
Miscellaneous	-	457	-	-	3	-	-	44	-	-	11,459	1,056
Total revenues	3,746	460	2,245	1,235	814	40	50	2,924	5,039	293	11,474	31,718
EXPENDITURES												
Current:												
General government	-	159	-	-	-	-	-	-	-	-	-	5,240
Public safety	-	-	-	-	-	-	-	1,178	-	-	10,122	3,908
Civil and criminal court system	-	-	-	23	-	11	21	6	-	-	-	2,280
Public works	2,571	-	-	-	-	-	-	-	4,055	223	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	24,593
Parks and recreation	-	-	-	-	843	-	41	-	-	-	-	673
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	5,856
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	2,571	159	-	23	843	11	62	1,184	4,055	223	10,122	42,550
Excess (deficiency) of revenues over expenditures	1,175	301	2,245	1,212	(29)	29	(12)	1,740	984	70	1,352	(10,832)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	-	-	-	-	-	-	-	-	3,888
Transfers out	-	-	(2,030)	(1,443)	-	-	-	(100)	-	-	-	-
Total other financing sources (uses)	-	-	(2,030)	(1,443)	-	-	-	(100)	-	-	-	3,888
Net change in fund balance	1,175	301	215	(231)	(29)	29	(12)	1,640	984	70	1,352	(6,944)
Fund balance (deficits) - beginning	(1,072)	1,536	251	224	(293)	270	107	5,168	831	1,548	6,768	(21)
Fund balance (deficits) - ending	$ 103	$ 1,837	$ 466	$ (7)	$ (322)	$ 299	$ 95	$ 6,808	$ 1,815	$ 1,618	$ 8,120	$ (6,965)

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended December 31, 2010
(in thousands of dollars)
(continued)

REVENUES	2002 Local Law Enforcement Block Grant	2003 Local Law Enforcement Block Grant	2004 Local Law Enforcement Block Grant	2005 Justice Assistance Grant	ARRA Grant	Fire	Hospital	Hotel / Motel Tax	Rental Motor Vehicle Tax	Law Library	Alternative Dispute Resolution	Total Nonmajor Special Revenue Funds
Taxes	$ -	$ -	$ -	$ -	$ -	$ 52,480	$ 22,015	$ 1,408	$ 741	$ -	$ -	$ 76,644
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	3,726
Use of money and property	-	-	-	2	-	-	-	-	1	1	6	218
Intergovernmental	-	-	-	460	8,135	-	-	-	-	-	-	42,537
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	2,944
Charges for services	-	-	-	-	-	-	-	-	-	-	-	6,199
Miscellaneous	-	-	-	-	-	36	-	-	500	152	602	14,309
Total revenues	-	-	-	462	8,135	52,516	22,015	1,408	1,242	153	608	146,577
EXPENDITURES												
Current:												
General government	-	-	-	-	9,975	-	-	1,357	712	-	-	17,443
Public safety	-	-	-	572	-	48,246	-	-	-	-	-	64,026
Civil and criminal court system	-	-	-	-	-	-	-	-	-	145	681	3,167
Public works	-	-	-	-	-	-	-	-	-	-	-	6,849
Community development	-	-	-	-	-	-	-	-	-	-	-	24,593
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	1,557
Health and welfare	-	-	-	-	-	-	23,484	-	-	-	-	29,340
Debt Services												
Principal	-	-	-	-	-	246	-	-	-	-	-	246
Interest	-	-	-	-	-	26	-	-	-	-	-	26
Total expenditures	-	-	-	572	9,975	48,518	23,484	1,357	712	145	681	147,247
Excess (deficiency) of revenues over expenditures	-	-	-	(110)	(1,840)	3,998	(1,469)	51	530	8	(73)	(670)
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	40	-	-	-	-	-	-	-	3,928
Transfers out	-	-	-	-	-	(627)	-	-	-	-	-	(4,200)
Total other financing sources (uses)	-	-	-	40	-	(627)	-	-	-	-	-	(272)
Net change in fund balance	-	-	-	(70)	(1,840)	3,371	(1,469)	51	530	8	(73)	(942)
Fund balance (deficits) - beginning	8	107	(8)	157	847	(2,696)	(219)	239	206	296	726	14,980
Fund balance (deficits) - ending	$ 8	$ 107	$ (8)	$ 87	$ (993)	$ 675	$ (1,688)	$ 290	$ 736	$ 304	$ 653	$ 14,038

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

Non-GAAP Budget Basis (in thousands of dollars)

	Development			PEG Support		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Licenses and permits	$ 3,286	$ 3,739	$ 453			$ -
Charges for services	27	20	(7)	-	-	-
Investment income	(16)	(3)	13	10	4	(6)
Miscellaneous	(18)	(13)	5	102	457	355
Total revenues	3,279	3,743	464	112	461	349
Expenditures:						
Current:						
General government	-	(4)	(4)	1,657	162	(1,495)
Planning & development	1,978	2,670	692	-	-	-
Total expenditures	1,978	2,666	688	1,657	162	(1,495)
Excess (deficiency) of revenues over expenditures	1,301	1,077	(224)	(1,545)	299	1,844
Other financing sources (uses):						
Transfers out	(368)	-	368	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	933	1,077	144	(1,545)	299	1,844
Explanation of differences between budget basis and GAAP:						
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 1,077			$ 299	
Differences - budget basis to GAAP:						
Net change in revenues		1				
Net change in expenditures		97			2	
Net change in fund balance - GAAP basis		$ 1,175			$ 301	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	County Jail			Victim Assistance			Recreation		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	$ 150	$ 210	$ 60	$ 300	$ 375	$ 75	$ 1,229	$ 811	$ (418)
Charges for services	-	-	-	-	-	-	-	3	3
Fines and forfeitures	1,629	2,035	406	950	860	(90)	-	-	-
Total revenues	1,779	2,245	466	1,250	1,235	(15)	1,229	814	(415)
Expenditures:									
Current:									
Civil and criminal court system - district attorney	-		-	10	23	13	-	-	-
Parks and recreation	-	-	-	-	-	-	726	871	145
Total expenditures	-	-	-	10	23	13	726	871	145
Excess (deficiency) of revenues over expenditures	1,779	2,245	466	1,240	1,212	(28)	503	(57)	(560)
Other financing sources (uses):									
Transfers out	(2,030)	(2,030)	-	(1,464)	(1,443)	21	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(251)	215	466	(224)	(231)	(7)	503	(57)	(560)
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 215			$ (231)			$ (57)	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			-	
								-	
Net change in expenditures		-			-			28	
Net change in fund balance - GAAP basis		$ 215			$ (231)			$ (29)	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	Juvenile Services			Drug Abuse Treatment & Education			Law Enforcement Confiscated Monies		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	$ 50	$ 39	$ (11)	$ 22	$ 49	$ 27	$ 3,308	$ 2,695	$ (613)
Charges for services			-			-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-	-	-
Investment income	2	1	(1)	1	-	(1)	-	18	18
Miscellaneous	-	-	-	-	-	-	-	21	21
Total revenues	52	40	(12)	23	49	26	3,308	2,734	(574)
Expenditures:									
Current:									
Public safety - police	-	-	-		-	-	6,067	726	(5,341)
Civil and criminal court system - sheriff	-	-	-	-	-	-	2,044	94	(1,950)
Civil and criminal court system - juvenile court	323	11	(312)	-	-	-	-	-	-
Civil and criminal court system - district attorney	-	-	-	130	63	(67)	114	97	(17)
Health and welfare	-	-	-	-	-	-	-	-	-
Total expenditures	323	11	(312)	130	63	(67)	8,225	917	(7,308)
Excess (deficiency) of revenues over expenditures	(271)	29	300	(107)	(14)	93	(4,917)	1,817	6,734
Other financing sources (uses):									
Transfer In	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(100)	(100)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(271)	29	300	(107)	(14)	93	(5,017)	1,717	6,734
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 29			$ (14)			$ 1,717	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			-	
Net change in expenditures		-			2			(77)	
Net change in fund balance - GAAP basis		$ 29			$ (12)			$ 1,640	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	Street Lights			Speed Humps			Emergency Telephone System		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Charges for services	$ 4,533	$ 5,052	$ 519	$ 250	$ 289	$ 39	$ -	$ -	$ -
Investment income	-	-	-	10	3	(7)	25	15	(10)
Miscellaneous	-	(1)	(1)	-	-	-	11,840	12,172	332
Total revenues	4,533	5,051	519	260	292	32	11,865	12,187	322
Expenditures:									
Current:									
Public safety	-	-	-	-	-	-	18,016	9,968	(8,048)
Public works - transportation	5,436	4,405	(1,031)	1,798	206	(1,592)	-	-	-
Public works - roads and drainage	-	-	-	-	-	-	-	-	-
Total expenditures	5,436	4,405	(1,031)	1,798	206	(1,592)	18,016	9,968	(8,048)
Excess (deficiency) of revenues over expenditures	(903)	646	1,550	(1,538)	86	1,624	(6,151)	2,219	8,370
Other financing sources (uses):									
Transfers out	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(903)	646	1,550	(1,538)	86	1,624	(6,151)	2,219	8,370
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 646			$ 86			$ 2,219	
Differences - budget basis to GAAP:									
Net change in revenues		(13)			1			(1,068)	
Net change in expenditures		351			(17)			201	
Net change in fund balance - GAAP basis		$ 984			$ 70			$ 1,352	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	Grant-in-Aid			2002 Local Law Enforcement Block Grant			2003 Local Law Enforcement Block Grant		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	$ 70,582	$ 38,135	$ (32,447)	$ -	$ -	$ -	$ 28	$ -	$ (28)
Investment Income							$ 379		$ (379)
Deferred revenue	(5,766)	(5,766)	-	-	-	-	-	-	-
Total revenues	64,816	32,369	(32,447)	-	-	-	407	-	(407)
Expenditures:									
Current:									
General government:									
Registrar and elections	-	-	-	-	-	-	-	-	-
Cooperative extension	-	-	-	-	-	-	-	-	-
Keep DeKalb beautiful	16	-	(16)	-	-	-	-	-	-
Arts, culture, and entertainment	-	-	-	-	-	-		-	
Workforce development	13,980	4,930	(9,050)	-	-	-			
Total general government	13,996	4,930	(9,066)	-	-	-	-	-	-
Public safety:							-	-	-
Police	5,090	2,199	(2,891)	21	-	(21)	16	-	(16)
Fire and rescue services	4,721	2,987	(1,734)	-	-	-	-	-	-
Total public safety	9,811	5,186	(4,625)	21	-	(21)	16	-	(16)
Civil and criminal court system:									
Sheriff	937	300	(637)	-	-	-	-	-	-
Juvenile court	215	106	(109)	-	-	-	-	-	-
Superior court	1,145	434	(711)	-	-	-	-	-	-
State court	1	-	(1)	-	-	-	-	-	-
Solicitor	207	145	(62)	-	-	-	-	-	-
District attorney	1,136	1,187	51	-	-	-	-	-	-
Magistrate court	1,375	154	(1,221)	-	-	-	-	-	-
Total civil and criminal court system	5,016	2,326	(2,690)	-	-	-	-	-	-
Public works:									
Administration	248	-	(248)	-	-	-	-	-	-
Fleet maintenance	-	-	-	-	-	-	-	-	-
Sanitation	13	-	(13)	-	-	-	-	-	-
Total public works	261	-	(261)	-	-	-	-	-	-
Human and community development	597	-	(597)	-	-	-	-	-	-
Parks and recreation	1,072	669	(403)	-	-	-	-	-	-
Health and welfare:									
Public health	1	-	(1)	-	-	-	-	-	-
Senior citizens services	6,213	2,587	(3,626)	-	-	-	-	-	-
Human and community development	36,007	26,213	(9,794)						
Family and children services	3,556	1,770	(1,786)	-	-	-	-	-	-
Total health and welfare	45,777	30,570	(15,207)	-	-	-	-	-	-
Non-departmental	36	22	(14)	-	-	-	-	-	-
Total expenditures	76,566	43,703	(32,863)	21	-	(21)	16	-	(16)
Excess (deficiency) of revenues over expenditures	(11,750)	(11,334)	416	(21)	-	(21)	391	-	(391)
Other financing sources (uses):									
Transfers in	2,087	3,888	1,801	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses over expenditures and other uses	(9,663)	(7,446)	2,217	(21)	-	21	391	-	(391)
Explanation of differences between budget basis and GAAP:		-							
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ (7,446)			$ -			$ -	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			-	
Net change in expenditures		502			-			-	
Net change in fund balance - GAAP basis		$ (6,944)			$ -			$ -	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	2004 Local Law Enforcement Block Grant			2005 Justice Assistance Grant			Grants - ARRA		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	$ 188	$ -	$ (188)	$ 1,115	$ 408	$ (707)	$ 4,723	$ 8,038	$ 3,315
Investment income	(3)	-	3	2	2	-	6	12	6
Total revenues	185	-	(185)	1,117	410	(707)	4,729	8,050	3,321
Expenditures:									
Current:									
Public safety - police	-	-	-	1,739	595	(1,144)	6,254	9,740	3,486
Total expenditures	-	-	-	1,739	595	(1,144)	6,254	9,740	3,486
Excess (deficiency) of revenues over expenditures	185	-	(185)	(622)	(185)	437	(1,525)	(1,690)	(165)
Other financing sources (uses):									
Transfers in	-	-	-	127	40	(87)	236	-	(236)
Excess (deficiency) of revenues and other sources over expenditures and other uses	185	-	(185)	(495)	(145)	350	(1,289)	(1,690)	(401)
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ -			$ (145)			$ (1,690)	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			-	
Net change in expenditures		-			75			(150)	
								-	
Net change in fund balance - GAAP basis		$ -			$ (70)			$ (1,840)	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	Fire			Hospital			Hotel / Motel Tax		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Property taxes	$ 39,100	$ 39,003	$ (97)	$ 18,105	$ 16,611	$ (1,494)	$ 1,450	$ 1,501	$ 51
Sales taxes	13,500	13,376	(124)	5,280	5,350	70	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment income	(61)	(18)	43	(42)	(13)	29	-	-	-
Miscellaneous	8	23	15	-	(1)	(1)	-	-	-
Total revenues	52,547	52,384	(163)	23,343	21,947	(1,396)	1,450	1,501	51
Expenditures:									
Current:									
General government	3,648	3,225	(423)	-	-	-	1,586	1,296	(290)
Health and welfare - hospital	-		-	23,487	23,470	(17)	-	-	-
Public safety - fire and rescue services	48,444	47,965	(479)	-	-	-	-	-	-
Total expenditures	52,092	51,190	(902)	23,487	23,470	(17)	1,586	1,296	(290)
Excess (deficiency) of revenues over expenditures	455	1,194	739	(144)	(1,523)	(1,379)	(136)	205	341
Other financing sources (uses):									
Transfers out	(627)	626	1,253	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(172)	1,820	1,992	(144)	(1,523)	(1,379)	(136)	205	341
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 1,820			$ (1,523)			$ 205	
Differences - budget basis to GAAP:									
Net change in revenues		196			79			(93)	
Net change in expenditures		1,355			(25)			(61)	
								-	
Net change in fund balance - GAAP basis		$ 3,371			$ (1,469)			$ 51	

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2010

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

	Rental Motor Vehicle Tax			Law Library			Alternative Dispute Resolution		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Other taxes	$ 691	682	(9)	$ -	-	-	$ -	-	-
Investment income	3	1	(2)	-	-	-	6	6	-
Miscellaneous	-	500	500	152	60	(92)	602	611	9
Total revenues	694	1,183	489	152	60	(92)	608	617	9
Expenditures:									
Current:									
Arts, culture, and entertainment	897	712	(185)	-	-	-	-	-	-
Civil and criminal court system:	-	-	-	144	144	-	681	681	-
Total expenditures	897	712	(185)	144	144	-	681	681	-
Excess (deficiency) of revenues over expenditures	(203)	471	674	8	(84)	(92)	(73)	(64)	9
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(203)	471	674	(296)	(84)	212	(726)	(64)	662

Explanation of differences between budget basis and GAAP:			
Deficiency of revenues and other sources over expenditures and other uses - budget basis	$ 471	$ (84)	$ (64)
Differences - budget basis to GAAP:			
Net change in revenues	59	$ 92	$ (9)
Net change in expenditures	-	-	-
Net change in fund balance - GAAP basis	$ 530	$ 8	$ (73)

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

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

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

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

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

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2010
(in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
ASSETS					
Cash and cash equivalents	$ 628	$ 11,291	$ 36	$ 106	$ 12,061
Taxes receivable (net)	731	1,484	-	-	2,215
Total Assets	$ 1,359	$ 12,775	$ 36	$ 106	14,276
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and contracts payable	$ -	$ 3	$ -	$ -	$ 3
Due to other funds	-		-	-	-
Deferred revenue	372	757	-	-	1,129
Total Liabilities	372	760	-	-	1,132
Fund balance (deficits)	987	12,015	36	106	13,144
Total liabilities and fund balances	$ 1,359	$ 12,775	$ 36	$ 106	$ 14,276

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)
For the Year Ended December 31, 2010
(in thousands of dollars)

	General Obligation Bonds Debt Service	Special Tax District General Obligation Bonds Debt Service	Public Safety Judicial Authority Debt Service	Building Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
REVENUES					
Taxes	$ 14,140	$ 28,855	$ -	$ -	$ 42,995
Use of money and property	-	28	3,108	3,730	6,866
Total revenues	14,140	28,883	3,108	3,730	49,861
EXPENDITURES					
General government	7	4	-	10	21
Debt service:					
Principal	9,985	15,450	1,096	2,016	28,547
Interest	3,794	12,177	2,000	1,664	19,635
Total debt service	13,779	27,627	3,096	3,680	48,182
Total expenditures	13,786	27,631	3,096	3,690	48,203
Excess (deficiency) of revenues over expenditures	354	1,252	12	40	1,658
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	1,355	1,355
Total other financing sources (uses)	-	-	-	1,355	1,355
Net change in fund balance	354	1,252	12	1,395	3,013
Fund balance - beginning	633	10,763	24	(1,289)	10,131
Fund balance (deficits) - ending	$ 987	$ 12,015	$ 36	$ 106	$ 13,144

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

For the Year Ended December 31, 2010

Non-GAAP Budget Basis (in thousands of dollars)

	General Obligation Bonds Debt Service			General Obligation Special Tax District Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Property taxes	$ 13,534	$ 14,157	$ 623	$ 23,358	$ 28,871	$ 5,513
Investment income	(58)	(16)	42	90	27	(63)
Total revenues	13,476	14,141	665	23,448	28,898	5,450
Expenditures:						
Debt service	13,754	13,794	40	33,467	27,629	(5,838)
Excess (deficiency) of revenues over expenditures	(278)	347	625	(10,019)	1,269	11,288
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(278)	347	625	(10,019)	1,269	11,288

Explanation of differences between budget basis and GAAP:		
Deficiency of revenues and other sources over expenditures and other uses - budget basis	$ 347	$ 1,269
Differences - budget basis to GAAP:		
Net change in revenues	2	(14)
Net change in expenditures	5	(3)
Net change in fund balance - GAAP basis	$ 354	$ 1,252

(continued)

DeKalb County, Georgia

Nonmajor Debt Service Funds

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

For the Year Ended December 31, 2010

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

	Building Authority Revenue Bonds Debt Service			Public Safety Judicial Authority Revenue Bonds Debt Service		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:						
Investment income	$ 5	$ 1	$ (4)	$ 7	$ -	$ (7)
Miscellaneous	3,617	5,084	1,467	3,079	3,108	29
Total revenues	3,622	5,085	1,463	3,086	3,108	22
Expenditures:						
Debt service	3,690	3,690	-	3,110	3,096	(14)
Excess (deficiency) of revenues over expenditures	(68)	1,395	1,463	(24)	12	36
Other financing sources (uses):						
Transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(68)	1,395	1,463	(24)	12	36
Explanation of differences between budget basis and GAAP:						
Deficiency of revenues and other sources over expenditures and other uses - budget basis		$ 1,395			$ 12	
Differences - budget basis to GAAP:						
Net change in revenues		-			-	
Net change in expenditures		-			-	
Net change in fund balance - GAAP basis		$ 1,395			$ 12	

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Projects Funds

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

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

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

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

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

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

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

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

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

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

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

Urban Redevelopment Agency Bonds Fund - to account for the proceeds of the 2010 Recovery Zone Economic Development Bonds issue and the related capital projects for the renovation and relocation of various buildings.

ARRA (Amercian Recovery and Reinvestment Act 2009) Project fund - to account for proceeds from the year 2009 stimulus for capital projects.

DeKalb County, Georgia

Nonmajor Capital Project Funds

Combining Balance Sheet

December 31, 2010

(in thousands of dollars)

	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Urban Redevelopment Agency	ARRA Capital Project	Total Nonmajor Capital Project Funds
ASSETS												
Cash and cash equivalents	$ 62	$ 221	$ 126	$ 39,475	$ -	$ 25,066	$ 1,722	$ 2,445	$ 428	$ 7,882	$ 317	$ 77,744
Due from other funds	-	-	-	-	-	-	-	-	-		-	-
Due from other governments	-	-	-	-	137	385	-	-	-		1,402	1,924
Total assets	$ 62	$ 221	$ 126	$ 39,475	$ 137	$ 25,451	$ 1,722	$ 2,445	$ 428	$ 7,882	$ 1,719	$ 79,668
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts and contracts payable	$ -	$ -	$ -	$ 501	$ 651	$ 3,156	$ 9	$ 739	$ 1	$ 6	$ 1,145	$ 6,208
Due to other funds	-	-	-	-	2,089	-	-	-	-	-	-	2,089
Unearned revenue	-	-	-	-	-	198	-	-	-	-	-	198
Deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	501	2,740	3,354	9	739	1	6	1,145	8,495
Fund balances:												
Reserved	-	-	-	3,274	1,410	13,263	77	1,018	55		1,693	20,790
Unreserved	62	221	126	35,700	(4,013)	8,834	1,636	688	372	7,876	(1,119)	50,383
Total fund balances	62	221	126	38,974	(2,603)	22,097	1,713	1,706	427	7,876	574	71,173
Total liabilities and fund balances	$ 62	$ 221	$ 126	$ 39,475	$ 137	$ 25,451	$ 1,722	$ 2,445	$ 428	$ 7,882	$ 1,719	$ 79,668

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Capital Project Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended December 31, 2010

(in thousands of dollars)

Revenues	1987 Parks Bonds	Jail Bonds	Health Facilities Bonds	2001 Parks Bonds	HOST Capital Projects	Capital Improvement Projects	COPS Bond Projects	Public Safety Judicial Facilities Authority Projects	Building Authority Juvenile Court Project	Urban Redevelopment Agency	ARRA Capital Project	Total Nonmajor Capital Project Funds
Use of money and property	$ -	$ 1	$ -	$ 86	$ -	$ -	$ -	$ -	$ 2	$ -	$ -	$ 89
Intergovernmental	-	-	-	-	4,554	831	-	-	-	-	4,309	9,694
Miscellaneous	-	-	-	-	2,437	747	-	-	-	-	-	3,184
Total revenues	-	1	-	86	6,991	1,578	-	-	2	-	4,309	12,967
Expenditures												
Debt service:												
Principal	-	-	-	-	-	1,178	-	-	-		-	1,178
Interest	-	-	-	-	-	23	-	-	-		-	23
Bond issuance costs	-	-	-	-	-	-	-	-	-	63	-	63
Capital outlay:												
General government	-	-	-	-	6,131	8,624	-	-	-	6	3,632	18,393
Public safety	-	-	-	-	-	246	-	763	-		-	1,009
Civil and criminal court system	-	97	-	-	-	-	206	-	3		-	306
Planning & development	-	-	-	-	-	65	-	-	-		-	65
Public works	-	-	-	-	123	11,127	-	-	-		-	11,250
Parks and recreation	-	-	-	4,059	-	-	-	-			-	4,059
Total expenditures	-	97	-	4,059	6,254	21,263	206	763	3	69	3,632	36,346
Excess (deficiency) of revenues over expenditures	-	(96)	-	(3,973)	737	(19,685)	(206)	(763)	(1)	(69)	677	(23,379)
Other Financing Sources (Uses)												
Issuance of Debt	-	-	-	-	-	-	-	-	-	7,945	-	7,945
Transfers in	-	-	-	-	-	5,880	-	-	-		-	5,880
Transfers out	-	-	-	-	-	-	-	-	(1,355)		-	(1,355)
Total other financing sources (uses)	-	-	-	-	-	5,880	-	-	(1,355)	7,945	-	12,470
Net change in fund balance	-	(96)	-	(3,973)	737	(13,805)	(206)	(763)	(1,356)	7,876	677	(10,909)
Fund balance - beginning	62	317	126	42,947	(3,340)	35,902	1,919	2,469	1,783	-	(103)	82,082
Fund balance (deficts) - ending	$ 62	$ 221	$ 126	$ 38,974	$ (2,603)	$ 22,097	$ 1,713	$ 1,706	$ 427	$ 7,876	$ 574	$ 71,173

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Proprietary Funds

The following Nonmajor Proprietary Funds are used by the County:

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

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

DeKalb County, Georgia
Nonmajor Proprietary Funds
Combining Statement of Net Assets
December 31, 2010
(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 15,175	$ 2,761	$ 17,936
Accounts receivable (net)	169	311	480
Due from other governments	-	72	72
Total current assets	15,344	3,144	18,488
Noncurrent assets:			
Capital assets (net)	60,853	32,886	93,739
Total assets	76,197	36,030	112,227
LIABILITIES			
Current liabilities:			
Accounts payable	36	357	393
Other accrued liabilities	18	-	18
Claims & Judgments payable, current portion	-	115	115
Compensated absences payable	18	-	18
Advance payments and deposits	35	-	35
Unearned revenue	-	833	833
Total current liabilities	107	1,305	1,412
Noncurrent liabilities:			
OPEB Obligation	3,049	-	3,049
Total liabilities	3,231	1,305	4,536
NET ASSETS			
Invested in capital assets, net of related debt	60,853	32,886	93,739
Unrestricted (deficit)	12,113	1,839	13,952
Total net assets	$ 72,966	$ 34,725	$ 107,691

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Proprietary Funds

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

For the Year Ended December 31, 2010

(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Operating revenues:			
Rental fees	$ 4,682	$ -	$ 4,682
Intergovernmental	2,090	2,958	5,048
Charges for services	-	16,058	16,058
Total operating revenues	6,772	19,016	25,788
Operating expenses:			
Salaries and employee benefits	3,249	-	3,249
Supplies	12	88	100
Operating services and charges	432	12,358	12,790
Depreciation and amortization	434	268	702
Total operating expenses	4,127	12,714	16,841
Operating income	2,645	6,302	8,947
Nonoperating revenues:			
Interest income	27	-	27
Change in net assets	2,672	6,302	8,974
Net assets - beginning as restated	70,294	28,423	98,717
Net assets - ending	$ 72,966	$ 34,725	$ 107,691

See accompanying independent auditors' report.

DeKalb County, Georgia

Nonmajor Enterprise Funds

Combining Statement of Cash Flows

For the Year Ended December 31, 2010

(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Cash flows from operating activities:			
Cash received from customers	$ 4,682	$ 19,616	$ 24,298
Cash payments to suppliers for goods and services	(523)	(13,075)	(13,598)
Cash payments to employees for services	(3,249)	-	(3,249)
Other operating revenues	2,090	-	2,090
Net cash provided by operating activities	3,000	6,541	9,541
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(1,510)	(3,780)	(5,290)
Capital donations	-	-	-
Net cash required by capital and related financing activities	(1,510)	(3,780)	(5,290)
Cash flows from investing activities:			
Interest on investments	27	-	27
Net cash provided by investing activities	27	-	27
Net increase (decrease) in cash and cash equivalents	1,517	2,761	4,278
Cash and cash equivalents at beginning of year	13,658	-	13,658
Cash and cash equivalents at end of year	$ 15,175	$ 2,761	$ 17,936
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 2,645	$ 6,302	$ 8,947
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	434	268	702
OPEB obligation	1,774	-	1,774
Change in assets and liabilities:			
(Increase) decrease in receivables	530	528	1,058
Increase (decrease) in payables	(543)	149	(394)
Increase (decrease) in other liabilities	(1,840)	(706)	(2,546)
Net cash provided by operating activities	$ 3,000	$ 6,541	$ 9,541

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

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

The following Internal Service Funds are maintained by the County:

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

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

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

DeKalb County, Georgia
Internal Service Funds
Combining Statement of Net Assets (Deficit)
December 31, 2010
(in thousands of dollars)

ASSETS	Vehicle Maintenance	Vehicle Replacement	Risk Management	Total
Current assets:				
Cash and cash equivalents	$ -	$ 1,226	$ 2,618	$ 3,844
Due from other funds	-	27,783	9,357	37,140
Inventories and prepaid items	2,418	-	2,469	4,887
Total current assets	2,418	29,009	14,444	45,871
Noncurrent assets:				
Capital assets (net)	1,405	38,949	-	40,354
Total assets	3,823	67,958	14,444	86,225
LIABILITIES				
Current liabilities:				
Accounts payable	1,810	177	6,045	8,032
Claims and judgments payable, current portion	-	-	4,190	4,190
Obligation under capital leases, current portion	-	30	-	30
Compensated absences payable	92	-	-	92
Other accrued liabilities	109	-	-	109
Due to other funds	530	-	-	530
Total current liabilities	2,541	207	10,235	12,983
Noncurrent liabilities:				
Claims and judgments payable, long-term portion		-	4,940	4,940
OPEB Obligation	19,103	-	-	19,103
Compensated absences payable	451	-	-	451
Total long-term liabilities	19,554	-	4,940	24,494
Total liabilities	22,095	207	15,175	37,477
NET ASSETS (DEFICIT)				
Invested in capital assets	1,405	38,949	-	40,354
Unrestricted (deficit)	(19,677)	28,802	(731)	8,394
Total net assets (deficit)	$ (18,272)	$ 67,751	$ (731)	$ 48,748

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

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

For the Year Ended December 31, 2010
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Operating revenues:				
Charges for services	$ 27,873	$ 11,708	$ 89,259	$ 128,840
Intergovernmental	154	-	-	154
Other financing sources	-	1,567	-	1,567
Miscellaneous	384	2,836	-	3,220
Total operating revenues	28,411	16,111	89,259	133,781
Operating expenses:				
Salaries and employee benefits	13,903	-	-	13,903
Supplies	16,842	-	-	16,842
Operating services and charges	2,056	160	91,884	94,100
Miscellaneous	26	-	-	26
Depreciation	272	16,210	-	16,482
Total operating expenses	33,099	16,370	91,884	141,353
Operating income (loss)	(4,688)	(259)	(2,625)	(7,572)
Other income (expense):				
Interest income		39		39
Interest expense	-	(10)	-	(10)
Loss on sale of capital assets	-	(99)	-	(99)
Transfer out	-	(3,592)	(6,715)	(10,307)
Change in net assets	(4,688)	(3,921)	(9,340)	(17,949)
Net assets (deficit) - beginning as restated	(13,584)	71,672	8,609	66,697
Net assets (deficit) - ending	$ (18,272)	$ 67,751	$ (731)	$ 48,748

See accompanying independent auditors' report.

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Cash Flows

Year Ended December 31, 2010
(in thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Cash flows from operating activities:				
Receipt by interfund services provided	$ 28,411	$ 16,111	$ 89,259	$ 133,781
Cash payments to suppliers for goods and services	(12,724)	(2,213)	(93,960)	(108,897)
Cash payments to employees for services	(13,903)	-	-	(13,903)
Net cash provided by operating activities	1,784	13,898	(4,701)	10,981
Cash flows from noncapital financing activities:				
Transfers (to) from other funds	-	(19,301)	(16,072)	(35,373)
Net cash provided by noncapital financing activities	-	(19,301)	(16,072)	(35,373)
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(1,784)	(13,319)	-	(15,103)
Proceeds from sale of capital assets	-	1,567	-	1,567
Payments on leases	-	(361)	-	(361)
Net cash required by capital and related financing activities	(1,784)	(12,113)	-	(13,897)
Cash flows from investing activities:				
Interest on investments	-	39	-	39
Net cash provided by investing activities	-	39	-	39
Net increase (decrease) in cash and cash equivalents	-	(17,477)	(20,773)	(38,250)
Cash and cash equivalents at beginning of year	-	18,703	23,391	42,094
Cash and cash equivalents at end of year	$ -	$ 1,226	$ 2,618	$ 3,844
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	$ (4,688)	$ (259)	$ (2,625)	$ (7,572)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	272	16,210	-	16,482
OPEB Obligation	5,979	-	-	5,979
Change in assets and liabilities:				
(Increase) decrease in inventories and prepaid expenses	(192)	-	338	146
Increase (decrease) in payables	671	(2,053)	(2,414)	(3,796)
Increase (decrease) in other liabilities	(258)	-	-	(258)
Net cash provided by operating activities	$ 1,784	$ 13,898	$ (4,701)	$ 10,981

See accompanying independent auditors' report.

DeKalb County, Georgia

Agency Funds

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

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

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

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

Clerk of Superior Court	Probate Court
State Court	Magistrate Court
Juvenile Court	State Court Probation

DeKalb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
Year Ended December 31, 2010
(in thousands of dollars)

	Balance 12/31/2009	Additions	Deductions	Balance 12/31/2010
TAX COMMISSIONER				
ASSETS				
Cash and Cash Equivalents	$ 13,187	$ 980,080	$ 980,652	$ 12,615
Total Assets	$ 13,187	$ 980,080	$ 980,652	$ 12,615
LIABILITIES				
Due to Others	$ 13,187	$ 980,080	$ 980,652	$ 12,615
SHERIFF				
ASSETS				
Cash and Cash Equivalents	$ 5,049	$ 3,625	$ 3,455	$ 5,219
LIABILITIES				
Due to Others	$ 5,049	$ 3,625	$ 3,455	$ 5,219
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and Cash Equivalents	$ 4,309	$ 19,566	$ 21,192	$ 2,683
LIABILITIES				
Due to Others	$ 4,309	$ 19,566	$ 21,192	$ 2,683
STATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 2,740	$ 14,285	$ 15,269	$ 1,756
LIABILITIES				
Due to Others	$ 2,740	$ 14,285	$ 15,269	$ 1,756
JUVENILE COURT				
ASSETS				
Cash and Cash Equivalents	$ 18	$ 124	$ 128	$ 14
LIABILITIES				
Due to Others	$ 18	$ 124	$ 128	$ 14

	Balance 12/31/2009	Additions	Deductions	Balance 12/31/2010
PROBATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 367	$ 1,308	$ 1,281	$ 394
LIABILITIES				
Due to Others	$ 367	$ 1,308	$ 1,281	$ 394
MAGISTRATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 21	$ 5,080	$ 4,488	$ 613
LIABILITIES				
Due to Others	$ 21	$ 5,080	$ 4,488	$ 613
STATE COURT PROBATION				
ASSETS				
Cash and Cash Equivalents	$ 1,486	$ 2,588	$ 3,845	$ 229
LIABILITIES				
Due to Others	$ 1,486	$ 2,588	$ 3,845	$ 229
SEIZED PROPERTY				
ASSETS				
Cash and Cash Equivalents	$ 528	$ 238	$ 152	$ 614
LIABILITIES				
Due to Others	$ 528	$ 238	$ 152	$ 614
TOTALS				
ASSETS				
Cash and Cash Equivalents	$ 27,705	$ 1,026,894	$ 1,030,462	$ 24,137
Total Assets	$ 27,705	$ 1,026,894	$ 1,030,462	$ 24,137
LIABILITIES				
Due to Others	$ 27,705	$ 1,026,894	$ 1,030,462	$ 24,137



STATISTICAL SECTION

DeKalb County, Georgia

Statistical Section (Unaudited)

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

Contents **Page**

Financial Trends **S3-S8**

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

Revenue Capacity **S9-S14**

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

Debt Capacity **S15-S20**

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

Demographic and Economic Information **S21-S22**

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

Operating Information **S23-S27**

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

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

DeKalb County, Georgia

Comments Relative to the Statistical Section

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

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

DeKalb County, Georgia

Net Assets (deficit) by Component (unaudited)

Last Nine Years
(in thousands of dollars)

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002
Governmental activities:									
Invested in capital assets, net of related debt	$ 1,015,406	$ 996,928	$ 969,556	$ 920,759	$ 849,228	$ 762,138	$ 723,385	$ 670,833	$ 618,643
Restricted	87,196	40,306	48,583	9,778	33,703	58,419	41,118	57,533	57,159
Unrestricted (deficit)	(410,855)	(228,979)	(102,889)	20,676	109,402	38,377	34,064	51,388	51,653
Total governmental activities net assets	$ 691,747	$ 808,255	$ 915,250	$ 951,213	$ 992,333	$ 858,934	$ 798,567	$ 779,754	$ 727,455
Business-type activities:									
Invested in capital assets, net of related debt	$ 914,991	$ 906,295	$ 897,769	$ 849,814	$ 794,096	$ 720,427	$ 695,273	$ 681,681	$ 646,745
Restricted	3,948	68,357	100,375	120,006	130,607	43,508	58,580	49,015	59,822
Unrestricted (deficit)	25,331	(61,916)	(58,623)	(3,558)	5,198	111,838	104,342	81,921	71,503
Total business-type activities net assets	$ 944,270	$ 912,736	$ 939,521	$ 966,262	$ 929,901	$ 875,773	$ 858,195	$ 812,617	$ 778,070
Primary government:									
Invested in capital assets, net of related debt	$ 1,930,397	$ 1,903,223	$ 1,867,325	$ 1,770,573	$ 1,643,324	$ 1,482,565	$ 1,418,658	$ 1,352,514	$ 1,265,388
Restricted	91,144	108,663	148,958	129,784	164,310	101,927	99,698	106,548	116,981
Unrestricted (deficit)	(385,524)	(290,895)	(161,512)	17,118	114,600	150,215	138,406	133,309	123,156
Total primary government net assets	$ 1,636,017	$ 1,720,991	$ 1,854,771	$ 1,917,475	$ 1,922,234	$ 1,734,707	$ 1,656,762	$ 1,592,371	$ 1,505,525

Source: DeKalb County Finance Department

DeKalb County, Georgia

Changes in Net Assets (unaudited)

Last Nine Years
(in thousands of dollars)

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002
Expenses									
Governmental activities:									
General government	$ 123,999	$ 126,144	$ 128,912	$ 118,913	$ 85,673	$ 86,494	$ 82,760	$ 79,615	$ 71,149
Public safety	220,431	231,146	216,207	224,885	153,741	167,085	166,585	148,775	137,806
Civil and criminal court system	178,462	181,022	168,543	163,121	114,529	124,713	123,479	110,237	103,493
Planning & development	2,063	2,709	2,908	2,339	1,935	1,703	1,686	1,599	1,374
Public works	48,529	53,220	54,643	63,773	49,729	60,965	63,510	50,950	47,761
Human and community development	30,757	9,091	11,845	12,685	6,700	13,559	13,323	9,444	8,266
Parks and recreation	22,576	26,107	22,996	24,819	20,148	23,213	23,306	18,003	20,600
Library	16,919	13,510	14,696	12,539	12,866	12,054	11,699	11,286	10,681
Health and welfare	41,473	42,753	36,259	45,623	40,814	34,728	35,118	34,539	34,590
Bond issuance expense	-	221	234	242	245	603	237	518	-
Interest on long-term debt	21,459	22,834	22,610	36,625	29,456	14,762	16,205	19,796	18,977
Total governmental activities expenses	706,668	708,757	679,853	705,564	515,836	539,879	537,908	484,762	454,697
Business-type activities:									
Water	69,771	85,365	75,503	68,881	55,085	55,269	53,187	48,421	44,917
Sewer	88,800	108,646	96,094	87,666	70,108	70,343	62,437	56,843	52,728
Sanitation	70,977	70,382	60,019	57,061	54,314	56,783	44,037	43,896	46,696
DeKalb Peachtree Airport	4,213	4,387	3,269	3,805	2,671	2,985	2,815	2,657	2,582
Stormwater utility	12,978	13,187	20,399	15,854	13,977	13,319	5,038	597	-
Total business-type activities expenses	246,739	281,967	255,284	233,267	196,155	198,699	167,514	152,414	146,923
Total primary government expenses	$ 953,407	$ 990,724	$ 935,137	$ 938,831	$ 711,991	$ 738,578	$ 705,422	$ 637,176	$ 601,620
Program Revenues									
Governmental activities:									
Charges for services									
Civil and criminal court system	$ 44,818	$ 42,823	$ 55,514	$ 46,038	$ 43,127	$ 34,280	$ 37,319	$ 42,628	$ 34,539
Public safety	20,951	22,131	23,856	33,529	28,522	20,995	20,859	17,332	18,112
General government	21,716	30,535	24,672	14,107	15,088	11,432	20,061	13,742	10,524
Other activities	12,681	14,860	16,936	18,165	16,035	19,951	16,182	17,227	18,692
Operating grants and contributions	40,224	26,258	22,569	11,291	49,447	12,714	17,901	24,165	20,200
Capital grants and contributions	15,503	13,666	19,244	53,178	49,321	37,276	28,250	30,969	6,391
Total governmental activities program revenues	155,893	150,273	162,791	176,308	201,540	136,648	140,572	146,063	108,458
Business-type activities:									
Charges for services:									
Water	84,110	72,343	62,439	60,183	60,249	52,792	53,061	55,383	52,326
Sewer	107,050	92,072	79,468	76,596	76,680	67,190	62,289	65,015	56,687
Sanitation	66,019	67,689	62,475	69,554	66,387	57,067	58,405	52,506	54,934
Other activities	25,788	22,434	31,027	35,579	24,724	23,120	19,871	2,766	2,808
Capital grants and contributions	740	1,499	9,290	17,396	13,903	21,330	17,875	7,602	13,974
Total business-type activities program revenues	283,707	256,037	244,699	259,308	241,943	221,499	211,501	183,272	180,729
Total primary governmental program revenues	$ 439,600	$ 406,310	$ 407,490	$ 435,616	$ 443,483	$ 358,147	$ 352,073	$ 329,335	$ 289,187

(continued)

DeKalb County, Georgia

Changes in Net Assets (unaudited)

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

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002
Net (Expense)/Revenue									
Governmental activities	$ (550,775)	$ (558,484)	$ (517,062)	$ (529,256)	$ (314,295)	$ (403,231)	$ (397,336)	$ (338,699)	$ (346,239)
Business-type activities	36,968	(25,930)	(10,585)	26,041	45,787	22,800	43,987	30,858	33,806
Total primary government net expense	$ (513,807)	$ (584,414)	$ (527,647)	$ (503,215)	$ (268,508)	$ (380,431)	$ (353,349)	$ (307,841)	$ (312,433)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes:									
Property tax	$ 259,848	$ 260,984	$ 275,427	$ 272,850	$ 252,294	$ 231,516	$ 209,783	$ 219,265	$ 189,354
Sales tax	88,622	86,978	95,350	100,649	94,921	91,488	85,365	81,684	83,143
Other taxes	71,711	75,444	86,983	90,805	86,698	78,919	77,728	66,502	62,872
Unrestricted investment earnings	8,494	8,601	2,278	8,290	8,876	6,048	2,326	2,627	3,620
Unrestricted grants and contributions	-	18,182	16,381	15,407	4,233	45,879	40,252	21,530	18,041
Transfers	5,592	1,300	4,680	135	672	9,748	695	(610)	1,569
Total governmental activities	434,267	451,489	481,099	488,136	447,694	463,598	416,149	390,998	358,599
Business-type activities:									
Unrestricted investment earnings	158	465	4,708	10,455	9,013	4,526	2,286	3,079	8,567
Transfers	(5,592)	(1,300)	(4,680)	(135)	(672)	(9,748)	(695)	610	(1,569)
Total business-type activities	(5,434)	(835)	28	10,320	8,341	(5,222)	1,591	3,689	6,998
Total primary government	$ 428,833	$ 450,654	$ 481,127	$ 498,456	$ 456,035	$ 458,376	$ 417,740	$ 394,687	$ 365,597
Change in Net Assets									
Governmental activities:	$ (116,508)	$ (106,995)	$ (35,963)	$ (41,120)	$ 133,399	$ 60,367	$ 18,813	$ 52,299	$ 12,360
Business-type activities:	31,534	(26,765)	(10,557)	36,361	54,128	17,578	45,578	34,547	40,804
Total primary government net expense	$ (84,974)	$ (133,760)	$ (46,520)	$ (4,759)	$ 187,527	$ 77,945	$ 64,391	$ 86,846	$ 53,164

DeKalb County, Georgia

Fund Balances of Governmental Funds (unaudited)

Last Ten Years
(in thousands of dollars)

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002	2001
General Fund:										
Reserved	$ 1	$ 103	$ 5,219	$ 2,649	$ 8,491	$ 8,040	$ 1,608	$ 5,804	$ 7,352	$ 6,558
Unreserved	(33,769)	(24,520)	(15,041)	19,447	23,380	23,893	19,793	16,709	20,183	22,710
Total General Fund	(33,768)	(24,417)	(9,822)	22,096	31,871	31,933	21,401	22,513	27,535	29,268
All Other Governmental Funds:										
Reserved	36,086	40,031	61,194	39,884	51,480	37,793	22,659	18,446	21,493	42,351
Unreserved, reported in:										
Special revenue funds	649	1,942	437	3,866	23,664	32,031	25,087	21,107	18,798	16,735
Debt service funds	13,144	10,131	8,796	4,346	19,322	15,911	13,186	11,500	14,976	17,610
Capital projects funds	125,982	154,364	192,691	255,335	323,715	145,651	124,331	154,724	161,030	171,291
Total all other governmental funds	175,861	206,468	263,118	303,431	418,181	231,386	185,263	205,777	216,297	247,987
Total governmental funds	$ 142,093	$ 182,051	$ 253,296	$ 325,527	$ 450,052	$ 263,319	$ 206,664	$ 228,290	$ 243,832	$ 277,255

DeKalb County, Georgia

Changes in Fund Balances of Governmental Funds (unaudited)

Last Ten Years
(in thousands of dollars)

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002	2001
Revenues By Source:										
Taxes	$ 414,945	$ 406,475	$ 449,216	$ 430,429	$ 409,023	$ 381,027	$ 356,629	$ 353,904	$ 318,756	$ 296,665
Licenses and permits	21,860	22,911	31,076	32,996	30,719	30,757	28,432	26,833	27,625	29,385
Use of money and property	7,416	10,863	13,474	25,467	36,546	8,075	2,467	4,284	4,237	7,280
Intergovernmental	59,637	62,750	37,371	46,655	59,703	63,057	46,613	46,704	47,228	48,929
Fines and forfeitures	36,217	32,870	38,333	32,676	34,376	31,429	33,674	29,311	24,162	21,571
Charges for services	25,311	36,859	39,718	36,522	29,386	42,467	46,786	35,835	35,580	28,994
Miscellaneous	18,044	28,874	20,695	17,814	22,317	7,296	8,043	6,742	4,262	5,470
Total revenues	583,430	601,602	629,883	622,559	622,070	564,108	522,644	503,613	461,850	438,294
Expenditures By Function:										
General government	$ 95,332	$ 95,238	$ 106,917	$ 100,988	$ 95,017	$ 79,115	$ 75,847	$ 73,532	$ 65,663	$ 61,622
Public safety	174,485	187,371	191,230	198,495	177,375	155,917	160,407	144,166	136,441	128,107
Civil and criminal court system	140,751	145,373	146,951	139,440	126,513	115,928	115,295	109,274	101,229	97,039
Planning and development	1,737	2,408	2,562	2,015	1,650	1,688	1,664	1,569	1,341	1,750
Public works	23,991	33,650	39,651	40,830	41,843	40,169	40,858	43,605	41,107	38,346
Human and community development	24,593	7,388	10,518	11,121	7,486	13,457	12,929	9,443	8,094	8,642
Parks and recreation	16,777	18,756	21,898	23,582	20,195	18,931	18,433	17,697	19,578	18,245
Library	12,138	10,639	11,323	13,141	12,013	11,446	11,004	10,828	10,071	10,171
Health and welfare	40,540	41,794	35,893	45,018	40,010	34,127	33,801	33,960	33,526	26,596
Debt service:										
Bond issuance expense	63	-	-	-	825	624	237	11,204	-	-
Interest	20,699	22,041	23,235	24,200	30,106	16,024	11,400	12,256	14,785	11,228
Principal	33,808	33,656	32,314	30,623	26,542	16,251	18,414	23,106	19,327	15,973
Capital outlays	58,704	75,833	84,302	129,621	97,094	51,477	101,517	71,934	46,650	42,148
Total expenditures	643,618	674,147	706,794	759,074	676,669	555,154	601,806	562,574	497,812	459,867
Excess (deficiency) of revenues over expenditures	(60,188)	(72,545)	(76,911)	(136,515)	(54,599)	8,954	(79,162)	(58,961)	(35,962)	(21,573)
Other Financing Sources (Uses)										
Issuance of debt	7,945	-	-	-	230,000	35,670	50,000	167,915	-	125,000
Premium on bond issuance	-	-	-	-	7,596	637	579	6,953	-	5,241
Contractual purchase obligations	-	-	-	11,855	3,064	1,616	6,296	4,723	282	584
Payments to escrow agents	-	-	-	-	-	-	-	(135,562)	-	-
Transfers in	102,798	108,653	135,751	157,482	128,293	133,138	122,323	119,287	89,613	16,602
Transfers out	(90,491)	(107,353)	(131,071)	(157,347)	(127,621)	(123,390)	(121,628)	(119,897)	(88,044)	(33,691)
Total other financing sources (uses)	20,252	1,300	4,680	11,990	241,332	47,671	57,570	43,419	1,851	113,736
Net change in fund balance	$ (39,936)	$ (71,245)	$ (72,231)	$ (124,525)	$ 186,733	$ 56,625	$ (21,592)	$ (15,542)	$ (34,111)	$ 92,163
Debt service as a percentage of noncapital expenditures	9.3%	9.3%	8.9%	8.7%	9.9%	6.5%	6.0%	9.5%	7.6%	6.5%

Source: DeKalb County Finance Department

DeKalb County, Georgia

Operating Revenues, Expenses, and Income of Enterprise Funds (unaudited)

Last Ten Years
(in thousands of dollars)

	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003	2002	2001
Water and Sewerage System Fund:										
Operating revenues	$ 191,160	$ 164,415	$ 141,907	$ 136,779	$ 136,929	$ 119,982	$ 115,350	$ 120,398	$ 109,013	$ 109,928
Operating expenses	141,736	165,007	155,791	135,363	113,412	107,074	100,230	93,181	80,195	84,480
Operating income	$ 49,424	$ (592)	$ (13,884)	$ 1,416	$ 23,517	$ 12,908	$ 15,120	$ 27,217	$ 28,818	$ 25,448
Sanitation Fund:										
Operating revenues	$ 66,019	$ 67,689	$ 62,475	$ 69,554	$ 66,387	$ 57,067	$ 58,405	$ 52,506	$ 54,934	$ 46,374
Operating expenses	69,534	65,118	59,946	57,836	55,387	55,321	42,980	46,397	46,718	40,125
Operating income	$ (3,515)	$ 2,571	$ 2,529	$ 11,718	$ 11,000	$ 1,746	$ 15,425	$ 6,109	$ 8,216	$ 6,249
DeKalb Peachtree Airport Fund:										
Operating revenues	$ 6,772	$ 5,040	$ 8,829	$ 8,375	$ 5,167	$ 6,247	$ 3,178	$ 2,766	$ 2,808	$ 2,625
Operating expenses	4,127	4,059	3,265	3,857	2,724	2,908	2,747	2,771	2,583	2,429
Operating income (loss)	$ 2,645	$ 981	$ 5,564	$ 4,518	$ 2,443	$ 3,339	$ 431	$ (5)	$ 225	$ 196
Stormwater Utility Fund:										
Operating revenues	$ 19,016	$ 17,394	$ 22,198	$ 27,204	$ 19,557	$ 16,873	$ 16,693	-		
Operating expenses	12,714	12,201	20,374	16,069	13,977	13,319	5,038	597		
Operating income (loss)	$ 6,302	$ 5,193	$ 1,824	$ 11,135	$ 5,580	$ 3,554	$ 11,655	(597)		

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Assessed and Estimated Actual Value of Taxable Property (unaudited)

Last Ten Years
(in millions of dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Purposes and Bond Retirement:										
Real property:										
Assessed value	$ 22,405	$ 22,878	$ 23,639	$ 22,652	$ 21,809	$ 19,952	$ 18,728	$ 17,636	$ 16,545	$ 15,135
Estimated market value	56,013	57,195	59,098	56,630	54,523	49,880	46,820	44,090	41,363	37,838
Personal property:										
Assessed value	1,850	2,207	2,301	1,863	1,881	1,752	1,686	1,763	1,850	1,916
Estimated market value	4,625	5,518	5,753	4,658	4,702	4,380	4,215	4,408	4,625	4,790
Motor vehicle and mobile homes:										
Assessed value	1,347	1,486	1,453	1,410	1,348	1,378	1,439	1,513	1,509	1,489
Estimated market value	3,368	3,716	3,633	3,525	3,370	3,445	3,598	3,783	3,773	3,723
Privately owned public utilities:										
Assessed value	366	468	494	475	478	458	477	424	441	416
Estimated market value	915	1,170	1,235	1,188	1,195	1,145	1,193	1,060	1,103	1,040
Total value for bond retirement (gross):										
Assessed value	$ 25,968	$ 27,039	$ 27,887	$ 26,400	$ 25,516	$ 23,540	$ 22,330	$ 21,336	$ 20,345	$ 18,956
Estimated market value	$ 64,920	$ 67,599	$ 69,719	$ 66,001	$ 63,790	$ 58,850	$ 55,826	$ 53,341	$ 50,864	$ 47,391
Ratio of Total Assessed Value to Total Estimated Market Value	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Homestead Exemption	$ 2,060	$ 1,812	$ 2,104	$ 1,780	$ 1,550	$ 1,544	$ 1,534	$ 1,499	$ 1,452	$ 1,407
Freeport Exemption	$ 257	$ 270	$ 286	$ 318	$ 311	$ 289	$ 240	$ 265	$ 258	$ 281
Net Assessed Value for General Purposes	$ 23,651	$ 24,957	$ 25,497	$ 24,302	$ 23,655	$ 20,556	$ 19,572	$ 18,634	$ 17,268	$ 17,268
Total Direct Tax Rate	$ 40.09	$ 40.09	$ 39.30	$ 39.30	$ 39.30	$ 38.71	$ 38.71	$ 38.81	$ 37.81	$ 37.26

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

DeKalb County, Georgia

Property Tax Rates and Levies (unaudited)

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Property Tax Rates Per $1,000										
Real and Personal Property:										
County:										
General	$ 8.00	$ 8.00	$ 7.99	$ 7.54	$ 9.12	$ 8.21	$ 8.31	$ 8.73	$ 8.03	$ 5.65
Special tax district -										
designated services:										
Avondale	2.12	2.12	2.10	2.14	1.84	2.05	2.89	2.76	3.49	4.29
Chamblee	0.86	0.86	0.85	0.87	0.74	0.83	1.17	1.12	1.42	1.74
Clarkston	1.79	1.79	1.77	1.80	1.55	1.73	2.44	2.33	2.94	3.62
Decatur	1.13	1.12	1.12	1.14	0.97	1.09	1.53	1.47	1.85	2.28
Doraville	1.20	1.20	1.18	1.20	1.03	1.15	1.62	1.56	1.96	2.41
Lithonia	1.86	1.86	1.84	1.87	1.60	1.79	2.53	2.42	3.05	3.75
Pine Lake	2.12	2.12	2.10	2.14	1.84	2.05	2.89	2.76	3.49	4.29
Stone Mountain	1.59	1.59	1.58	1.60	1.38	1.54	2.17	2.07	2.62	3.21
Unincorporated	3.50	3.50	2.74	2.87	2.04	2.55	2.69	2.76	2.94	4.20
Hospital services	0.96	0.96	0.84	0.89	0.83	0.98	0.88	0.92	1.05	1.30
Fire protection	2.46	2.46	2.54	2.61	2.08	2.43	2.30	1.99	2.31	2.43
Bond retirement and interest	1.94	1.94	1.96	2.16	2.00	1.31	1.30	1.18	1.25	1.45
Total County *	$ 16.86	$ 16.86	$ 16.07	$ 16.07	$ 16.07	$ 15.48	$ 15.48	$ 15.58	$ 15.58	$ 15.03
Property Tax Levies (In thousands of dollars)										
Real and Personal Property:										
County:										
General	$ 126,647	$ 130,460	$ 128,271	$ 114,173	$ 138,183	$ 112,450	$ 103,863	$ 102,320	$ 74,393	$ 44,444
Special tax district -										
designated services	42,023	43,217	39,427	38,768	27,821	31,373	30,762	29,291	25,130	30,288
Hospital services	15,198	15,655	13,485	13,477	12,576	13,423	10,999	10,730	9,728	10,226
Fire protection	35,773	36,872	37,605	36,380	28,972	30,704	26,556	21,469	19,963	17,961
Bond retirement and interest	40,621	41,546	43,140	45,730	41,498	25,775	24,041	20,806	21,035	22,508
Total County	$ 260,262	$ 267,750	$ 261,928	$ 248,528	$ 249,050	$ 213,725	$ 196,221	$ 184,616	$ 150,249	$ 125,427

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

(continued)

DeKalb County, Georgia

Property Tax Rates and Levies (unaudited)

Last Ten Years
(continued)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Property Tax Levies (continued)										
(In thousands of dollars)										
Public Utilities:										
County:										
General	$ 3,018	$ 2,930	$ 3,768	$ 3,795	$ 4,675	$ 3,937	$ 3,886	$ 4,168	$ 2,389	$ 2,492
Special tax district - designated services	1,126	1,097	1,115	1,244	909	1,042	1,086	1,106	1,085	1,543
Hospital services	362	352	396	448	426	470	411	439	443	573
Fire protection	850	827	1,062	1,168	951	1,025	943	812	857	910
Bond retirement and interest	645	628	800	937	880	563	539	503	475	575
Total County	$ 6,001	$ 5,834	$ 7,141	$ 7,592	$ 7,841	$ 7,037	$ 6,865	$ 7,028	$ 5,249	$ 6,093
Motor Vehicle and Mobile Homes:										
County:										
General	$ 10,865	$ 11,201	$ 11,697	$ 13,716	$ 12,034	$ 11,467	$ 12,295	$ 11,999	$ 9,114	$ 14,243
Special tax district - designated services	3,983	3,402	4,038	2,931	3,458	3,490	3,708	4,280	6,040	3,294
Hospital services	1,299	1,186	1,365	1,267	1,423	1,219	1,312	1,760	2,025	2,087
Fire protection	3,115	3,323	3,720	2,979	3,305	2,964	2,664	3,617	3,524	2,319
Bond retirement and interest	2,437	2,544	3,041	2,774	1,828	1,691	1,608	1,987	2,145	1,486
Total County	$ 21,699	$ 21,656	$ 23,861	$ 23,667	$ 22,048	$ 20,831	$ 21,587	$ 23,643	$ 22,848	$ 23,429
Total County Property Tax Levies	$ 287,962	$ 295,240	$ 292,930	$ 279,787	$ 278,939	$ 241,593	$ 224,673	$ 215,287	$ 178,346	$ 154,949

Source: DeKalb County Finance Department

DeKalb County, Georgia

Total Property Tax Rates - All Direct and Overlapping Governments (unaudited)

Per $1,000 Assessed Value

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
DeKalb County	$ 40.09	$ 40.09	$ 39.30	$ 39.30	$ 39.30	$ 38.71	$ 38.71	$ 38.81	$ 37.81	$ 37.26
Atlanta	$ 44.41	$ 44.41	$ 40.91	$ 41.78	$ 43.39	$ 41.27	$ 42.10	$ 43.60	$ 43.99	$ 38.95
Avondale	$ 48.34	$ 48.34	$ 48.21	$ 47.44	$ 47.76	$ 47.53	$ 48.02	$ 48.06	$ 48.29	$ 47.25
Chamblee	$ 44.03	$ 42.39	$ 40.96	$ 40.67	$ 41.56	$ 41.32	$ 40.63	$ 42.82	$ 39.77	$ 38.21
Clarkston	$ 48.32	$ 48.01	$ 47.88	$ 47.60	$ 48.37	$ 48.22	$ 42.38	$ 42.38	$ 42.20	$ 41.24
Decatur	$ 43.85	$ 43.85	$ 43.65	$ 42.44	$ 42.72	$ 42.25	$ 43.38	$ 43.44	$ 43.77	$ 40.35
Doraville	$ 44.42	$ 43.92	$ 43.79	$ 43.50	$ 44.35	$ 44.14	$ 44.95	$ 46.81	$ 42.80	$ 41.37
Dunwoody	$ 39.33	$ 39.33	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lithonia	$ 50.26	$ 49.40	$ 48.65	$ 48.37	$ 49.12	$ 48.98	$ 49.56	$ 50.30	$ 48.87	$ 48.21
Pine Lake	$ 54.44	$ 51.64	$ 51.51	$ 51.24	$ 51.96	$ 52.02	$ 52.72	$ 52.89	$ 52.83	$ 54.75
Stone Mountain	$ 46.81	$ 46.81	$ 46.69	$ 46.40	$ 47.20	$ 45.03	$ 46.50	$ 47.81	$ 46.96	$ 43.67

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Principal Property Tax Payers (unaudited)

Last Ten Years

	Type of Business	2010 Assessed Valuation (In thousands)	2010 Rank	2010 Percentage of Total County Assessed Valuation	2009 Assessed Valuation (In thousands)	2009 Rank	2009 Percentage of Total County Assessed Valuation	2008 Assessed Valuation (In thousands)	2008 Rank	2008 Percentage of Total County Assessed Valuation	2007 Assessed Valuation (In thousands)	2007 Rank	2007 Percentage of Total County Assessed Valuation	2006 Assessed Valuation (In thousands)	2006 Rank	2006 Percentage of Total County Assessed Valuation
Georgia Power Company	Utility	$ 151,024	1	0.58%	$ 140,887	1	0.52%	$ 1,348	10	0.00%	$ 141,126	2	0.53%	$ 150,761	3	0.59%
Bellsouth Telecom/At&T Georgia	Utility	116,590	2	0.45%	119,412	2	0.44%	238,926	1	0.86%	244,402	1	0.93%	238,664	1	0.94%
Perimeter Mall LLC	Retail	72,962	3	0.28%	72,962	3	0.27%	73,232	2	0.26%	73,232	4	0 28%	73,412	5	0.29%
RB Terraces LLC	Developer	71,673	4	0.28%	71,673	4	0.27%	52,579	4	0.19%	-		-	-		-
Highwoods Forsyth Limited	Developer	50,679	5	0.20%	55,557	5	0.21%	41,578	9	0.15%	41,055	8	0.16%	-		-
Post Apartment Homes LP	Developer	-		0.00%	55,045	6	0.20%	69,124	3	0.25%	68,820	5	0 26%	73,451	4	0 29%
Stone Mountain Industrial Park	Industrial	49,154	6	0.19%	49,839	7	0.18%	51,271	5	0.18%	28,385	10	0.11%	53,071	7	0.21%
Atlanta Gas Light Company	Utility	47,165	7	0 18%	43,956	8	0.16%	44,047	7	0.16%	44,688	6	0.17%	49,137	9	0.19%
Koger Ravinia LLC	Developer	40,244	9	0.15%	40,243	9	0.15%	44,268	6	0.16%	40,244	9	0 15%	44,268	10	0.17%
General Motors Corp	Industrial	-		0.00%	38,587	10	0.14%	42,398	8	0.15%	44,288	7	0.17%	56,068	6	0.22%
Hewlett-Packard Co	Retail	-		-	-		-	-		-	-		-	50,296	8	0.20%
GA-Perimeter Center LLC	Retail	-		-	-		-	-		0.00%	131,572	3	0.50%	160,392	2	0.63%
Wells REIT II Parkside Atlanta	Developer	40,279	8	0.16%												
Perimeter Summit LLC	Developer	28,425	10	0.11%												
Total		$ 668,195		2 58%	$ 688,161		2.55%	$ 658,771		2.36%	$ 857,812		3.25%	$ 949,520		3.72%
Total County		$ 25,968,000			$ 27,039,000			$ 27,887,000			$ 26,400,000			$ 25,516,000		

	Type of Business	2005 Assessed Valuation (In thousands)	2005 Rank	2005 Percentage of Total County Assessed Valuation	2004 Assessed Valuation (In thousands)	2004 Rank	2004 Percentage of Total County Assessed Valuation	2003 Assessed Valuation (In thousands)	2003 Rank	2003 Percentage of Total County Assessed Valuation	2002 Assessed Valuation (In thousands)	2002 Rank	2002 Percentage of Total County Assessed Valuation	2001 Assessed Valuation (In thousands)	2001 Rank	2001 Percentage of Total County Assessed Valuation
Bell South/AT&T Georgia	Utility	$ 252,285	1	1.07%	$ 252,505	1	1.13%	$ 250,737	1	1.18%	$ 295,243	1	1.45%	$ 287,225	1	1.52%
GA-Perimeter Center LLC	Investment	148,656	2	0.63%	-		-	153,107	2	0.72%	162,477	2	0 80%	161,568	2	0 85%
Development Authority of DeKalb	Developer	-		-	99,647	3	0.45%	-		-	-		-	-		-
Georgia Power	Utility	120,596	3	0 51%	109,162	2	0.49%	108,082	3	0.51%	99,477	5	0.49%	105,841	3	0.56%
Perimeter Mall LLC	Retail	65,658	6	0.28%	65,658	6	0.29%	107,435	4	0.50%	108,906	3	0 54%	71,299	6	0 38%
General Motors	Industrial	106,400	4	0.45%	99,205	4	0.44%	83,025	5	0.39%	100,029	4	0.49%	93,881	4	0.50%
Post Apartment Homes LP	Developer	68,625	5	0.29%	65,842	5	0.29%	65,842	6	0.31%	64,017	6	0.31%	88,743	5	0.47%
Hewlett-Packard Co	Retail	53,378	7	0.23%	55,678	7	0.25%	52,614	7	0.25%	54,667	7	0.27%	53,332	7	0.28%
Koger Ravinia LLC	Developer	40,244	10	0.17%	-		-	47,000	8	0.22%	47,000	9	0.23%	52,198	8	0.28%
Highwoods/Forsyth LTD	Developer	42,053	9	0 18%	43,117	9	0.19%	44,651	9	0.21%	47,309	8	0.23%	46,034	9	0.24%
Stone Mountain Industrial Park	Developer	46,393	8	0.20%	44,220	8	0.20%	44,568	10	0.21%	-			41,832	10	0 22%
Media One of Colorado	Utility	-		-	-		-	-		-	33,172	10	0.16%	-		-
Atlanta Gas Light	Utility	-		-	39,559	10	0.18%	-		-	-		-	-		-
Total		$ 944,288		4.01%	$ 874,593		3.92%	$ 957,061		4.50%	$ 1,012,297		4 98%	$ 1,001,953		5.29%
Total County		$ 23,540,000			$ 22,330,000			$ 21,336,000			$ 20,345,000			$ 18,956,000		

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

DeKalb County, Georgia

Property Tax Levies and Collections (unaudited)
(County Portion Only)

Last Ten Years
(in thousands of dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Total Tax Levy	$ 287,962	$ 295,240	$ 292,930	$ 279,787	$ 278,939	$ 241,593	$ 224,673	$ 215,287	$ 178,346	$ 154,949
Collection of Current Year's Taxes During Year	$ 261,836	$ 269,955	$ 275,236	$ 263,800	$ 255,264	$ 230,053	$ 215,878	$ 203,674	$ 172,814	$ 154,249
Percentage of Levy Collected During Year	90.93%	91.44%	93.96%	94.29%	91.51%	95.22%	96.09%	94.61%	96.90%	99.55%
Collection of Prior Years' Taxes During Year	$ 18,527	$ 11,861	$ 11,116	$ 17,272	$ 8,942	$ 7,199	$ 6,643	$ 7,676	$ 6,729	$ 6,512
Total Collections	$ 280,363	$ 281,816	$ 286,352	$ 281,072	$ 264,206	$ 237,252	$ 222,521	$ 211,350	$ 179,543	$ 160,761
Percentage of Total Collections to Tax Levy	97.36%	95.45%	97.75%	100.46%	94.72%	98.20%	99.04%	98.17%	100.67%	103.75%
Current Delinquent Taxes	$ 17,512	$ 17,844	$ 12,775	$ 14,027	$ 846	$ 441	$ 250	$ 179	$ 185	$ 228
Accumulated Delinquent Taxes	$ 20,911	$ 20,344	$ 29,063	$ 16,288	$ 18,433	$ 9,275	$ 8,167	$ 10,134	$ 7,404	$ 8,085
Percentage of Accumulated Delinquent Taxes to Current Year's Tax Levy	7.26%	6.89%	9.92%	5.82%	6.61%	3.84%	3.64%	4.71%	4.15%	5.22%

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

Source: DeKalb County Finance Department; DeKalb County Tax Commissioner

DeKalb County, Georgia

Ratios of Outstanding Debt by Type (unaudited)

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

	Governmental Activities						Business-Type Activities					
Fiscal Year	General Obligation Bonds	Certificates of Participation	Revenue Bonds	Equipment Capital Leases	Total Governmental Debt	Percentage of Actual Taxable Value [a] of Property	Water & Sewer Bonds	Vehicle Capital Leases	Water & Sewer Debt per Customer [b]	Total Primary Government Debt	Debt as a Percentage of Personal Income [b]	Total Debt per Capita [b]
2001	$ 282,275	$ 9,770	$ -	$ 8,601	$ 300,646	1.7%	$ 452,970	$ 5,149	$ 1,630	$ 758,765	3.28%	$ 1,118
2002	$ 267,640	$ 9,270	$ -	$ 4,565	$ 281,475	1.6%	$ 446,580	$ 6,190	$ 1,571	$ 734,245	3.13%	$ 1,071
2003	$ 250,345	$ 25,000	$ 15,000	$ 4,509	$ 294,854	1.6%	$ 505,365	$ 5,712	$ 1,766	$ 805,931	3.39%	$ 1,166
2004	$ 234,500	$ 24,525	$ 64,420	$ 8,293	$ 331,738	1.7%	$ 497,815	$ 3,536	$ 1,717	$ 833,089	3.34%	$ 1,199
2005	$ 218,865	$ 24,040	$ 98,600	$ 6,552	$ 348,057	1.7%	$ 490,900	$ 5,502	$ 1,673	$ 844,459	n/a	$ 1,206
2006	$ 427,360	$ 23,070	$ 95,815	$ 5,270	$ 551,515	2.3%	$ 568,090	$ 3,135	$ 1,897	$ 1,122,740	n/a	$ 1,580
2007	$ 405,215	$ 22,075	$ 92,950	$ 13,791	$ 534,031	2.2%	$ 560,875	$ 1,344	$ 1,803	$ 1,096,250	n/a	$ 1,526
2008	$ 381,380	$ 21,055	$ 89,975	$ 9,374	$ 501,784	2.0%	$ 550,235	$ 718	$ 1,749	$ 1,052,737	4.47%	$ 1,447
2009	$ 356,745	$ 20,010	$ 86,915	$ 5,920	$ 469,590	1.9%	$ 538,990	$ 381	$ 1,705	$ 1,008,961	n/a	$ 1,380
2010	$ 331,305	$ 18,930	$ 91,715	$ 3,181	$ 445,131	1.9%	$ 555,685	$ 30	$ 2,594	$ 1,000,846	n/a	$ 1,447

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

[a] See page S9 for property value data.

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

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

DeKalb County, Georgia

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

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Population (in thousands)	692	731	728	718	710	701	695	691	686	679
Assessed Value (in millions of dollars)	$ 25,968	$ 27,039	$ 27,887	$ 26,400	$ 25,516	$ 23,540	$ 22,330	$ 21,336	$ 20,345	$ 18,956
Gross Bonded Debt (in thousands of dollars)	$ 331,305	$ 356,745	$ 381,380	$ 405,215	$ 427,360	$ 218,865	$ 234,500	$ 250,345	$ 267,640	$ 282,275
Less Reserve for General Bond Debt Service (in thousands of dollars)	13,002	11,396	8,739	4,341	19,353	15,678	13,182	10,814	14,976	17,610
Net Bonded Debt (in thousands of dollars)	$ 318,303	$ 345,349	$ 372,641	$ 400,874	$ 408,007	$ 203,187	$ 221,318	$ 239,531	$ 252,664	$ 264,665
Ratio of Net Bonded Debt to Assessed Value	0.0123	0.0128	0.0134	0.0152	0.0160	0.0086	0.0099	0.0112	0.0124	0.0140
Net General Bonded Debt Per Capita	$ 459.98	$ 472.43	$ 511.87	$ 558.32	$ 574.66	$ 289.85	$ 318.44	$ 346.64	$ 368.31	$ 389.79

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

DeKalb County, Georgia

Ratio of Annual Debt Service For General Bonded Debt
to Total General Expenditures (unaudited)

Last Ten Years
(in thousands of dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General Governmental Expenditures[1]	$ 643,618	$ 674,147	$ 646,235	$ 759,074	$ 676,669	$ 555,154	$ 601,806	$ 562,574	$ 497,812	$ 459,867
Debt Service Expenditures for General Bonded Debt[2]	$ 41,406	$ 41,607	$ 41,933	$ 41,245	$ 39,767	$ 26,125	$ 26,140	$ 28,495	$ 28,318	$ 20,866
Ratio (%) of Debt Service Expenditures to General Governmental Expenditures	6.43%	6.17%	6.49%	5.43%	5.88%	4.71%	4.34%	5.07%	5.69%	4.54%

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

[2] Includes all governmental funds general obligation bond expenditures.

Source: DeKalb County Finance Department

DeKalb County, Georgia

Computation of Legal Debt Margin (Unaudited)

December 31, 2010
(in thousands of dollars)

Assessed Value			$ 25,968,000
Debt Limit - 10% of assessed value			$ 2,596,800
Amount of Debt Applicable to Debt Limit:			
Total bonded debt		$ 978,705	
Less:			
General obligation bonds fund balance	$ 11,437		
Governmental activities revenue bonds	91,715		
Water and sewerage system revenue bonds	555,685	658,837	
Total debt applicable to debt limit			319,868
Legal Debt Margin			$ 2,276,932

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

DeKalb County, Georgia

Legal Debt Margin (unaudited)

Last Ten Years
(In thousands of dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Debt limit	$ 2,596,800	$ 2,703,900	$ 2,788,700	$ 2,640,000	$ 2,551,600	$ 2,354,000	$ 2,233,000	$ 2,150,600	$ 2,034,400	$ 1,895,600
Total debt applicable to limit	319,868	345,349	372,641	400,874	408,007	203,187	221,318	239,531	252,664	264,665
Legal debt margin	$ 2,276,932	$ 2,358,551	$ 2,416,059	$ 2,239,126	$ 2,143,593	$ 2,150,813	$ 2,011,682	$ 1,911,069	$ 1,781,736	$ 1,630,935
Total debt applicable to the limit as a percentage of the debt limit	12.32%	12.77%	13.36%	15.18%	15.99%	8.63%	9.91%	11.14%	12.42%	13.96%

Source: DeKalb County Finance Department

DeKalb County, Georgia

Computation of Direct and Overlapping Debt (unaudited)

December 31, 2010
(in thousands of dollars)

	Gross Debt Less Debt Retirement Funds	Percentage of Debt Applicable to DeKalb County	DeKalb County's Share of Debt
DeKalb County	$ 319,868	100.00%	$ 319,868
Overlapping Debt:			
City of Atlanta (A)	260,490	2.60%	6,773
Fulton-DeKalb Hospital Authority (B)	200,060	27.11%	54,233
Total Overlapping Debt	460,550		61,006
Total Direct and Overlapping Debt	$ 780,418		380,874
Total Per Capita Direct and Overlapping Debt			$ 550.48

Total Direct and Overlapping Debt Per Capita

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

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

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

DeKalb County, Georgia

Schedule of Governmental Revenue Bond Coverage (unaudited)

Last Ten Years
(in thousands of dollars)

Building Authority and Juvenile Justice Center Revenue Bond Coverage

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net Available Revenue *	$ 3,714	$ 3,715	$ 3,717	$ 3,712	$ 3,717	$ 1,622	$ 1,079	$ 208	$ -	$ -
Current Annual Debt Service	$ 3,714	$ 3,715	$ 3,717	$ 3,712	$ 3,717	$ 1,622	$ 1,079	$ 208	$ -	$ -
Ratio	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-

Public Safety and Judicial Facilities Authority Revenue Bond Coverage

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net Available Revenue *	$ 3,095	3096	3092	3092	3097	2882	$ -	$ -	$ -	$ -
Current Annual Debt Service	$ 3,095	3096	3092	3092	3097	2882	$ -	$ -	$ -	$ -
Ratio	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Schedule of Business-Type Revenue Bond Coverage (unaudited)

Water and Sewerage System

Last Ten Years
(In thousands of dollars)

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Net Operating Revenue as Defined in Bond Resolution *	$ 81,028	$ 59,663	$ 45,562	$ 61,414	$ 63,917	$ 71,247	$ 51,372	$ 56,028	$ 55,176	$ 66,734
Current Annual Debt Service Requirement	$ 38,838	$ 38,838	$ 38,660	$ 35,516	$ 31,336	$ 32,110	$ 31,500	$ 30,919	$ 29,869	$ 29,587
Ratio	2.09	1.54	1.18	1.73	2.04	2.22	1.63	1.81	1.85	2.26

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

Source: DeKalb County Finance Department

DeKalb County, Georgia

Demographic and Economic Statistics (unaudited)

Last Ten Years

Fiscal Year	Population	School Enrollment	Water Customers	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate	Property Value (millions of dollars)	Construction Permits	Construction Value (millions of dollars)	Bank Deposits (millions of dollars)
2001	678,600	98,352	277,837	$ 23,122,616	$ 34,074	4.1%	$ 47,391	10,051	$ 2,601	$ 7,876
2002	685,800	95,333	284,182	$ 23,425,556	$ 34,158	5.7%	$ 50,864	9,283	$ 1,831	$ 7,916
2003	691,300	95,690	286,556	$ 23,787,633	$ 34,410	4.5%	$ 53,341	8,785	$ 1,312	$ 8,553
2004	695,100	96,875	289,813	$ 24,910,299	$ 35,837	5.2%	$ 55,826	9,115	$ 1,754	$ 8,223
2005	700,500	102,310	293,407	n/a	n/a	6.1%	$ 58,850	10,923	$ 1,582	$ 8,711
2006	710,400	99,509	299,445	n/a	n/a	5.0%	$ 63,790	6,923	$ 1,630	$ 7,709
2007	718,400	101,396	311,023	$ 25,141,845	$ 34,997	4.7%	$ 66,000	8,127	$ 2,413	$ 7,882
2008	727,600	101,079	314,572	$ 23,540,770	$ 32,354	7.7%	$ 69,719	8,244	$ 1,142	$ 8,473
2009	731,200	99,006	309,751	n/a	n/a	10.2%	$ 67,599	4,572	$ 1,238	$ 8,582
2010	691,893	99,406	324,153	n/a	n/a	10.4%	$ 64,920	4,842	$ 584	$ 7,652

Note: Personal income data is unavailable for 2005, 2006, 2009, and 2010.

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

DeKalb County, Georgia
Principal Employers (unaudited)
Last Ten Years

	2010			2009			2008			2007			2006		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
DeKalb County Schools	13,890	3	3.7%	13,285	1	3.7%	14,700	1	4.1%	15,800	1	4.1%	7,000	5	2.3%
Emory University	20,172	2	5.4%	12,265	2	3.4%	10,401	2	2.9%	12,968	2	3.4%	14,223	1	4.6%
Emory Healthcare	9,000	5	2.4%	11,143	3	3.1%	9,044	3	2.5%	10,265	3	2.7%	10,265	2	3.3%
DeKalb County Government	7,188	7	1.9%	8,077	4	2.2%	7,130	4	2.0%	8,477	4	2.2%	8,285	4	2.7%
Children's Healthcare of Atlanta	7,527	6	2.0%	6,700	5	1.9%	6,046	5	1.7%	6,690	5	1.7%	-		-
U.S. Centers for Disease Control & Prevention	9,634	4	2.6%	6,500	6	1.8%	3,800	6	1.1%	6,177	6	1.6%	-		-
Cox Communication	2,499	10	0.7%	5,606	7	1.6%	3,500	7	1.0%	6,002	7	1.6%	8,949	3	2.9%
AT&T	20,325	1	5.4%	5,200	8	1 4%	2,848	8	0.8%	3,800	8	1.0%	3,662	6	1.2%
DeKalb Medical Center	2,800	8	0 8%	3,766	9	1 0%	1,213	9	0.3%	3,463	9	0.9%	3,010	7	1.0%
Georgia Perimeter College	2,563	9	0.7%	2,563	10	0.7%	1,192	10	0.3%	1,860	10	0.5%	1,782	8	0.6%
InterContinental Hotels Group Inc.	-		-	-		-	-		-	-		-	1,566	9	0.5%
United Parcel Service	-		-	-		-	-		-	-		-	926	10	0.3%
Internal Revenue Service	-		-	-		-	-		-	-		-	-		-
Total	95,598		25.5%	75,105		20.7%	59,874		16.5%	75,502		19.7%	59,668		19.3%
Total County	374,768			362,420			362,420			383,718			308,842		

	2005			2004			2003			2002			2001		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Emory University & Hospital	13,727	2	4.4%	6,876	4	2.0%	10,300	1	3.0%	10,300	1	3.0%	10,300	1	3.3%
DeKalb County Schools	-		-	22,041	1	6.4%	10,000	2	2.9%	10,000	2	2.9%	10,000	2	3.2%
Emory Healthcare	14,700	1	4.7%	14,398	2	4.2%									
U.S. Centers for Disease Control & Prevention	849,228		-	2,800	9	0.8%									
InterContinental Hotels Group Inc.	3,100	6	1.0%	3,500	8	1.0%									
DeKalb County Government	8,220	3	2.6%	8,045	3	2.3%	7,903	3	2.3%	7,753	3	2.2%	7,598	3	2.5%
General Motors Corporation							4,800	4	1.4%	4,800	4	1.4%	4,800	4	1.6%
Internal Revenue Service							4,500	5	1.3%	4,500	5	1.3%	4,500	5	1.5%
Cox Enterprises	33,703	4	10.8%				4,000	6	1.2%	4,000	6	1.2%	4,000	6	1.3%
AT&T	3,000	7	1.0%												
Emory Clinic							2,800	7	0.8%	2,800	7	0.8%	2,800	7	0.9%
DeKalb Medical Center	2,100	8	0.7%	5,322	5	1.5%	2,300	8	0.7%	2,300	8	0.7%	2,300	8	0.7%
Childrens Healthcare of Atlanta	-		-	5,089	6	1.5%	2,100	9	0.6%	2,100	9	0.6%	2,100	9	0.7%
Veteran's Administration Hospital	-		-	-		-	2,000	10	0.6%	2,000	10	0.6%	2,000	10	0.7%
DeKalb College	2,000	9	0.6%	2,300	10	0.7%	-		-	-		-	-		-
Internal Revenue Service	4,500	5	1.5%	4,500	7	1.3%									
Total	934,278		27.3%	74,871		19.6%	50,703		14.6%	50,553		14.6%	50,398		16.4%
Total County	311,283			346,900			346,900			346,900			346,900		

Note: Total county employment figures are not updated every year

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

DeKalb County, Georgia

County Government Employees by Function/Program (unaudited)

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government	795	1,125	1,029	964	896	872	868	874	815	806
Public safety:										
Fire & rescue services	855	921	859	860	849	849	849	850	824	
Fire										600
EMS										208
Police officers	1,228	1,251	1,250	1,104	1,058	1,056	1,058	1,012	994	995
Other public safety	255	377	377	507	533	536	528	538	527	495
Civil and criminal court system	1,753	1,747	1,740	1,762	1,715	1,693	1,624	1,603	1,583	1,546
Planning and development	54	29	186	186	186	185	177	178	177	150
Public works	487	540	611	612	612	612	582	540	534	535
Community development	22	15	24	22	33	32	29	27	28	24
Parks and recreation	471	543	636	637	623	615	588	578	608	626
Library	295	298	246	233	229	226	226	227	227	227
Health and welfare	32	86	86	87	76	76	77	74	73	69
Watershed management (Water and sewer)	686	771	771	729	736	732	713	688	685	685
Sanitation	699	742	743	728	712	709	699	686	650	604
DeKalb Peachtree Airport	24	27	28	27	27	27	27	28	28	28
Total	7,656	8,472	8,586	8,458	8,285	8,220	8,045	7,903	7,753	7,598

Source: DeKalb County Budget Office

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

DeKalb County, Georgia

Operating Indicators by Function/Program (unaudited)

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government:										
Business licenses issued	14,500	22,430	22,955	27,743	22,450	21,390	20,443	20,908	20,843	20,430
Registered voters	456,049	445,388	456,096	408,279	403,419	388,993	404,539	364,394	386,976	375,581
Public safety:										
Fire & EMS emergency calls	92,171	89,356	201,300	164,291	100,769	98,995	89,499	65,593	88,243	87,921
Police arrests	48,669	54,584	53,707	45,284	62,354	54,686	51,757	48,914	37,115	34,756
Training academies	7	2	2	2	2	1	1	1	1	1
Civil and criminal court system:										
Recorder's court citations processed	182,811	231,591	243,396	212,224	235,854	195,863	211,297	195,472	157,001	150,574
State court dispossessory warrants	33,983	33,511	39,072	37,649	34,935	33,831	35,057	36,910	34,369	33,393
Superior court felony case filings	6,128	6,000	4,773	5,400	6,711	6,293	5,835	6,195	6,299	6,994
Planning and development:										
Building permits issued	4,842	4,572	8,244	8,127	17,333	9,039	9,115	8,785	9,283	10,051
Number of inspections	28,674	51,139	24,218	63,633	35,998	29,875	34,623	58,478	42,672	36,214
Public works:										
Road resurfacing (miles)	37	66	42	22	21	20	20	30	30	25
Patching (tons)	70,185	101,465	30,000	35,600	30,000	50,000	48,000	29,050	56,000	31,783
Sidewalks constructed (miles)	1	2	1	1	1	12	23	25	-	-
Parks and recreation:										
Average attendance per pool	13,570	13,153	5,059	6,900	4,100	4,017	4,800	4,755	n/a	4,000
Golf rounds per course	28,809	68,500	79,871	76,000	37,091	36,221	30,929	22,009	31,033	26,358
Youth & adult athletic patrons	151,175	138,500	20,559	109,000	40,500	33,017	21,500	20,939	26,000	10,000
Library:										
Patron visits	3,321,574	3,232,361	3,273,489	3,292,187	3,216,230	3,153,749	2,968,638	2,866,374	2,799,195	2,582,391
Water:										
Water Customers	324,153	316,065	314,572	311,023	299,445	293,407	289,813	286,556	284,182	277,837
Water meters	189,666	189,162	189,162	188,763	186,503	182,329	181,443	181,682	178,579	175,079
Average daily water consumption (million gallons)	72	59	66	77	65	72	67	67	70	72
Miles of water mains constructed during year	2	6	5	21	27	31	31	42	39	31
Sewer:										
Sewer Customers	288,352	287,061	280,196	278,353	267,057	261,379	258,066	254,357	252,114	245,933
Average daily sewer treatment (million gallons)	37	36	56	56	40	43	39	39	34	34
Miles of sewer mains constructed during year	1	1	28	28	16	18	14	26	28	37
Sanitation:										
Residential customers	159,241	159,743	176,186	174,500	158,427	153,748	148,015	148,999	146,375	158,920
Commercial customers	9,624	7,071	9,588	9,078	8,713	8,256	17,133	12,287	11,369	10,805
Weekly pickups	2	2	2	2	2	2	2	2	2	2
DeKalb Peachtree Airport:										
Annual flights	160,948	151,714	187,006	220,576	207,981	202,251	215,174	224,187	224,959	215,652
Based aircraft	565	565	608	698	608	608	608	608	608	590

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

DeKalb County, Georgia

Capital Asset Statistics by Function/Program (unaudited)

Last Ten Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Public safety:										
Fire stations	26	26	26	26	26	25	25	25	25	25
Fire hydrants	18,500	22,000	22,000	22,200	17,295	15,200	22,908	22,908	22,462	22,462
Public works:										
Miles of paved roads	2,303	2,280	2,422	2,753	2,746	2,746	2,746	2,668	2,664	2,613
Miles of unpaved roads	2	3	3	2	2	2	2	2	2	2
Street Lights	41,202	43,067	42,265	41,518	40,836	39,884	39,086	38,355	37,387	36,218
Parks and recreation:										
Parks	127	131	131	126	130	130	141	120	109	108
Park acreage	6,444	6,679	6,679	6,482	6,000	5,948	5,738	5,517	5,200	5,050
Swimming pools	11	11	11	13	12	12	12	12	12	11
Athletic fields	158	158	158	158	158	158	174	162	162	162
Recreation centers	13	11	11	11	11	11	11	11	11	11
Tennis centers	3	3	3	3	3	3	3	3	3	3
Tennis courts	105	105	105	105	105	105	104	109	109	105
Picnic shelters	77	77	77	90	90	90	80	87	87	87
Golf courses	2	2	2	2	2	2	2	2	2	2
Library:										
Books	808,682	826,340	811,672	826,239	812,634	775,472	776,329	785,396	792,744	838,544
Water:										
Water plant capacity (million gallons)	150	150	150	150	128	128	128	128	128	128
Treated water storage capacity (million gallons)	72	72	72	72	72	72	72	72	72	72
Raw water storage capacity (million gallons)	1,000	1,000	1,000	1,000	1,000	1,000	324	324	240	240
Miles of water mains	2,600	2,600	2,600	2,600	2,854	2,827	2,796	2,765	2,723	2,684
Sewer:										
Sewer treatment capacity (million gallons)	56	56	56	56	56	56	56	56	56	56
Sewer pumping stations	66	66	66	63	60	57	57	53	51	51
Miles of sewer mains	2,400	2,250	2,241	2,230	2,200	2,184	2,166	2,152	2,126	2,098

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

DeKalb County, Georgia

Salaries and Bonds of Principal Officials (unaudited)

Year Ended December 31, 2010

	Statutory Bond	Statutory Salary
Chief Executive Officer - W. Burrell Ellis, Jr	$ 50,000	$ 153,498
Board of Commissioners - Elaine C. Boyer; Jeff Rader; Larry Johnson; Sharon Barnes-Sutton; Lee May; Kathie Gannon; Connie Stokes	10,000	38,374 -40,769
Clerk of Superior Court - Linda Carter	25,000	127,472
Probate Court Judge - Jeryl Rosh	100,000	144,469
Sheriff - Thomas E. Brown, Jr.	25,000	154,000
Tax Commissioner - Claudia Lawson	100,000	155,670
The following officials and all other County employees are covered by a blanket $200,000 bond, as required:		
State Court Judges - Alvin T. Wong; Johnny Panos; Barbara Mobley; Janis Gordon; Jose A. DelCampo; Wayne M. Purdon; Dax E. Lopez		152,967
Solicitor, State Court - Sherry Boston		152,967
District Attorney - Robert James		158,915
Superior Court Judges - Gregory Adams; Clarence F. Seeliger; Daniel M. Coursey, Jr.; Michael E. Hancock; Gail C. Flake; Robert J. Castellani; Linda W. Hunter; Mark Scott; Tangela Barrie; Cynthia J. Becker		169,963
Juvenile Court Judges - Elliot Shoenthal; Desiree Peagler		152,967
Chief Magistrate Court Judge - Winston P. Bethel		127,472
Associate Magistrate Court Judges - Charles D. Wood; R. Hopkins Kidd		114,725

Source: DeKalb County Finance Department

DeKalb County, Georgia

Insurance In Force (unaudited)

December 31, 2010

Coverage	Limits
Buildings, Contents, Records, Equipment:	
Fire, lightning, extended coverage, vandalism, and malicious mischief (blanket coverage \ replacement cost $250,000 deductible) per occurrence -	Scheduled Property
All risk marine floater (specified property, equipment, and records)	Scheduled Property
Boiler and machinery - each occurrence (specified location and equipment exclusions) $10,000 deductible	$ 25,000,000
Aircraft:	
Rotocraft Liability (per occurrence) - Hull coverage (deductible-5% of insured value)	$ 1,000,000
Owner, Landlords, & Tenants - DeKalb-Peachtree Airport	$ 5,000,000
Money and Securities (destruction, disappearance, wrongful abstraction) $10,000 deductible	$ 200,000
Employee Faithful Performance Blanket Position Bond	$ 200,000
Excess Workers' Compensation - per loss (self-insured retentions $600,000)	$ 10,000,000
Group Life - 2.25 times annual salary	Schedule
Group Hospital and Surgery - employee and dependents:	
Major medical (70%-80% of expenses after $300 deductible up to $1,500 out of pocket then 100%). 1 HMO AND 1PPO available	Unlimited
Umbrella - $1,000,000 deductible	$ 5,000,000
Auto Liability Per Accident (combined single limit)	$ 750,000

Source: DeKalb County Finance Department