Comprehensive Annual Financial Report

DeKalb County, Georgia

Year Ended December 31, 2012

COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEKALB COUNTY, GEORGIA

YEAR ENDED DECEMBER 31, 2012

Prepared by:
Department of Finance

DEKALB COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2012

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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

November 18, 2013

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 year ended December 31, 2012 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 Mauldin & Jenkins, LLC, licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the year ended December 31, 2012, 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 unmodified opinion that the County's financial statements for the year ended December 31, 2012, are fairly presented in all material respects, in accordance with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls over compliance and compliance with certain provisions of laws, regulations, contracts and grant agreements. 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 700,700 citizens. Included in these services are traditional county functions such as road maintenance and court-related activities, as well as a number of municipal services such as police, fire, solid waste collection and disposal, and water and sewer. There are ten incorporated municipalities within the County, including a portion of the City of Atlanta. Those municipalities comprise approximately 26% 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 (7) 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 revenues decreased in 2012 and are expected to decrease further in 2013 as real estate property values have declined. The 2011 millage increase of 26% was not enough to completely offset the decline in property tax values. The tax digest peaked in 2008 and has decreased nearly 25% as of 2012. The expected decrease for 2013 is three percent. Foreclosed residential property has been a main factor to affect property values in the County. The decrease in values has spurred some growth in the number of sales and there appears to be an increase in new construction.

Total sales taxes collected experienced a 4.7% increase in 2012 compared to 2011. Sales taxes have reached $102.7 million in 2012. This revenue source has shown improvement in each of the last three years, and is a positive sign of increased economic activity in the County. The slight decrease in the County's share is a result of additional funds that were distributed to the cities.

The County's annual unemployment rate fell to 8.9% at the end of 2012 compared to 9.4% in 2011. However, the 2012 average for the year was 9.3% according to the Georgia Department of Labor. The County has a total workforce in excess of 369,000. The majority of that workforce (74.2%) works in the service providing sectors and approximately 17.5% of the employment is in the government sector based on Department of Labor information. The County has expanded its capital improvement plan for the Watershed System to include $1.3 billion in projects over the next 5 years. As part of this effort, the County is encouraging contractors to employ the local workforce.

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 the State of Georgia and the southeastern United States.

Incorporation of cities continues to be a trend in the Atlanta region and DeKalb County specifically. In 2008, the City of Dunwoody was created in the northern part of the County. The population of Dunwoody represents approximately 6.7% of the County, and the property tax digest in Dunwoody represents 11.9% of the County. Beginning in 2009, Dunwoody taxpayers did not pay the County for special district services such as Parks and Recreation, Police and Roads and Drainage. 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. In 2012, the City of Brookhaven was incorporated representing 49,000 residents or 7% of the total population. In 2013, the County will see reductions in property taxes, business licenses, permits, fines, and sales taxes in the range of $20 million to $25 million per year. The County is looking at the appropriate reduction in services and budget adjustments.

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 2012, 80% of this sales tax (exclusive of payments to DeKalb municipalities) was used to reduce County property taxes (in the form of a homestead exemption credit) collected for County operations (including General Government, Fire Protection, Police Services, Hospital Services and Special District Services) from homestead properties. In 2012, $11 million was committed for capital outlay (infrastructure) projects.

Cash management policies and practices

The County maintains a pooled cash and investments account for most County funds through the Georgia Fund One which is a local government investment pool (LGIP). 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 LGIP. The County issued tax anticipation notes (TANs) in 2012 in the amount of $158 million, and these notes have been fully repaid. For 2013, the County issued $103 million in TANs. The short-term borrowing will be used in the General Fund and other operating funds to better manage cash balances and inter-fund transfers. In accordance with State law, the loan will be repaid by the end of the calendar year 2013.

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 property, liability, surety and employee group insurance programs including workers' compensation and pension administration. The number of workers' compensation claims decreased from 742 in 2011 to 717 in 2012, 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, 2012, the date of the last actuarial report, the County's pension plan had funded 65% 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. 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 2012, the OPEB liability was increased by $36.3 million in the governmental activities, and $12.3 million in the business-type activities. The total government-wide annual OPEB expense was $71.5 million compared to $134.5 million in 2011.

Awards

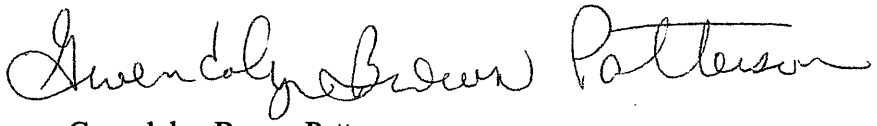
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to DeKalb County for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the 37th consecutive year 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,



Gwendolyn Brown-Patterson
Interim Chief Financial Officer

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, 2011

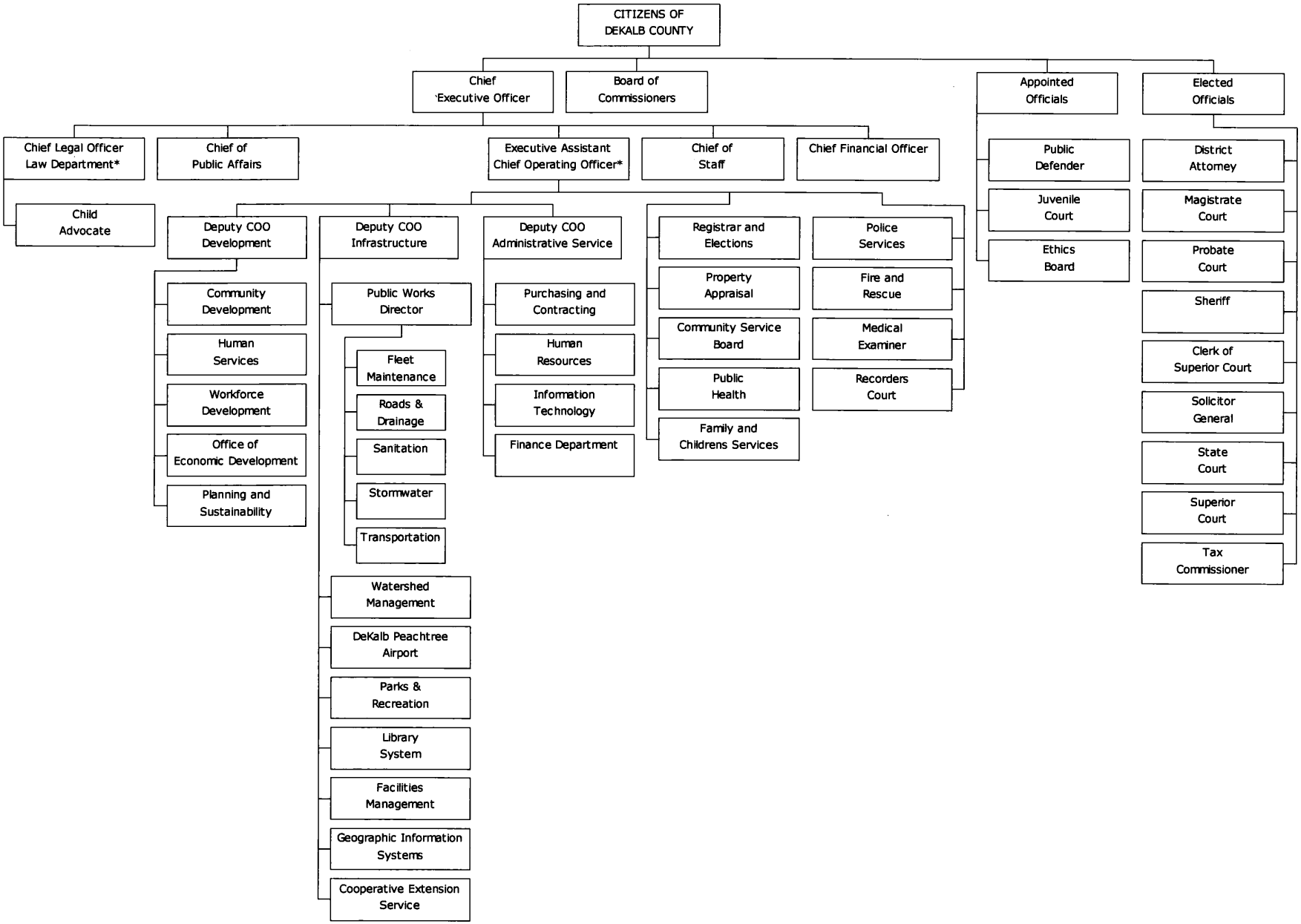
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



Christopher P Morrill
President

Jeffrey L. Esser
Executive Director

2012 DEKALB COUNTY ORGANIZATIONAL CHART



DeKalb County, Georgia

Interim Chief Executive Officer

Lee May

Board of Commissioners

Elaine Boyer	District One
Jeff Rader	District Two
Larry Johnson, Interim Deputy Presiding Officer	District Three
Sharon Barnes Sutton, Interim Presiding Officer	District Four
Lee May	District Five
Kathie Gannon	District Six (Super)
Stan Watson	District Seven (Super)

Executive Assistant
Chief Operating Officer
Zachary L. Williams

Department of Finance

Interim Chief Financial Officer	Gwendolyn Brown-Patterson
Deputy Chief Financial Officer	Stefan Jaskulak, CTP
Deputy Chief Financial Officer	Jay Vinicki
Deputy Director for:	
Treasury and Accounting Services	Rhonda Y. Naadueba
Budget and Grants (Interim)	Robert Warren
Internal Audit and Licensing (Interim)	Cornelia Louis
Risk Management and Employee Services	Larry C. Jacobs



FINANCIAL SECTION

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

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

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, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the DeKalb County Board of Health, which represents 71%, 64%, and 69%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the DeKalb County Board of Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of DeKalb County, Georgia, as of December 31, 2012, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund, the Special Tax District –Designated Services Fund, the Special Tax District – Unincorporated Fund, and the Special Tax District – Police Services Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 and Note 19, the County implemented Governmental Accounting Standards Board Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and No. 65, *Items Previously Reported as Assets and Liabilities*, effective January 1, 2012. These standards modified terminology and presentation of certain accounts and changed the accounting for bond issuance costs. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of Funding Progress, and the Schedules of Employer Contributions on pages F4 through F18 and pages F61 and F62, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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 non-major fund statements and schedules, the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining non-major fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining non-major fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 18, 2013

DEKALB COUNTY, GEORGIA
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 year ended December 31, 2012.

Financial Highlights

The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $1.67 billion (net position). There is negative unrestricted position of approximately $400 million as all net positions are currently invested in capital assets net of related debt and restricted for debt service, capital projects and special programs.

The County's total net position increased $65 million during 2012. Revenues decreased approximately $12.1 million predominantly in the areas of operating grants and capital grants ($32.9 million) and property taxes ($24.8 million). These reductions were offset by increases in sales taxes approximately ($3.9 million) and charges for services approximately ($36.7 million). Governmental activities' net position increased by approximately $1.1 million compared to a decrease of $39 million in the previous year. Business-type activities experienced an increase in net position of approximately $63.7 million compared to $9.0 million in 2011. Business-type activities experienced a revenue increase compared to the previous year. Charges for services increased in the business-type activities based on water and sewer rate increases to be used for a capital improvement program for the watershed system. Governmental activities expenses decreased by approximately $64.8 million and by $42.5 million in business-type expenses for a decrease of approximately $107.3 million in expenses government-wide.

As of the close of the year, the County's governmental funds reported combined ending fund balances of $160.5 million, a slight increase of approximately $4.3 million over the previous year.

At the close of the year, the General Fund had a fund balance of approximately $10 million. This is an improvement in the General Fund compared to the prior year which ended with an approximately $18.5 million deficit. Revenues in the General Fund increased $20.8 million while expenditures decreased by roughly $3.4 million. Net of transfers, the fund balance in the General Fund increased $28.5 million.

The County has placed a focus on reversing the trend of negative fund balances in certain funds, particularly the General Fund, and building back adequate reserves. The County currently limits its borrowings to fixed interest obligations for essential projects. To that end, the County has implemented a number of major deficit reduction initiatives that decreased expenditures and increased revenues in 2012 and the improved fund balance reflects those changes. The County is continuing its efforts in those areas to maintain the positive direction begun during the year.

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. 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. The County continues to control budgetary expenditures via "absolute funds check" to mitigate the risk of unauthorized over-spending, and the CEO continues to direct activities under his office's control to reduce expenditure levels.

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. The County continues to review these and other recommendations for increasing revenues where warranted. For example, at the end of 2011, the County implemented a business license compliance program using an outside consulting firm to contact and educate businesses that are non-compliant on business registration requirements. Other adopted State legislation will increase fees charged by various courts starting in 2012 and an increase in the hotel/motel occupancy tax rate in 2013. The County has devoted considerable attention to increasing revenues through the collection of unpaid traffic fines, and implementing a paperless citation procedure and other court measures to streamline collections.

The County's total debt relative to governmental activities decreased by approximately $29.7 million during the year, this was due to bond and capital lease repayments. In 2012, there was no new long-term debt issued in the governmental activities. The County did not enter into any additional capital lease agreements. The County began issuing tax anticipation notes (TANs) in March, 2012, which were repaid by December 31, 2012.

The County issued TANs in April 2013, the County is anticipating to repay by December 31, 2013. The General Fund and other "tax funds" generate the majority of revenues from property taxes which are not due until September and November each year. This means that the County receives a large portion of its cash for operations in the governmental funds late in the year. The County plans to issue TANs in years going forward to provide sufficient cash flow where needed in these funds to decrease the need for inter-fund borrowing.

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 position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the four reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent year. All changes in net position 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 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 F19-F20 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 (3) 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 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 46 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, special tax district police services fund, and the 2006 Transportation, Parks and Libraries Bonds Fund, which are considered to be major funds. Data from the other 41 funds is combined into a single aggregated presentation.

The basic governmental fund financial statements can be found on pages F21-F27 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 F28-F30 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 F31-F32 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 F35-F60 of this report.

Required supplementary information – In addition to the basic financial statements and accompanying notes, this report also presents the schedules of funding progress and employer contributions as required supplementary information on pages F61–F62 of this report.

Combining and individual fund statements and schedules – In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules. This section can be found on pages F63-F95 of this report.

Statistical section – In addition to the basic financial statements and accompanying notes, this report also presents various supplementary and statistical information; such as 10 year presentation of revenues, expenditures/expenses, and tax rates. The statistical section can be found on pages S1–S27 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 position may serve over time as a useful indicator of a government's financial position. As shown Table 1 of page F7, the County's government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $1.670 billion at the close of the year compared to approximately $1.606 billion in the previous year.

The County's net position allocated to capital 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 (see Table 2). 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 position ($93.1 million or 6%) represent resources that are subject to external restrictions on how they may be used. The County shows a deficit unrestricted net position balance an approximately $400 million compared to the prior year deficit of an approximately $456 million. Since 2007, there has a dramatic decrease in the County's unrestricted net position due to the County's implementation of GASB Statement No. 45 which requires the accrual of liabilities associated with OPEB costs. At the end of 2012, the County had a cumulative total of approximately $620.6 million in OPEB liabilities compared to approximately $572 million at the end of 2011. The majority of the OPEB liability is reflected in the governmental type activities at $468.7 million. See Table 4 on page F10 for details of the decrease effect related to OPEB as compared to 2011.

Table 3 reflects the changes in net position and is essentially the income statement for the County as a whole. The County had an increase in net position for 2012 of $64.8 million compared to a $30.4 million decrease in the prior year. The basic financial statements include a reconciliation (page F21) between the year 2012 governmental funds statement of revenues, expenditures, and changes in fund balances (page F23) which reports an increase of roughly $4.3 million fund balances and the roughly $1.1 million increase in net position reported in the government-wide statement of activities (page F20).

Key elements of the reconciliation of these two statements are that the government-wide statement of activities reports 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 another financing source of funds, the repayment of debt as expenditure, the purchase of capital assets as expenditure and do not reflect changes in long-term liabilities.

Table 1

DeKalb County's Net Position
December 31, 2012 and 2011
(In thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2012	2011 (Restated)	2012	2011 (Restated)	2012	2011 (Restated)
Current and other assets	$ 244,914	$ 255,688	$ 746,873	$ 720,880	$ 991,787	$ 976,568
Capital assets	1,348,538	1,349,858	1,452,192	1,400,208	2,800,730	2,750,066
Total assets	1,593,452	1,605,546	2,199,065	2,121,088	3,792,517	3,726,634
Deferred outflows of resources	1,018	1,317	16,323	17,840	17,341	19,157
Long-term liabilities (other than OPEB)	382,129	413,333	972,104	982,057	1,354,233	1,395,390
OPEB long-term liabilities	468,706	432,385	151,887	139,581	620,593	571,966
Other Liabilities	90,226	108,826	74,447	64,041	164,673	172,867
Total liabilities	941,061	954,544	1,198,438	1,185,679	2,139,499	2,140,223
Net position:						
Net invested in capital assets	1,044,929	1,037,278	932,552	924,553	1,977,481	1,961,831
Restricted	59,158	97,738	33,977	1,497	93,135	99,235
Unrestricted (deficit)	(450,678)	(482,697)	50,421	27,199	(400,257)	(455,498)
Total net position	$ 653,409	$ 652,319	$ 1,016,950	$ 953,249	$ 1,670,359	$ 1,605,568

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

Table 2

Components of DeKalb County's Governmental Activities Net Position
December 31, 2012 and 2011
(in thousands of dollars)

	Governmental Activities	
	2012	2011(Restated)
Net Position Invested in Capital Assets	$ 1,044,929	$ 1,037,278
Debt service	17,759	12,059
Public safety	29,341	56,938
Capital projects	4,342	14,605
Special programs	7,716	14,136
Total restricted net position	59,158	97,738
Total unrestricted net position (deficit)	(450,678)	(482,697)
Total Net Position	$ 653,409	$ 652,319

Table 3

DeKalb County's Changes in Net Position
For the Years Ended December 31, 2012 and 2011
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2012	2011(Restated)	2012	2011(Restated)	2012	2011(Restated)
Revenues:						
Program revenues:						
Charges for services	$ 120,443	$ 105,951	$ 332,724	$ 310,555	$ 453,167	$ 416,506
Operating grants and contributions	28,492	48,964	-	-	28,492	48,964
Capital grants and contributions	3,983	12,164	202	4,475	4,185	16,639
General revenues:						
Property taxes	264,886	289,690	-	-	264,886	289,690
Sales taxes	102,703	98,839	-	-	102,703	98,839
Other taxes	82,858	75,914	-	-	82,858	75,914
Other	7,015	9,093	495	216	7,510	9,309
Total revenues	610,380	640,615	333,421	315,246	943,801	955,861
Expenses:						
General government	102,058	116,416	-	-	102,058	116,416
Public safety	207,778	228,126	-	-	207,778	228,126
Civil and criminal court system	160,553	182,245	-	-	160,553	182,245
Planning and development	4,202	4,512	-	-	4,202	4,512
Public works	40,427	38,102	-	-	40,427	38,102
Human services and community development	12,121	16,469	-	-	12,121	16,469
Parks and recreation	13,855	15,793	-	-	13,855	15,793
Library	15,195	15,557	-	-	15,195	15,557
Health and welfare	34,633	36,443	-	-	34,633	36,443
Interest on long-term debt	18,468	20,405	-	-	18,468	20,405
Water	-	-	78,412	95,633	78,412	95,633
Sewer	-	-	99,798	121,713	99,798	121,713
Stormwater utility	-	-	15,560	17,356	15,560	17,356
Sanitation	-	-	68,834	73,335	68,834	73,335
Airport	-	-	7,116	4,205	7,116	4,205
Total expenses	609,290	674,068	269,720	312,242	879,010	986,310
Change in net position before transfers	1,090	(33,453)	63,701	3,004	64,791	(30,449)
Transfers	-	(5,975)	-	5,975	-	-
Change in net position	1,090	(39,428)	63,701	8,979	64,791	(30,449)
Net position - beginning, as restated	652,319	691,747	953,249	944,270	1,605,568	1,636,017
Net position - ending	$ 653,409	$ 652,319	$ 1,016,950	$ 953,249	$ 1,670,359	$ 1,605,568

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. Table 4 below shows that the total effect for the County in 2012 was $48.6 million compared to approximately $111.1 million in 2011.

Table 4

Government-wide Expenses by Functions/Programs
For the Years Ended December 31, 2012 and 2011
(in thousands of dollars)

	2012			2011		
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	$ 102,058	$ 7,137	$ 94,921	$ 116,416	$ 16,300	$ 100,116
Public safety	207,778	13,922	193,856	228,126	31,798	196,328
Civil and criminal court system	160,553	9,822	150,731	182,245	22,435	159,810
Planning and development	4,202	143	4,059	4,512	327	4,185
Public works	40,427	2,866	37,561	38,102	6,546	31,556
Human services and community development	12,121	779	11,342	16,469	1,780	14,689
Parks and recreation	13,855	1,652	12,203	15,793	3,772	12,021
Library	15,195	-	15,195	15,557	-	15,557
Health and welfare	34,633	-	34,633	36,443	-	36,443
Interest on long-term debt	18,468	-	18,468	20,405	-	20,405
Total governmental expenses	609,290	36,321	572,969	674,068	82,958	591,110
Business-type:						
Water	78,412	3,441	74,971	95,633	7,858	87,775
Sewer	99,798	4,378	95,420	121,713	10,000	111,713
Stormwater utility	15,560	-	15,560	17,356	-	17,356
Sanitation	68,834	4,138	64,696	73,335	9,451	63,884
Airport	7,116	349	6,767	4,205	799	3,406
Total business-type expenses	269,720	12,306	257,414	312,242	28,108	284,134
Total expenses	$ 879,010	$ 48,627	$ 830,383	$ 986,310	$ 111,066	$ 875,244

* Expense exceeding "pay as you go" amount.

Analysis of governmental activities

Overall, governmental activities revenues (see table 3) were approximately $610.4 million compared to approximately $640.6 million in the prior year. This represents a decrease of roughly $30 million or 4.7 %. Expenses decreased by roughly $65 million to roughly $609.3 million from roughly $674 million, a 9.6% decrease from the prior year. The County's governmental activities net position increased by roughly $1.1 for 2012.

Property taxes of roughly $264.9 million accounted for 43% of the governmental activities revenues. Sales tax collections increased to roughly $103 million compared to roughly $98.8 million the year before. Sales taxes accounted for 16.8% of total governmental activities revenue during 2012.

Operating grants and contributions revenue decreased roughly $20.5 million to roughly $28.5 million and there was a decrease of roughly $8.2 million received in capital grants and contributions. This fluctuation is a product of timing, availability of Federal funds, and the funds that the County qualifies to receive. Other taxes showed an increase of $6.9 million increasing to roughly $82.9 million in 2012. This revenue source increased as a result of a timing issue caused by a delay in State certification of the public utility digest in a prior year.

Public safety expenses accounted for 34% of governmental activities expenses during 2012 and were used for police, fire and rescue services. The civil and criminal court system accounted for an additional 26% of the total expenses during 2012 for governmental activities. Public safety expenses decreased by $20.3 million. The expenses for courts decreased roughly $21.7 million during 2012.

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 and increased $2.3 million during 2012. Another area that experienced a significant decrease of $4.3 million is human services and community development reflecting a decrease in the expenses related to grant activity. Health and welfare expenses declined $1.8 million or 5%. The payments are based on revenues collected via a property tax millage accounted for in a separate special revenue fund.

Analysis of business-type activities

Business-type activities for the County include water and sewer service to the majority of the County residences and businesses, sanitation services to most of the County, stormwater utility for unincorporated areas, and operation of a regional airport, which is the second busiest airport in the State. Overall, business-type activities net position increased by roughly $63.7 million. Revenues of $333.4 million reflect an increase of $18 million over the prior year or 6%. Capital grants and contributions and developer assessments, impact and tap fees, decreased and remained lower than past years at only roughly $4.3 million reflecting the continued downturn in residential and commercial development.

Charges for services accounted for 99% of business-type activities revenues during 2012. The Watershed System's metered sales accounts for nearly 72% of the revenue in the business-type activities. Watershed revenues increased roughly $17.8 million in 2012 due to a phased-in increase in rates and charges.

The DeKalb County Board of Commissioners approved rate increases based on water and sewer rates effective 2010. For the average residential customer, the rate change reflects increases of 11% in each year from 2012 to 2014. These rate increases were brought about to maintain coverage ratios related to debt issues planned for a $1.3 billion capital improvement plan. Some of the projects in that plan are to comply with a consent decree with the Federal Environmental Protection Agency and the Georgia Environmental Protection Division of the Department of Natural Resources related to multiple sewer spills over several years.

Overall, business-type activities expenses decreased $42.5 million or 15%. The majority of that decrease was in the Watershed system where operating expenses decreased $30.8 million or 18% compared to the prior year. The overall result was a roughly $63.7 million increase in net position during 2012 for all business-type activities.

Watershed salaries and employee benefits decreased $9.4 million. Other areas of Watershed experienced significant expense decreases. Operating services and charges decreased $9.6 million. Depreciation decreased by roughly $12.4 million during 2012 reflecting current year depreciation.

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. Total governmental funds include the general fund, special revenue funds, debt service funds, and capital project funds. The combined total fund balance at year end for 2012 was $160.6 million compared to roughly $156.3 million the year prior.

The General Fund is the chief operating fund of the County and ended 2012 with an unassigned fund balance of roughly $5.1million. This is an improvement over the prior year deficit of $22.7 million. General Fund revenues increased from $264.6 million to $285.5 million or 8% compared to the prior year. The majority of this increase was due to an increase of charges for services by $22.5 million. General Fund expenditures decreased slightly by roughly $3.4 million during 2012.

During 2011, the County separated operations in the Special Tax District (STD)-Designated Services fund into two funds. Public safety functions were shifted into a STD-Police Services Fund. The STD-Designated Services maintained functions such as public works, parks, recreation, roads, and drainage. The STD-Designated Services ended 2012 with a fund balance deficit of $2 million compared to a $16,000 deficit in the prior year. Revenues for the STD-Designated Services were roughly $6.6 million and expenditures were $25.8 million. Net of transfers, the fund increased the fund balance deficit by roughly $2.1 million.

The STD-Police Services Fund was created by the County as part of a mid-year budget adjustment in 2011. The purpose of the fund is to fund police services that are delivered in the unincorporated areas of DeKalb County and to some incorporated areas. The Board set a separate millage rate for the special tax district digest and revenues related to the STD area such as license, permits, and charges for services were allocated between the two STD funds. The Police Services fund ended with a fund balance of roughly $10.4 million. Revenues for the STD-Police Services Fund were roughly $54 million and expenditures were $107.9 million. Transfers to the fund from other funds for related revenue were roughly $50.2 million.

When taken together, the STD-Designated Services and the STD-Police Services funds ended with a combined fund balance of roughly $8.3 million compared to the prior year fund balance of roughly $14.3 million. Combined revenues for the funds decreased by $29.6 million compared to the prior year. Property tax collections decreased by roughly $28 million in the combined funds. Expenditures for the combined funds increased less than roughly $2.5 million. Increases in public safety expenditures of $2 million were offset by decreases in public works, parks and recreation. The low level of revenue compared to expenditures is offset by the net transfers of $67.3 million combined for both funds. These transfers are for related revenues that are first accounted for in other funds such as

the Special Tax District-Unincorporated from revenue sources designed to fund operations in multiple funds. These sources include licenses, permits, fines, forfeitures, and charges for services.

The STD-Unincorporated ended with a negative fund balance of $2.9 million compared with the prior year of $2.5 million. The revenues for the fund increased by $2.9 million compared to the prior year. Although this fund does not include any property tax collections, it does include the Life & Property & Casualty Taxes which increased by $1.6 million and contributed to Taxes increasing by $1.9 million. Licenses and Permits increased $1.8 million due to increases in various Business License revenues. Transfers out to the other two STD funds decreased by $4.2 million due to increased expenditures for General Fund administrative interfunds. These interfund charges began in 2012 to provide relief to the General Fund.

The 2006 Transportation, Parks and Libraries Bonds Fund ended with a $48.1 million fund balance accounting for 30% of the governmental fund balance. In 2012, this fund expended roughly $17.2 million in capital projects on park land acquisition, recreation facilities, library buildings, and transportation improvements.

Enterprise Funds

The County's enterprise funds report the activities of the watershed, sanitation, airport, and stormwater utility services within the County. Overall, proprietary funds increased net position $58 million. The staged rate increase mentioned previously as part of the discussion on business-type activities is intended to increase revenues for debt service coverage. The increase is anticipated to facilitate an expanded capital improvement program geared primarily towards sewer treatment facility improvements. The Watershed System reports unrestricted net position of $70.5 million and roughly $34 million restricted for debt service. The fund had restricted cash balances of roughly $456 million which includes revenue bond proceeds.

The Sanitation Fund's net position decreased compared to an increase of $5.7 million the prior year. This fund reported an operating loss of $449,000 in the current year.

The Airport proprietary fund revenues increased $745,000 compared to 2011 as restated. Rental fees decreased less than 1% and intergovernmental revenues increased approximately $828,000. Operating expenses increased compared to the prior year at roughly $3.2 million. This resulted in a decrease in net position of roughly $1.3 million in 2012 compared to roughly $1.2 million increase in 2011.

Stormwater utility net position increased $2 million in 2012 compared to $11.3 million in 2011. Revenues decreased slightly by $507,000 or 3% compared to the prior year. Intergovernmental revenues increased by $100,000. Stormwater fees generated roughly $16.8 million which is a decrease of $616,000 compared to the prior year. Stormwater expenses decreased by $953,000 compared to the prior year. Prior to 2011, stormwater salaries and employee benefits were accounted for as a transfer from the roads and drainage department in the governmental funds. Starting in 2011, these expenses were charged directly to the fund and totaled roughly $3.8 million in 2011 and $4.5 million in 2012.

General Fund Budgetary Highlights

The General Fund original adopted revenue budget was $301.4 million and the original adopted expenditure/transfers out budget was $303.2 million compared to the prior year amended revenue/transfer in budget of $308.3 million and the prior year amended expenditure/transfer out budget of roughly $283 million. At mid-year, the County amended the General Fund budget decreasing the expenditure/transfers out totals to roughly $299 million as a result of a further decline in the property tax digest and other revenue sources. Revenue increases were projected in business registration from increased compliance efforts.

All departments were directed to reduce expenditures to match the anticipated revenue shortfalls. Each department's budget was reduced accordingly. The County eliminated merit increases, and a freeze of open positions helped to reduce personnel services and employee benefits costs in the General Fund, as well as other tax related funds.

The functions that reflected the largest budgetary increases were the District Attorney, Fire and Rescue, and the Library. The increase in the District Attorney's office was due to competitive pressures in the legal profession that required hiring at pay-steps higher than budgeted. The Fire and Rescue increases were due to the outsourcing of medical transport not being implemented on the timetable expected. Thus, certain cost savings in the budget weren't realized in 2012. The majority of the Library funding consists mainly of salaries and benefits. Due to public expectations, they were unable to reduce already shortened opening hours or the reduction of an already short staff.

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 additional goods or services with salary savings.

Capital Assets

The County's investment in capital assets as of year-end amounts to roughly $2.8 billion (net of accumulated depreciation) compared to roughly $2.756 billion the prior year. This is an increase of $44.9 million or 1.6%. 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 under the Greenspace Program and the 2006 General Obligation Bond program. Governmental Activities infrastructure assets decreased slightly by $7.7 million relating to roads, sidewalks, and drainage improvements funded by the same general obligation bonds. Construction in progress related to governmental activities decreased from roughly $238.1 million to roughly $208.4 million during 2012 as projects were completed.

The County has been awarded ARRA Stimulus Funds from the Federal government to be used for capital projects. The capital projects that were started as part of the $7.1 million in ARRA Stimulus Federal Funds to build the CNG fuel station were completed in 2012. In addition, the $12.5 million expansion of landfill capacity has completed.

Capital asset balances at year-end are as follows:

Table 5

Capital Assets
December 31, 2012 and 2011
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011 (Restated)	2012	2011 (Restated)
Land	$ 236,063	$ 233,004	$ 64,385	$ 58,288	$ 300,448	$ 291,292
Land improvements	41,585	42,349	158,099	155,197	199,684	197,546
Building	328,301	292,326	79,340	32,033	407,641	324,359
Plants	-	-	242,927	249,346	242,927	249,346
Infrastructure	519,313	527,048	562,462	567,416	1,081,775	1,094,464
Vehicles and portable equipment	-	-	36,769	35,467	36,769	35,467
Other equipment	14,910	17,050	25,315	22,602	40,225	39,652
Leaseholds	-	-	121,030	124,506	121,030	124,506
Construction in progress	208,366	238,081	161,865	161,135	370,231	399,216
Total	$ 1,348,538	$ 1,349,858	$ 1,452,192	$ 1,405,990	$ 2,800,730	$ 2,755,848

Readers should refer to Note 5 of the financial statements for more information on capital asset activity.

Debt Administration

DeKalb County's financial condition is measured by the current ratings of its bonds as of December 31, 2012:

Table 6

	Moody's Investors Service	Standard and Poor's
General obligation	Aa3	No rating
Refunded general obligation	Aa3	No rating
Water and sewerage system revenue	Aa2/Aa3	AA-/A+
Certificates of participation	A1	No rating

In March 2011, Standard & Poor's lowered the County's general obligation rating as well as the water and sewerage rating. Subsequently, the rating agency withdrew their ratings. The rating agency cited concerns about cash flow, liquidity and revenue projections. During 2011, the County addressed those

concerns. Revenues in particular were addressed as the County increased property tax rates as part of the mid-year budget adjustment. In November 2011, Standard & Poor's restored the County's water and sewage rating in connection with the issuance of $381.5 million in revenue bonds.

Moody's Investors Service also lowered its ratings of the County during 2011. However, in addition to the water and sewage rating in December 2011 in Table 6, Moody's issued a rating of MIG-1 for short term credit when the County issued $103 million in Tax Anticipation Notes (TANs) in April 2013. The County continues to provide financial information to the rating agencies for evaluation.

During 2012, $23.3 million of general obligation bonds were retired. The County's gross principal amount, less debt retirement funds available on general obligation debt at year-end was $269.5 million. 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 roughly $20.7 billion, the County's net outstanding general obligation debt represented only 1.3% of gross assessed property values.

Table 7

Outstanding Debt
December 31, 2012 and 2011
(in thousands of dollars)

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
General obligation bonds	$ 285,775	$ 309,085	$ -	$ -	$ 285,775	$ 309,085
Certificates of participation	16,645	17,810	-	-	16,645	17,810
Revenue bonds	84,600	88,270	909,475	923,680	994,075	1,011,950
Capital leases payments	-	1,553	-	-	-	1,553
Total	$ 387,020	$ 416,718	$ 909,475	$ 923,680	$ 1,296,495	$ 1,340,398

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 $384.49 per capita, compared to $428.01 in the previous year. Total direct and overlapping debt applicable to the County at December 31, 2012 was $288 million or $410 per capita. This compares to $506.11 at December 31, 2011. 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 2012 Budget was adopted by the County providing for the use of $10 million, for capital outlay projects exclusive of payments to DeKalb municipalities. As a result, the Homestead Exemption Credit in 2012 was at 80%.

Population has increased from 694,400 in 2011 to 700,700 in 2012. The major factor affecting the local economy has been the decline in the real estate market specifically residential property values. The County's property tax digest has declined over 20% over the last three years and the expected decrease for 2013 is 3%. In addition, the County's current unemployment rate is 8.9%. Unemployment continues to be higher than the local metropolitan statistical area, state, and national levels.

The recent trend in the Atlanta metropolitan area for cityhood (the creation of and annexation by cities) has been a major factor to consider when planning, budgeting, and determining service delivery levels. The City of Dunwoody was created in December 2008. The City of Chamblee will seek voter approval on potential annexation during 2013. In addition, the City of Brookhaven of 49,000 residents was created effective December 17, 2012. These expansions of municipal boundaries will have significant ramifications on County operations. Certain services such as parks, recreation, roads and drainage are funded through a special services tax district. This tax district is separate from the General Fund and includes all unincorporated areas of the County and limited incorporated areas. Police services are also funded as a special tax district in the unincorporated areas only. The incorporation of these areas will reduce revenues in these special services tax district revenue funds and will require the County to make major adjustments to operations and delivery services. The County's revenues will also be impacted by the loss of business registration fees, excise fees and fines.

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 $2.5 million in 2012.

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 Position
December 31, 2012
(in thousands of dollars)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	$ 174,725	$ 233,410	$ 408,135	$ 6,175
Cash with fiscal agent	8,382	-	8,382	-
Investments	-	-	-	808
Accounts receivable (net)	2,508	50,113	52,621	1,370
Taxes receivable (net)	50,181	-	50,181	-
Due from other governments	4,491	1,905	6,396	1,382
Inventories and prepaid items	2,235	5,896	8,131	-
Restricted assets:				
Cash and cash equivalents	-	455,549	455,549	243
Net pension assets	2,392	-	2,392	-
Capital assets not being depreciated	444,429	226,250	670,679	-
Capital assets net of accumulated depreciation	904,109	1,225,942	2,130,051	1,887
Total assets	1,593,452	2,199,065	3,792,517	11,865
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charges on refunding	1,018	16,323	17,341	-
Total deferred outflows of resources	1,018	16,323	17,341	-
LIABILITIES				
Accounts payable	22,185	36,953	59,138	339
Accrued interest payable	2,690	-	2,690	-
Other accrued liabilities	5,583	1,446	7,029	-
Advanced payments and deposits	2,948	1,231	4,179	-
Due to other governments	-	3,206	3,206	906
Due to others	2,417	-	2,417	-
Unearned revenue	-	284	284	-
Liabilities payable from restricted assets:				
Accrued interest on revenue bonds	-	11,388	11,388	-
Noncurrent liabilities:				
Due within one year	54,403	19,939	74,342	276
Due in more than one year	850,835	1,123,991	1,974,826	1,089
Total liabilities	941,061	1,198,438	2,139,499	2,610
NET POSITION (deficit)				
Net investment in capital assets	1,044,929	932,552	1,977,481	1,854
Restricted for:				
Debt service	17,759	33,977	51,736	-
Public safety	29,341	-	29,341	-
Capital projects	4,342	-	4,342	-
Special programs	7,716	-	7,716	446
Unrestricted (deficit)	(450,678)	50,421	(400,257)	6,955
Total net position	$ 653,409	$ 1,016,950	$ 1,670,359	$ 9,255

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, 2012
(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 Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units
Primary government:								
Governmental activities:								
General government	$ 102,058	$ 36,110	$ 5,674	$ 322	$ (59,952)	$ -	$ (59,952)	$ -
Public safety	207,778	29,952	2,935	-	(174,891)	-	(174,891)	-
Civil and criminal court system	160,553	43,444	3,960	204	(112,945)	-	(112,945)	-
Planning and development	4,202	4,690	-	-	488	-	488	-
Public works	40,427	3,934	500	3,339	(32,654)	-	(32,654)	-
Human services and community development	12,121	-	10,020	-	(2,101)	-	(2,101)	-
Parks and recreation	13,855	1,982	600	91	(11,182)	-	(11,182)	-
Library	15,195	-	-	26	(15,169)	-	(15,169)	-
Health and welfare	34,633	331	4,803	-	(29,499)	-	(29,499)	-
Interest on long-term debt	18,468	-	-	-	(18,468)	-	(18,468)	-
Total governmental activities	609,290	120,443	28,492	3,983	(456,372)	-	(456,372)	-
Business-type activities:								
Water	78,412	105,389	-	89	-	27,066	27,066	-
Sewer	99,798	134,132	-	113	-	34,447	34,447	-
Sanitation	68,834	69,442	-	-	-	608	608	-
DeKalb Peachtree Airport	7,116	5,960	-	-	-	(1,156)	(1,156)	-
Stormwater	15,560	17,801	-	-	-	2,241	2,241	-
Total business-type activities	269,720	332,724	-	202	-	63,206	63,206	-
Total primary government	$ 879,010	$ 453,167	$ 28,492	$ 4,185	(456,372)	63,206	(393,166)	-
Component units:								
Board of health	31,357	13,697	14,455	-	-	-	-	(3,205)
Public library board	14,662	688	3	-	-	-	-	(13,971)
Total component units	$ 46,019	$ 14,385	$ 14,458	$ -	-	-	-	(17,176)
General revenues:								
Sales tax					102,703	-	102,703	-
Property tax					264,886	-	264,886	-
Motor vehicle tax					19,412	-	19,412	-
Hotel / motel tax					4,745	-	4,745	-
Alcoholic beverage tax					4,046	-	4,046	-
Insurance premium tax					28,051	-	28,051	-
Business license tax					26,604	-	26,604	-
Payments from primary government					-	-	-	16,805
Unrestricted investment earnings					7,015	495	7,510	1
Grants and contributions not restricted to specific programs					-	-	-	1,406
Miscellaneous					-	-	-	336
Total general revenues					457,462	495	457,957	18,548
Change in net position					1,090	63,701	64,791	1,372
Net position - beginning as restated (see Note 19)					652,319	953,249	1,605,568	7,883
Net position - ending					$ 653,409	$ 1,016,950	$ 1,670,359	$ 9,255

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

DeKalb County, Georgia
Governmental Funds
Balance Sheet
December 31, 2012
(in thousands of dollars)

ASSETS	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	Special Tax District - Police Services	2006 Transportation, Parks, and Libraries Bonds	Nonmajor Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 1,509	$ -	$ -	$ 10,044	$ 49,810	$ 98,416	$ 159,779
Cash with fiscal agent	-	-	-	-	-	8,382	8,382
Taxes receivable (net)	13,460	777	25,384	3,227	-	7,333	50,181
Accounts receivable (net)	737	15	-	-	-	1,756	2,508
Advance to other funds	4,029	-	-	-	-	-	4,029
Due from other governments	-	-	-	-	92	4,399	4,491
Due from other funds	7,409	-	-	-	-	-	7,409
Inventories and prepaid items	868	-	-	-	-	-	868
Total assets	$ 28,012	$ 792	$ 25,384	$ 13,271	$ 49,902	$ 120,286	$ 237,647
LIABILITIES							
Accounts and contracts payable	$ 8,734	$ 641	$ 534	$ 1,624	$ 1,779	$ 6,458	$ 19,770
Other accrued liabilities	2,746	314	91	-	-	2,432	5,583
Advance from other funds	-	-	-	-	-	4,029	4,029
Advance payments and deposits	521	-	2,179	-	-	248	2,948
Due to other funds	-	1,365	438	-	-	5,606	7,409
Due to others	1,020	-	-	-	-	1,397	2,417
Total liabilities	13,021	2,320	3,242	1,624	1,779	20,170	42,156
DEFFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	4,980	552	25,059	1,275	-	3,038	34,904
Total deferred inflows of resources	4,980	552	25,059	1,275	-	3,038	34,904
FUND BALANCES (DEFICIT)							
Nonspendable	4,897	-	-	-	-	-	4,897
Restricted	-	-	-	10,372	48,123	86,421	144,916
Committed	-	-	-	-	-	19,632	19,632
Unassigned (deficit)	5,114	(2,080)	(2,917)	-	-	(8,975)	(8,858)
Total fund balances (deficits)	10,011	(2,080)	(2,917)	10,372	48,123	97,078	160,587
Total liabilities, deferred inflow of resources and fund balances (deficits)	$ 28,012	$ 792	$ 25,384	$ 13,271	$ 49,902	$ 120,286	$ 237,647

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 Position
(in thousands of dollars)

December 31, 2012

Total fund balances for governmental funds		$ 160,587
Total net position reported for governmental activities in the Statement of Net Position 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.		1,348,538
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 Positon.		3,436
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 inflows of resources in the governmental funds.		34,904
The loss on prior debt refunding is reported as a deferred outflow of resources for the governmental activities.		1,018
Net pension assets are long-term in nature and are not recognized as an asset in the governmental funds.		2,392
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 Position.		
Accrued interest on bonds	$ (2,690)	
Certificates of participation payable	(16,645)	
General obligation bonds payable	(285,775)	
Revenue bonds payable	(84,600)	
Unamortized premium on bonds payable	(6,416)	
Claims and judgments not accounted for in the internal service funds	(956)	
Net other postemployment benefits (OPEB) obligation	(468,706)	
Compensated absences	(31,678)	
Total long-term liabilities		(897,466)
Total net position of governmental activities		$ 653,409

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 (Deficits)
For the Year Ended December 31, 2012
(in thousands of dollars)

REVENUES	General	Special Tax District - Designated Services	Special Tax District - Unincorporated	Special Tax District - Police Services	2006 Transportation, Parks, and Libraries Bonds	Nonmajor Governmental Funds	Total Governmental Funds
Taxes	$ 221,304	$ 5,587	$ 29,897	$ 52,403	$ -	$ 118,137	$ 427,328
Licenses and permits	127	957	24,422	1,049	-	5,747	32,302
Use of money and property	134	-	-	6	88	7,975	8,203
Intergovernmental	2,899	-	-	-	-	30,722	33,621
Fines and forfeitures	10,875	-	22,568	-	-	4,010	37,453
Charges for services	46,486	-	-	294	-	4,715	51,495
Miscellaneous	3,642	30	-	202	-	15,036	18,910
Total revenues	285,467	6,574	76,887	53,954	88	186,342	609,312
EXPENDITURES							
Current:							
General government	67,600	6,804	5,369	-	-	11,674	91,447
Public safety	13,422	100	-	107,907	-	69,149	190,578
Civil and criminal court system	141,064	-	4,129	-	-	3,119	148,312
Planning and development	1,032	-	2,532	-	-	351	3,915
Public works	301	8,799	-	-	-	10,128	19,228
Human and community development	-	-	-	-	-	11,296	11,296
Parks and recreation	-	9,369	-	-	-	1,300	10,669
Library	12,230	-	-	-	-	-	12,230
Health and welfare	9,031	-	-	-	-	25,406	34,437
Debt service:							
Principal	1,661	717	-	-	-	27,320	29,698
Interest	1,076	23	-	-	-	17,960	19,059
Capital outlay:							
General government	-	-	-	-	-	5,123	5,123
Public safety	-	-	-	-	-	1,711	1,711
Civil and criminal court system	-	-	-	-	-	54	54
Planning and development						675	675
Public works	-	-	-	-	2,270	8,042	10,312
Parks and recreation	-	-	-	-	456	1,383	1,839
Library	-	-	-	-	14,462	-	14,462
Total expenditures	247,417	25,812	12,030	107,907	17,188	194,691	605,045
Excess (deficiency) of revenues over (under) expenditures	38,050	(19,238)	64,857	(53,953)	(17,100)	(8,349)	4,267
OTHER FINANCING SOURCES (USES)							
Transfers in	4,816	17,174	-	50,151	-	14,898	87,039
Transfers out	(14,404)	-	(65,254)	(113)	-	(7,268)	(87,039)
Total other financing sources (uses)	(9,588)	17,174	(65,254)	50,038	-	7,630	-
Net change in fund balance (deficit)	28,462	(2,064)	(397)	(3,915)	(17,100)	(719)	4,267
Fund balance (deficit) - beginning	(18,451)	(16)	(2,520)	14,287	65,223	97,797	156,320
Fund balance (deficit) - ending	$ 10,011	$ (2,080)	$ (2,917)	$ 10,372	$ 48,123	$ 97,078	$ 160,587

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, 2012
(in thousands of dollars)

Net change in fund balance - Total Governmental Funds		$ 4,267
The change in net position 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 depreciation ($36,084) exceeded capital outlays ($34,192 net of $321 that was not capitalized due to capitalization thresholds) and donated infrastructure assets ($893) in the current period.		(1,320)
Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, 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 Position. This adjustment combines the net changes of the following:		
Repayments of bonds and certificates of participation notes	$ 28,145	
Amortization of premium on bond	890	
Amortization of loss on bond refunding	(299)	28,736
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	$ (5,994)	
Net other postemployment benefits (OPEB) obligations	(36,321)	
Claims and judgments	(956)	
Compensated absences	974	
Capital leases	1,553	
Accrued interest on bonds	234	(40,510)
Unavailable revenue in governmental funds is susceptible to full accrual on the Statement of Activities, and therefore is recognized when earned, regardless of availablity.		175
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.		9,742
Change in net position of governmental activities		$ 1,090

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, 2012
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	$ 162,214	$ 168,954	$ 144,070	$ (24,884)
Sales taxes	61,033	61,033	69,939	8,906
Other taxes	29,415	6,545	5,543	(1,002)
Licenses and permits	130	130	127	(3)
Intergovernmental	3,628	3,628	3,519	(109)
Charges for services	25,260	36,662	36,473	(189)
Fines and forfeitures	9,638	9,636	10,897	1,261
Investment income	4,210	-	130	130
Miscellaneous	5,882	5,859	4,192	(1,667)
Total revenues	301,410	292,447	274,890	(17,557)
Expenditures:				
Current:				
General government:				
Chief executive officer	1,716	1,630	1,692	62
Board of commissioners	3,352	3,155	2,632	(523)
Law department	3,333	3,167	2,936	(231)
Ethics	5	5	-	(5)
Geographic information system	1,774	1,557	1,523	(34)
Facilities management	16,920	16,802	16,711	(91)
Purchasing	3,131	2,975	2,684	(291)
Human resources and merit system	3,082	2,927	2,389	(538)
Office of information systems	20,196	19,186	16,301	(2,885)
Finance	5,708	5,619	5,471	(148)
Property appraisal and assessments	4,430	4,209	4,166	(43)
Tax commissioner	7,020	7,020	6,833	(187)
Registrar and elections	4,826	4,826	3,810	(1,016)
Economic development	708	673	685	12
Cooperative extension	308	292	268	(24)
Non-departmental	30,395	29,444	7,720	(21,724)
Total general government	106,904	103,487	75,821	(27,666)
Public safety:				
Police	4,310	4,600	2,775	(1,825)
Fire and rescue services	10,148	9,640	10,167	527
Total public safety	14,458	14,240	12,942	(1,298)
Civil and criminal court system:				
Sheriff	75,728	75,728	76,054	326
Juvenile court	9,419	9,419	9,394	(25)
Superior court	8,075	8,075	7,857	(218)
Clerk, superior court	5,830	6,144	6,095	(49)
State court	13,024	13,019	12,439	(580)
Solicitor, state court	5,604	5,518	5,445	(73)
District attorney	11,761	11,124	11,311	187
Child advocate	1,882	1,788	1,748	(40)
Probate court	1,593	1,593	1,558	(35)
Medical examiner	2,269	2,155	2,210	55
Public defender	7,248	7,248	7,024	(224)
Magistrate court	2,639	2,639	2,495	(144)
Total civil and criminal court system	145,072	144,450	143,630	(820)

(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, 2012
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 sustainability	1,105	1,049	1,028	$ (21)
Public works:				
Administration	289	274	297	23
Library system	12,390	11,771	12,196	425
Health and welfare:				
Public health	4,078	4,078	4,078	-
Community service board	1,625	1,625	1,625	-
Human and community development	4,023	2,218	2,064	(154)
Family and children services	1,280	1,280	1,280	-
Total health and welfare	11,006	9,201	9,047	(154)
Total expenditures	291,224	284,472	254,961	(29,511)
Excess of revenues over expenditures	10,186	7,975	19,929	11,954
Other financing sources (uses):				
Transfers in	-	4,645	4,816	171
Transfers out	(12,000)	(14,460)	(14,322)	138
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(1,814)	(1,840)	10,423	12,263

Explanation of differences between budget basis and GAAP:	
Excess of revenues and other sources over expenditures and other uses - budget basis	$ 10,423
Differences - budget basis to GAAP:	
Net change in revenue accruals	10,577
Net change in expenditure accruals	7,462
Net change in fund balance (deficit) - GAAP basis	$ 28,462

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, 2012
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				Major Special Revenue Funds Special Tax District - Police Services			
	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:												
Property taxes	$ 4,368	$ 10,857	$ 4,549	$ (6,308)	$ -	$ -	$ -	$ -	$ 21,075	$ 15,501	$ 40,072	$ 24,571
Sales taxes	11,779	11,779	1,198	(10,581)	28,840	32,984	29,926	(3,058)	4,390	4,390	11,190	6,800
Other taxes	2,837	1,634	957	(677)	800	-	-	-	1,446	-	-	-
Licenses and permits	-	-	-	-	26,130	27,130	24,475	(2,655)	1,030	1,030	1,049	19
Charges for services	3,164	-	-	-	-	-	-	-	218	218	294	76
Fines and forfeitures	-	-	-	-	21,173	21,548	22,514	966	-	-	-	-
Investment income	2,629	-	-	-	-	-	-	-	-	-	6	6
Miscellaneous	401	401	263	(138)	-	-	-	-	106	106	202	96
Total revenues	25,178	24,671	6,967	(17,704)	76,943	81,662	76,915	(4,747)	28,265	21,245	52,813	31,568
Expenditures:												
Current:												
General government:												
Chief executive officer	-	-	-	-	380	380	380	-	-	-	-	-
Finance	-	-	-	-	511	775	734	(41)	-	-	-	-
Total general government	-	-	-	-	891	1,155	1,114	(41)	-	-	-	-
Public safety:												
Police	-	-	131	131	-	-	-	-	110,800	93,453	92,417	(1,036)
Total public safety	-	-	131	131	-	-	-	-	110,800	93,453	92,417	(1,036)
Civil and criminal court system - recorders court	-	-	-	-	4,159	3,951	3,794	(157)	-	-	-	-
Planning and stability	-	-	-	-	2,707	2,571	2,522	(49)	-	-	-	-
Public works:												
Transportation	2,319	2,203	-	(2,203)	-	-	-	-	-	-	-	-
Roads and drainage	9,918	9,422	6,814	(2,608)	-	-	-	-	-	-	-	-
Total public works	12,237	11,625	6,814	(4,811)	-	-	-	-	-	-	-	-
Parks and recreation	10,499	9,974	9,385	(589)	-	-	-	-	-	-	-	-
Arts, culture, and entertainment	-		1	1	-	-	-	-	-	-	-	-
Miscellaneous:												
Non-departmental	4,508	7,767	8,531	764	800	4,598	4,396	(202)	-	10,204	6,933	(3,271)
Total miscellaneous	4,508	7,767	8,531	764	800	4,598	4,396	(202)	-	10,204	6,933	(3,271)
Total expenditures	27,244	29,366	24,862	(4,504)	8,557	12,275	11,826	(449)	110,800	103,657	99,350	(4,307)
Excess (deficiency) of revenues over (under) expenditures	(2,066)	(4,695)	(17,895)	(13,200)	68,386	69,387	65,089	(4,298)	(82,535)	(82,412)	(46,537)	35,875
Other financing sources (uses):												
Transfers in	-	2,629	17,174	14,545	-	-	-	-	67,727	67,736	50,151	(17,585)
Transfers out	-	-	-	-	(69,831)	(70,831)	(65,254)	5,577	-	(123)	(113)	10
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(2,066)	(2,066)	(721)	(2,787)	(1,445)	(1,444)	(165)	1,279	(14,808)	(14,799)	3,501	18,300
Explanation of differences between budget basis and GAAP:												
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - budg			$ (721)				$ (165)				$ 3,501	
Differences - budget basis to GAAP:												
Net change in revenue accruals			(393)				(28)				1,141	
Net change in expenditure accruals			(950)				(204)				(8,557)	
Net change in fund balance (deficit) - GAAP basis			$ (2,064)				$ (397)				$ (3,915)	

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

DeKalb County, Georgia
Proprietary Funds
Statement of Net Position
December 31, 2012
(in thousands of dollars)

	Watershed System	Sanitation	Nonmajor Proprietary Funds	Total Proprietary Funds	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	$ 160,132	$ 18,777	$ 33,483	$ 212,392	$ 35,964
Restricted cash and cash equivalents	26,233	-	-	26,233	-
Accounts receivable (net)	43,450	4,812	1,851	50,113	-
Due from other funds	2,000	-	-	2,000	1,295
Due from other governments	857	213	835	1,905	-
Inventories and prepaid items	3,818	-	-	3,818	3,445
Total current assets	236,490	23,802	36,169	296,461	40,704
Noncurrent assets:					
Restricted cash and cash equivalents	429,316	-	-	429,316	-
Advance to other funds	4,000	-	-	4,000	
Capital assets (net)	1,173,134	150,846	90,515	1,414,495	37,697
Total noncurrent assets	1,606,450	150,846	90,515	1,847,811	37,697
Total assets	1,842,940	174,648	126,684	2,144,272	78,401
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on refunding	16,323	-	-	16,323	-
Total deferred outflows of resources	16,323	-	-	16,323	-
LIABILITIES					
Current liabilities:					
Accounts payable	30,318	1,804	757	32,879	6,489
Claims and judgments payable, current portion	100	-	115	215	5,066
Compensated absences payable	2,429	1,593	393	4,415	464
Other accrued liabilities	722	489	99	1,310	136
Advance payments and deposits	1,196	-	35	1,231	-
Due to other governments	3,206	-	-	3,206	-
Due to other funds	-	2,000	-	2,000	1,295
Unearned revenue	-	-	284	284	-
Payable from restricted assets:					
Revenue bonds payable, current portion	14,845	-	-	14,845	-
Accrued interest on revenue bonds	11,388	-	-	11,388	-
Total current liabilities	64,204	5,886	1,683	71,773	13,450
Noncurrent liabilities:					
Claims and judgments payable, long-term portion	-	-	-	-	5,396
Landfill closure and postclosure cost	-	27,155	-	27,155	-
Pollution remediation obligation	-	1,207	-	1,207	-
Advance from other funds	-	4,000	-	4,000	
Net OPEB obligation	93,977	53,129	4,781	151,887	-
Compensated absences payable	431	428	44	903	149
Revenue bonds payable, long-term portion	942,690	-	-	942,690	-
Total noncurrent liabilities	1,037,098	85,919	4,825	1,127,842	5,545
Total liabilities	1,101,302	91,805	6,508	1,199,615	18,995
NET POSITION					
Net investment in capital assets	653,494	150,846	90,515	894,855	37,697
Restricted for debt service	33,977	-	-	33,977	-
Unrestricted (deficit)	70,490	(68,003)	29,661	32,148	21,709
Total net position	$ 757,961	$ 82,843	$ 120,176	960,980	$ 59,406
Adjustment to reflect the consolidation of internal service fund activities related to proprietary funds				55,970	
Net position of business-type activities				$ 1,016,950	

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 Position
For the Year Ended December 31, 2012
(in thousands of dollars)

	Watershed System	Sanitation	Nonmajor Proprietary Funds	Total Proprietary Funds	Internal Service Funds
Operating revenues:					
Metered sales	$ 230,092	$ -	$ -	$ 230,092	$ -
Collection and disposal fees	-	65,753	-	65,753	-
Rental fees	-	-	5,132	5,132	-
Intergovernmental	-	3,444	1,849	5,293	202
Charges for services	-	-	16,780	16,780	167,187
Miscellaneous	9,429	245	-	9,674	1,478
Total operating revenues	239,521	69,442	23,761	332,724	168,867
Operating expenses:					
Salaries and employee benefits	47,329	31,428	9,728	88,485	9,578
Supplies	35,064	134	1,458	36,656	20,484
Operating services and charges	31,159	33,472	11,053	75,684	109,290
Miscellaneous	11,913	1,475	-	13,388	719
Depreciation	31,878	3,382	785	36,045	14,802
Total operating expenses	157,343	69,891	23,024	250,258	154,873
Operating income (loss)	82,178	(449)	737	82,466	13,994
Nonoperating revenues (expenses)					
Interest income	435	14	15	464	31
Interest expense and amortization	(23,571)	-	-	(23,571)	-
Loss on sale of capital assets	-	-	-	-	(143)
Total nonoperating revenues (expenses)	(23,136)	14	15	(23,107)	(112)
Income (loss) before capital donations	59,042	(435)	752	59,359	13,882
Capital donations	202	-	-	202	-
Transfers in	-	-	-	-	1,707
Transfers out	(1,092)	(563)	(52)	(1,707)	-
Change in net position	58,152	(998)	700	57,854	15,589
Net position - beginning, as restated (see Note 19)	699,809	83,841	119,476		43,817
Net position - ending	$ 757,961	$ 82,843	$ 120,176		$ 59,406
Adjustment to reflect the consolidation of internal service fund activities related to proprietary funds				5,847	
Change in net position of business-type activities				$ 63,701	

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, 2012
(in thousands of dollars)

	Watershed System	Sanitation	Nonmajor Proprietary Funds	Total Proprietary Funds	Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	$ 232,063	$ 64,238	$ 21,584	$ 317,885	$ -
Receipt by interfund services provided	-	-	-	-	184,948
Cash payments to suppliers for goods and services	(51,487)	(30,193)	(10,770)	(92,450)	(129,392)
Cash payments to employees for services	(47,329)	(31,428)	(7,283)	(86,040)	(9,578)
Other operating receipts	9,429	3,689	1,849	14,967	-
Net cash provided by operating activities	142,676	6,306	5,380	154,362	45,978
Cash flows from noncapital financing activities:					
Advance (to) from other funds	(6,000)	6,000	-	-	-
Transfers in (to) other funds	(1,092)	(563)	(52)	(1,707)	1,707
Net cash provided (used in) by noncapital financing activities	(7,092)	5,437	(52)	(1,707)	1,707
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(43,040)	(26,747)	(1,515)	(71,302)	(16,015)
Principal and interest paid on revenue bonds	(57,230)	-	-	(57,230)	-
Net cash provided (used in) by capital and related financing activities	(100,270)	(26,747)	(1,515)	(128,532)	(16,015)
Cash flows from investing activities:					
Interest on investments	435	14	15	464	31
Net cash provided by investing activities	435	14	15	464	31
Net increase (decrease) in cash and cash equivalents	35,749	(14,990)	3,828	24,587	31,701
Cash and cash equivalents at beginning of year	579,932	33,767	29,655	643,354	4,263
Cash and cash equivalents at end of year	$ 615,681	$ 18,777	$ 33,483	$ 667,941	$ 35,964
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	$ 82,178	$ (449)	$ 737	$ 82,466	$ 13,994
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation and amortization	31,878	3,382	785	36,045	14,802
Change in assets and liabilities:					
(Increase) decrease in receivables	1,008	(1,515)	467	(40)	15,146
(Increase) decrease in inventories	(557)	-	-	(557)	2,023
Increase (decrease) in payables	19,257	661	3,543	23,461	(12)
Increase (decrease) in other liabilities	122	100	5	227	25
Increase (decrease) in advance deposits	963	-	1	964	-
Increase (decrease) in unearned revenue	-	-	(511)	(511)	-
Increase in OPEB obligation	7,827	4,127	353	12,307	-
Net cash provided by operating activities	$ 142,676	$ 6,306	$ 5,380	$ 154,362	$ 45,978
Noncash capital donations	$ 202	$ -	$ -	$ 202	$ -

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

DeKalb County, Georgia
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2012
(in thousands of dollars)

	General Employees' Pension	Agency Funds
ASSETS		
Cash and cash equivalents	$ 47,573	$ 36,487
Investments:		
US Government securities	96,876	-
Collateralized mortgage obligations	30,610	-
Corporate bonds	157,464	-
Corporate stocks	770,528	-
Accrued interest receivable	5,239	-
Due from others	-	10
Taxes Receivables	-	29,916
Total assets	1,108,290	66,413
LIABILITIES		
Accounts payable	403	-
Due to others	396	66,413
Total liabilities	799	66,413
NET POSITION		
Held in trust for pension benefits	$ 1,107,491	

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

DeKalb County, Georgia

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Year Ended December 31, 2012
(in thousands of dollars)

	General Employees' Pension
Additions:	
Contributions:	
Employer	$ 33,925
Employee	23,260
Other	1,232
Total contributions	58,417
Investment earnings:	
Dividends and interest	25,055
Net increase in fair market value of investments	113,497
Total investment earnings	138,552
Less investment expense	(3,355)
Net investment earnings	135,197
Total additions	193,614
Deductions:	
Benefit payments	112,944
Refunds of contributions	3,338
Administrative expenses	106
Total deductions	116,388
Change in net position	77,226
Net position, beginning of year	1,030,265
Net position, end of year	$ 1,107,491

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

DeKalb County, Georgia

Component Units

Statement of Net Position

December 31, 2012
(in thousands of dollars)

	Board of Health	Public Library Board	Total
ASSETS			
Cash and cash equivalents	$ 4,764	$ 1,411	$ 6,175
Cash and cash equivalents, restricted	243	-	243
Investments	-	808	808
Accounts receivable (net)	1,333	37	1,370
Due from other governments	1,382	-	1,382
Capital assets (net)	724	1,163	1,887
Total assets	8,446	3,419	11,865
LIABILITIES			
Accounts and contracts payable	288	51	339
Due to other governments	906	-	906
Noncurrent liabilities:			
Due within one year	266	10	276
Due in more than one year	1,066	23	1,089
Total liabilities	2,526	84	2,610
NET POSITION			
Net invested in capital assets	724	1,130	1,854
Restricted for programs	243	203	446
Unrestricted	4,953	2,002	6,955
Total net position	$ 5,920	$ 3,335	$ 9,255

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, 2012
(in thousands of dollars)

	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Board of Health	Net (Expense) Revenue and Changes in Net Position: Public Library Board	Net (Expense) Revenue and Changes in Net Position: Total
Board of Health	$ 31,357	$ 13,697	$ 14,455	$ (3,205)	$ -	$ (3,205)
Public Library Board	14,662	688	3	-	(13,971)	(13,971)
Total component units	$ 46,019	$ 14,385	$ 14,458	(3,205)	(13,971)	(17,176)
General revenues:						
Intergovernmental, not restricted for specific progran				-	1,406	1,406
Payments from DeKalb County				4,481	12,324	16,805
Unrestricted investment earnings				-	1	1
Miscellaneous				-	336	336
Total general revenues				4,481	14,067	18,548
Change in net position				1,276	96	1,372
Net position - beginning				4,644	3,239	7,883
Net position - ending				$ 5,920	$ 3,335	$ 9,255

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

DEKALB COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2012

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, and is also governed by a board comprised solely of members appointed by the Chief Executive Officer of the County and the County's Board of Commissioners, was 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 and debt service funds. No separate financial statements are available. In 2010, the County established the Urban Redevelopment Agency 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 and they can impose their will on the Urban Redevelopment Authority by removal of its board members at any time. This agency was established to finance the County's construction of certain types of projects within designated recovery zones. As such the Urban Redevelopment Agency is a blended component unit of the County and is included as non-major capital projects funds and debt service funds.

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 Position 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.

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 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 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 Special Tax District - Police Services Fund accounts for operations of the County's police department whose financing is provided by a specific annual property tax levy. Such property taxes are used to provide police protection for all residents of the County not protected by other municipal police departments.

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 or other governmental units.

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 if availability criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

In accounting and reporting for its proprietary operations, the County applies all GASB pronouncements. For the year ended December 31, 2012, the County implemented GASB statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. This statement incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance.

(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, are employed in the governmental and proprietary funds. (in thousands of dollars)

General Fund	Special Revenue Funds	Debt Services Funds	Capital Projects Funds	Internal Service Fund (Risk Mgmt)	Governmental Funds
$ 7,701	$ 18,452	$ -	$ 37,669	$ 2,615	$ 63,822

Watershed Fund	Sanitation Fund	Airport Fund	Stormwater Fund	Internal Service Funds (Vehicle Maintenance)	Proprietary Funds
$ 375,745	$ 4,764	$ 1,213	$ 3,320	$ 16,631	$ 401,673

(F) Property Taxes

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

(G) Cash, Cash Equivalents, and Investments

Cash management pools which are used essentially as demand deposit accounts and investments with maturities within 90 days of purchase are considered cash equivalents for purposes of the statement of cash flows. Investments are stated at fair value, based on quoted market prices. The Georgia Fund 1 investment pool (a local government investment pool) is not SEC registered, but is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Therefore, fair value of the County's investment in the Georgia Fund 1 is based on the price of the County's share in the pool. The Office of the State Treasurer in accordance with 2010 House Bill 296 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 expenses 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.

(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 $17,362,699 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 $27,155,000 reported as landfill closure and postclosure cost liability at year-end represents the cumulative amount reported to date based on the use of 86% of the estimated capacity of the landfill, net of related expenditures to date of $1,337,000. The County will recognize the remaining estimated cost of closure and postclosure care of $2,674,000 as the remaining estimated capacity is filled. These amounts are based on the estimated cost to perform all closure and postclosure in 2012. Actual cost may differ 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 2013, but has previously acquired enough additional land to meet landfill needs through 2019.

(M) Fund Balance Classifications

In February 2009, GASB issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The purpose of the statements is to clarify the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. With this new statement, the County's fund balance is classified into five hierarchies based on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. GASB 54 was adopted and implemented by the County in fiscal year 2011.

Under this statement, the five classifications are: Nonspendable, Restricted, Committed, Assigned, and Unassigned. Nonspendable fund balances are amounts that are not in a spendable form, such as inventories, long-term advances to other funds and prepaid items, contractually required to remain intact, or will not be converted to cash in the next operating cycle. Restricted fund balances are amounts on which constraints have been placed by an external party, such as a grantor, creditor, or regulations legally enforceable by external parties or imposed by law through constitutional provisions or enabling legislation. Committed fund balances are amounts on which constraints are placed by a formal action, a resolution in the case of the County, from the government's highest level of decision-making authority, the Board of Commissioners. The formal action for commitments must occur before the end of the fiscal year. Committed amounts may only be changed or rescinded through the same formal action, resolution by the Board of Commissioners. Assigned fund balances are amounts reported in all funds including; general, special revenue, capital projects, debt service, or those not otherwise classified. These amounts are constrained by the government's intent to use for a special purpose, but restrictions are not externally enforceable. As of December 31, 2012, the County's Board of Commissioners has not expressly delegated an individual the authority to assign fund balance for a particular purposes. Under GASB Statement 54, any positive residual fund balance in a special revenue, debt service, or capital projects fund is assigned fund balance. Unassigned fund balances are amounts reported only in the General Fund, the residual fund balances not fund balance not otherwise classified, or the excess of Nonspendable, Restricted, Committed, or Assigned. Other governmental funds with a deficit fund balance report negative unassigned fund balance. 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. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: committed, assigned, then unassigned.

	General Fund	Special Revenue Funds	Debt Services Funds	Capital Projects Funds	Governmental Funds
Fund Balances (in thousands of dollars)					
Nonspendable (in form):					
Prepaid and Inventory Items	$ 868	$ -	$ -	$ -	$ 868
Long-term advances to other funds	4,029	-	-	-	4,029
Restricted:					
STD-Police Services	-	10,372	-	-	10,372
Intergovernmental Grants	-	20,555	-	-	20,555
Other Special Revenue	-	4,210	-	-	4,210
Debt Services	-	-	16,628	-	16,628
Capital Projects	-	-	-	93,151	93,151
Committed:					
Other Special Revenue	-	7,836	-	-	7,836
Capital Projects	-	-	-	11,796	11,796
Unassigned:					
STD-Designated and Unincorporated	-	(4,997)	-	-	(4,997)
Intergovernmental Grants	-	(8)	-	-	(8)
Other Special Revenue	-	(3,791)	-	-	(3,791)
Capital Projects	-	-	-	(5,176)	(5,176)
Other	5,114	-	-	-	5,114
	$ 10,011	$ 34,177	$ 16,628	$ 99,771	$ 160,587

(N) Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported 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.

(O) Net Position

The County implemented GABS Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities, as of January 1, 2012. These new standards establish accounting and financial reporting for deferred inflows of resources and the concept of net positions as the residual of all other elements presented in a statement of net position.

The County's Net Position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in reporting which utilizes the economic measurements focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

(P) Deferred Outflows/Inflows of resources

In addition to assets, the County presents the deferred outflows of resources as a representation of the portion of the net position or fund balance. The County reported one deferred outflows of resources which is noted as deferred loss on refunding. The deferred loss is no longer reported net of debt and is deferred and amortized over the shorter life of the refunded or refunding debt.

In addition to liabilities, the County presents the deferred inflows of resources as a representation of the portion of the net position or fund balance. The County has only one (1) type of deferred inflows of resource, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category for the County's governmental funds. These unavailable revenues are from property taxes as these amounts are deferred and will be recognized as inflows of resources in the period that the amounts become available. In regards to property taxes, the governmental funds balance sheet and the government-wide statement of net position will report the unearned revenues as a deferred inflow of resources as the amount represents property taxes received or are a receivable as of the balance sheet date although they are meant to fund expenditures for the upcoming year. Thus, the amount will be recognized as revenue in the period in which they were levied.

2. Joint Ventures

DeKalb County is party to a contract with Fulton County, Georgia and the Fulton-DeKalb Hospital Authority (the "Hospital Authority") for the operation of Grady Memorial Hospital (the "Hospital"). The Hospital provides health services to indigent citizens of both counties. Three (3) members of the Hospital Authority's Board of Trustees are appointed by the DeKalb County Board of Commissioners with another seven (7) 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 (2) counties. For the year 2012, DeKalb County funded $9,963,348 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 2012, DeKalb County paid an additional $7,720,812 towards the Hospital Authority's debt service. Separate financial statements of the Hospital 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, 2012 is as follows (in thousands of dollars):

Total Assets	$ 732,683	Total Operating Revenues	$ 705,426
Total Deferred Outflows of Resources	11,064	Total Operating Expenses	735,328
Total Liabilities	493,013	Non-operating Revenue (Expenses)	12,913
Total Net Position	239,670	Fulton County and DeKalb County Contributions	63,332
Current Debt	20,698	Capital Contributions and Other Adjustments	7,986
Long-term Debt	199,609	Increase in Net Position	54,329

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 2012, the County paid $674,360 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, otherwise, no known related-party transactions involving either joint venture during 2012.

3. Budget Basis of Accounting

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

The major differences between the budget basis and GAAP are:

(1) Revenues (principally property taxes, 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);

4. Cash, Cash Equivalents, and Investments

Following are the components of the County's cash and cash equivalents, and investments (including the General Employees' Pension Fund, Agency Funds, and the Component Units) at December 31, 2012 (in thousands of dollars).

	Unrestricted	Restricted	Pension Restricted	Agencies Unrestricted	Total	Component Units
Cash and Cash Equivalents	$ 416,517	$ 455,549	$ 47,573	$ 36,487	$ 956,126	$ 6,418
Investments	-	-	1,055,478	-	1,055,478	808
	$ 416,517	$ 455,549	$ 1,103,051	$ 36,487	$ 2,011,604	$ 7,226

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.

Concentration of Credit Risk - Primary Government

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.

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Custodial Credit Risk - Investments

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 - Investments

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 pension fund's investment policy sets targets of 60% invested in domestic equity, 10 % in international equity, and 30% in domestic fixed income.

Foreign Currency Risk:

At December 31, 2012, $104,422,000 or 10 percent of Pension Trust assets had exposure of foreign currency risk through investments in foreign companies. These investments had the form of US dollars invested in mutual funds with only international equity holdings.

As of December 31, 2012, 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
Fiduciary Fund					
Pension Trust Fund:					
Corporate Stocks	$ 666,106	$ -	$ -	$ -	$ -
Foreign Equities	104,422	-	-	-	-
U.S. Government Securities	96,876	4,021	38,361	28,558	25,936
CMOs	30,610	-	7,933	3,843	18,835
Corporate Bonds	157,464	10,259	67,038	67,704	12,463
Total Fiduciary Fund	$ 1,055,478	$ 14,280	$ 113,332	$ 100,105	$ 57,234

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, 2012, the weighted average quality rating of the fixed income portfolio (i.e., the U.S. Government Securities and Corporate Bonds) was A+ as rated 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, 2012, the weighted average of the Option Adjusted Duration of the pension fund's fixed income portfolio for Denver Investment Advisor was 3.94 years, and J.P. Morgan Asset Management was 3.88 years, as compared to the benchmark BC Aggregate Bond Index duration of 5.06 years.

5. Capital Assets

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

	Balance (Restated) 12/31/2011	Additions	Deletions	Balance 12/31/2012	Accumulated Depreciation and Amortization 12/31/2011	Additions	Deletions	Accumulated Depreciation and Amortization 12/31/2012	Book Value 12/31/2012
Governmental activities									
Not depreciated:									
Land	$ 233,004	$ 3,059	$ -	$ 236,063	$ -	$ -	$ -	$ -	$ 236,063
Construction in progress	238,081	30,681	(60,396)	208,366	-	-	-	-	208,366
Depreciated:									
Land improvements	59,189	1,131	-	60,320	16,840	1,895	-	18,735	41,585
Buildings	420,609	43,664	-	464,273	128,283	7,689	-	135,972	328,301
Infrastructure	756,507	11,876	-	768,383	229,459	19,611	-	249,070	519,313
Other equipment	50,175	4,749	(22,408)	32,516	33,125	6,889	(22,408)	17,606	14,910
Totals	$ 1,757,565	$ 95,160	$ (82,804)	$ 1,769,921	$ 407,707	$ 36,084	$ (22,408)	$ 421,383	$ 1,348,538
Business-type activities									
Not depreciated:									
Land	$ 58,288	$ 6,097	$ -	$ 64,385	$ -	$ -	$ -	$ -	$ 64,385
Construction in progress	155,353	85,819	(79,307)	161,865	-	-	-	-	161,865
Depreciated:									
Land improvements	185,961	10,064	(4,127)	191,898	30,764	3,035	-	33,799	158,099
Buildings	40,999	49,350	(3,549)	86,800	8,966	241	(1,747)	7,460	79,340
Plants	340,470	285	(2,772)	337,982	91,124	6,705	(2,774)	95,055	242,927
Lines	834,419	11,810	(5,994)	840,235	267,003	16,764	(5,994)	277,773	562,462
Water meters	56,197	-	(3,917)	52,280	36,140	3,480	(3,772)	35,848	16,432
Vehicles and portable equipment	153,951	15,998	(11,150)	158,799	118,484	14,553	(11,007)	122,030	36,769
Other equipment	12,460	9,210	(280)	21,390	9,915	2,592	-	12,507	8,883
Leaseholds	169,411	-	-	169,411	44,905	3,477	-	48,382	121,030
Totals	$ 2,007,509	$ 188,633	$ (111,096)	$ 2,085,045	$ 607,301	$ 50,847	$ (25,294)	$ 632,854	$ 1,452,192
Component units									
Depreciated:									
Other equipment	$ 2,827	$ 616	$ -	$ 3,443	$ 1,462	$ 191	$ (97)	$ 1,556	$ 1,887

There was a restatement of prior year capitalized interest to adjust the 2011 ending balance to include the interest that was not capitalized and reported in construction in progress as of 2011.

Depreciation was charged to functions / programs of the primary government during 2012 as follows (in thousands of dollars):

Governmental activities:	
General government	$ 3,247
Public safety	4,106
Civil and criminal court system	2,489
Planning & Development	18
Public works	19,633
Community development	35
Library	3,216
Parks and recreation	2,490
Health and welfare	850
	$ 36,084

Business-type activities	
Watershed system	$ 31,878
Sanitation	3,382
DeKalb Peachtree Airport	424
Stormwater	361
Vehicle maintenance	249
Vehicle replacement	14,553
	$ 50,847

Outstanding construction committments at December 31, 2012 is composed of the following (in thousands of dollars):

	Project Authorization	Expended as of 12/31/2012	Committed
Governmental activities			
Parks and recreation facilities	$ 145,798	$ 59,401	$ 86,397
Infrastructure	170,753	120,762	49,991
Court facilities	17,745	2,854	14,891
Public safety facilities	12,702	8,582	4,120
General government facilities	10,502	8,521	1,981
Library facilities	15,560	8,245	7,315
Totals	$ 373,060	$ 208,365	$ 164,695
Business-type activities			
Water and sewer facilities	$ 615,617	$ 136,573	$ 479,044
Sanitation facilities	43,119	26,309	16,810
Airport facilities	10,792	4,270	6,522
Stormwater facilities	11,000	6,555	4,445
Vehicle maintenance	389	71	318
Totals	$ 680,917	$ 173,778	$ 507,139

6. Long-Term Obligations

Changes in long-term obligations for the year ended December 31, 2012 are as follows (in thousands of dollars):

	Balance 12/31/2011	Additions	Payments/ Retirements	Balance 12/31/2012	Current Portion	Long-term Portion
Governmental activities						
Claims and judgments payable	$ 10,683	$ 98,348	$ (97,613)	$ 11,418	$ 6,022	$ 5,396
Net OPEB obligation	432,385	54,370	(18,049)	468,706	-	468,706
Compensated absences payable	32,652	29,202	(30,176)	31,678	19,041	12,637
Capital leases (equipment)	1,553	-	(1,553)	-	-	-
General obligation bonds payable	309,085	-	(23,310)	285,775	24,335	261,440
Revenue bonds payable	88,270	-	(3,670)	84,600	3,785	80,815
Certificates of participation payable	17,810	-	(1,165)	16,645	1,220	15,425
Unamortized premium on bonds payable	7,306	-	(890)	6,416	-	6,416
Totals	$ 899,744	$ 181,920	$ (176,426)	$ 905,238	$ 54,403	$ 850,835
Business-type activities						
Claims and judgments payable	$ 568	$ 100	$ (453)	$ 215	$ 215	$ -
Landfill closure and postclosure costs	22,293	4,862	-	27,155	-	27,155
Pollution remediation obligation	1,432	-	(225)	1,207	-	1,207
Net OPEB obligation	139,580	17,170	(4,863)	151,887	-	151,887
Compensated absences payable	5,695	7,467	(7,231)	5,931	4,879	1,052
Revenue bonds payable	923,680	-	(14,205)	909,475	14,845	894,630
Unamortized premium on bonds payable	51,487	-	(3,427)	48,060	-	48,060
Totals	$ 1,144,735	$ 29,599	$ (30,404)	$ 1,143,930	$ 19,939	$ 1,123,991
Component Units						
Compensated absences payable	$ 1,413	$ -	$ (48)	$ 1,365	$ 276	$ 1,089

*Due to the GASB 63 and 65 implementations, the deferred losses (charges) of bonding refunding are no longer reported in the above long-term debt schedule. The deferred loss on refunding are reported as a deferred outflows on resources in the government-wide and proprietary funds statements of net position.

Governmental activities:

Claims and judgments payable, compensated absences, and capital leases have typically have been liquidated in the general fund and in the internal service (risk management) fund. Net other postemployment benefit obligations for governmental activities have typically been liquidated in the general fund, and the internal service funds.

The following is a summary of the County's outstanding general obligation bond issues at December 31,2012 (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	92,725	32,275
2003A	Refunding issue	3.625-4.00	1-1 & 7-1	07/22/03	01/01/20	53,295	34,955	18,340
2003B	Refunding issue	4.00-5.00	1-1 & 7-1	12/05/03	01/01/20	74,620	28,095	46,525
2006	Parks, Libraries, Transportation	3.30-5.00	6-1 & 12-1	02/07/06	12/01/30	230,000	43,365	186,635
	Totals					$ 484,915	$ 199,140	$ 285,775

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).

For financial accounting and reporting purposes, all governmental activities bonds defeased ($69,480,000 at December 31,2012) 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 general obligation bonds debt service requirements to maturity as of December 31, 2012 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2013	24,335	12,923	$ 37,258
2014	25,555	11,772	37,327
2015	26,790	10,578	37,368
2016	16,250	9,330	25,580
2017	16,965	8,589	25,554
2018-2022	75,965	31,331	107,296
2023-2027	58,220	17,988	76,208
2028-2030	41,695	3,862	45,557
Totals	$ 285,775	106,373	$ 392,148

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 $269,530,000. The statutory limit at that date was $2,069,100,000, providing a debt margin of $1,799,570,000.

The following is a summary of the County's outstanding Certificates of Participation at December 31, 2012 (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	$ 8,355	$ 16,645

The following is a summary of Certificates of Participation debt service requirements to maturity as of December 31, 2012 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2013	4.0	1,220	734	$ 1,954
2014	4.0	1,270	686	1,956
2015	4.1	1,320	634	1,954
2016	4.2	1,375	580	1,955
2017	4.3	1,430	523	1,953
2018-2022	4.4-4.75	8,165	1,607	9,772
2023	4.75	1,865	88	1,953
Totals		$ 16,645	$ 4,852	$ 21,497

The following is a summary of the County's outstanding governmental activities revenue bond issues at December 31, 2012 (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	$ 5,680	$ 9,320
2004	Public Safety and Judicial Facilities	3.0-5.0	6-1 & 12-1	12/29/04	12/01/34	50,000	8,350	41,650
2005	Juvenile Justice Center	3.0-5.0	6-1 & 12-1	07/14/05	12/01/25	35,670	9,465	26,205
2010	Urban Redevelopment Agency	6.010	4-1 & 10-1	12/07/10	10/01/30	7,945	520	7,425
						$ 108,615	$ 24,015	$ 84,600

The following is a summary of the County's governmental activities revenue bonds debt service requirements to maturity as of December 31, 2012 (in thousands of dollars):

Year Payable	Interest Rate (%)	Principal	Interest	Total
2013	3.0-5.0	3,785	3,786	$ 7,571
2014	3.0-5.0	3,940	3,628	7,568
2015	3.25	4,095	3,462	7,557
2016	3.25	4,240	3,306	7,546
2017	3.5-6.0	4,395	3,142	7,537
2018-2022	3.25-4.0	24,600	12,892	37,492
2023-2027	3.88-5.0	20,125	7,454	27,579
2028-2032	4.25-5.0	13,670	3,504	17,174
2033-2034	5.0	5,750	435	6,185
Totals		$ 84,600	$ 41,609	$ 126,209

On February 28, 2012, the County issued a $157,950,000 general obligation tax anticipation note (Series 2012). The purpose of the short term borrowing was to provide resources for operations. The interest rate on the tax anticipation note was .23 percent and the maturity date was December 31, 2012. The tax anticipation note was repaid by the County by December 31, 2012.

Business-type activities:

The following is a summary of the County's outstanding business-type activities revenue bond issues as of December 31, 2012 (in thousands of dollars):

Series	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Retired	Out-standing
2003	3.25-5.0	4-1 10-1	11/18/03	10/01/35	$ 179,865	$ 28,190	$ 151,675
2006A	4.0-5.0	4-1 10-1	04/27/06	10/01/35	94,990	11,035	83,955
2006B	4.25-5.25	4-1 10-1	04/27/06	10/01/35	271,895	5,025	266,870
2010	5.44	4-1 10-1	12/07/10	10/01/25	28,400	2,925	25,475
2011	5.25	4-1 10-1	12/14/11	10/01/41	381,500	-	381,500
Totals					$ 956,650	$ 47,175	$ 909,475

The following is the purpose of each series of the County's outstanding business-type activities revenue bond issues as of December 31, 2012:

Series	Purpose
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
2011	Infrastructure Improvements

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 Water & Sewerage Recovery Zone Series 2010 proceeds were used to fund projects within designated recovery zones. The Water & Sewerage Revenue proceeds were used to fund projects relating to infrastructure improvements.

For financial accounting and reporting purposes, all revenue bonds defeased ($360,155,000 at December 31, 2012) are considered retired and, along with the funds held in trust, are not included in the accompanying financial statements.

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

The following is a summary of the County's outstanding business-type activities revenue bonds debt service requirements to maturity as of December 31, 2012 (in thousands of dollars):

Year Payable	Principal	Interest	Total
2013	14,845	46,282	$ 61,127
2014	22,245	45,554	67,799
2015	23,140	44,622	67,762
2016	24,135	43,574	67,709
2017	25,255	42,406	67,661
2018-2022	145,595	191,827	337,422
2023-2027	181,230	151,092	332,322
2028-2032	199,575	101,801	301,376
2033-2037	181,315	48,221	229,536
2038-2041	92,140	12,402	104,542
Totals	$ 909,475	$ 727,781	$ 1,637,256

7. Leases

Operating Leases

The County leases building and office facilities and equipment under leases and rental agreements which are cancelable annually. In 2012, the County paid $5,058,053 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 2012, equipment rentals totaled $1,751,256.

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 2012, that amount was $704,825. The future minimum lease payments as of December 31, 2012 are as follows (in thousands of dollars):

Year Payable	Amount
2013	$ 708
2014	705
2015	705
2016	710
2017	705
	$ 3,533

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

8. 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 $1,207,000 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.

9. 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 (7) voting members (the Chief Executive Officer of DeKalb County, two (2) members elected by County employees, two (2) members selected by the DeKalb County Board of Commissioners, one (1) member elected by County retirees, and one (1) member appointed by the other voting members of the Board) and two (2) 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, 2012 was $268,965,000, as compared to a total County payroll of $299,512,000.

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

Termination benefits are as follows: Within the first three years of service, the participant's contributions will be returned without interest. After three but less than ten years of service, the participant may either withdraw contributions plus interest or leave contributions in the Plan and receive a monthly benefit to commence at age 65 equal to his accrued benefit as of the date of termination. After ten years of service, the participant may either withdraw contributions plus interest or leave contributions in the Plan and receive a monthly benefit to commence at his normal retirement date equal to his accrued benefit as of the date of termination. Such terminating employee 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 2012, as approved by the DeKalb County Board of Commissioners, are employee 8.63% and County 12.81% 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	2,232
Active nonvested employees covered by the Plan	3,849
Retirees currently receiving normal retirement benefits	3,610
Retirees currently receiving disability benefits	124
Beneficiaries of deceased retirees currently receiving benefits	316
Terminated employees entitled to benefits, but not yet receiving them because of age	428
Total members	10,559

(B) Actuarial assumptions

Pursuant GASB 27, for financial reporting purposes, an inflation actuarial valuation may be performed at least biennially (rather than annually) only if no significant changes have occurred. Significant actuarial assumptions used in the valuation include: (a) rate of return on investment of present and future assets of 7.75% per year compounded annually, (b) projected salary increases of 0.0% to 8.0% for merit / seniority based on an age-graduated scale, plus 3.0% for inflation 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 credited employees over age 50 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.

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.

(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 30 years as a level percentage of payroll. The amortization period for the County's actuarial accrued liability is open. 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, 2012. The April 2012 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, 2012 valuation is used to determine the recommended contribution for the fiscal year beginning January 1, 2014. 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.

As of December 31, 2012, employer contributions of $33,925,000 represent 86.6% of the employer annual required contribution. The net pension asset of $2,392,000 was determined in accordance with GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. 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, 2012
Actuarial value of plan assets	$ 1,195,500
Actuarial accrued liability (AAL)	1,836,276
Assets in excess (deficiency) of / unfunded actuarial accrued liability (UAAL)	$ (640,776)
Funded ratio	65.10%
Annual covered payroll	$ 271,188
UAAL as a percentage of covered payroll (not less than zero)	236.28%

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

	Fiscal Year		
	2012	2011	2010
Annual required contribution (ARC)	$ 39,198	$ 46,818	$ 33,133
Interest on net pension asset*	(650)	(654)	(1,100)
Annual required contribution adjustment	1,371	1,303	1,410
Annual pension cost (APC)	39,919	47,467	33,443
Annual employer contributions made*	(33,925)	(47,413)	(27,677)
Change in net pension asset	5,994	54	5,766
Beginning of year net pension asset*	(8,386)	(8,440)	(14,206)
End of year net pension asset	$ (2,392)	$ (8,386)	$ (8,440)
Amortization	16.8215	16.8215	16.8215
Percentage of annual employer contributions made to annual required contributions	86.55%	101.27%	83.53%
Percentage of annual employer contributions made to annual pension cost	84.98%	99.89%	82.76%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect on April 1, 2012 and on the pattern of sharing of costs between the County and plan members to that point.

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.

*Prior year adjustments were made on the Statements of Net Position for the County in accordance with GASB 27.

(D) Schedule of contributions as a percentage of salary

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Employee	8.6%	8.4%	4.5%	4.5%	4.0%	3.5%	2.5%	1.5%	.5%	.5%
Employer	12.8%	17.0%	9.5%	9.5%	8.0%	6.5%	4.0%	3.0%	.5%	.5%

(E) Other Postretirement Benefits

Group health benefits are available to all retirees, beneficiaries of, and dependents of retirees, with the County paying up to 70% of the total cost and the retiree paying the remaining amount. Life insurance in the amount of $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), $29,444,652 for 2012, 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.

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.

As of April 1, 2012, the date of the morst recent actuarial valuation, plan membership was composed of the following;

Retirees and spouces receiving benefit	5,673
Current active participants	6,080
Total members:	11,753

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 April 1, 2012
Actuarial accrued liability:	
Retired employees	$ 472,807
Active employees	332,680
Unfunded actuarial accrued liability (UAAL)	$ 805,487
Annual covered payroll	$ 305,900
UAAL as a percentage of covered payroll (not less than zero)	263.3%

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

	2012	2011	2010
Beginning net OPEB obligation	$ 571,965	$ 460,899	$ 315,287
Annual required contribution (ARC)	68,913	139,405	168,242
Interest on net OPEB obligation	22,984	18,436	12,611
Annual required contribution (ARC) adjustment	(20,357)	(23,376)	(13,331)
Annual OPEB cost	71,540	134,465	167,522
Annual employer contributions made	(22,912)	(23,399)	(21,910)
Net OPEB obligation as of December 31	$ 620,593	$ 571,965	$ 460,899
Percentage of annual employer contributions made to annual required contributions	33.2%	16.8%	13.0%
Percentage of annual employer contributions made to annual OPEB cost	32.0%	17.4%	13.1%
Net OPEB obligation attributable to:			
Governmental Activities	$ 468,706	$ 432,385	$ 349,427
Business-type Activities	151,887	139,580	111,472
Total	$ 620,593	$ 571,965	$ 460,899

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 healthcare cost trends. Amounts determined regarding the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

For the April 1, 2012 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. There are 25 years remaining in the amortization period.

The investment return assumption (or discount rate) is 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 2012 actuarial valuation, a discount rate of 4.00% has been used.

Other actuarial assumptions include healthcare cost trend rates ranging from 8.0% in 2012 to 5% in 2018 and beyond. Inflation is considered in prior disclosed rates at 3%. Employee salary increases are projected at zero. 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.

Actual self-insured pre-Medicare claims experience data through December 2010 was trended to the midpoint of the projection period, adjusted for mandated health care reform changes, aged from the average age of the pre-Medicare retirees and dependents with self-insured medical coverage to age 65 and then blended with the prior year's per capita claims cost.

(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 in the financial statements of the County.

10. 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 two years are as follows (in thousands of dollars):

	2012	2011
Workers' compensation:		
Balance forward	$ 8,221	$ -
Incurred claims, net of any changes	6,415	14,052
Payments	(5,497)	(5,831)
Ending balance	9,139	8,221
Health and dental:		
Balance forward	2,096	-
Incurred claims, net of any changes	89,405	91,126
Payments	(90,178)	(89,030)
Ending balance	1,323	2,096
Total liability for self-insurance	$ 10,462	$ 10,317

11. Proprietary Funds

Contracts and agreements

The County has entered into intergovernmental agreements for capacity 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 as determined by the owner of the facility. The County has no ownership in these facilities. During 2012, the County incurred the following operating costs (no capital costs were incurred) (in thousands of dollars):

R. M. Clayton Plant - City of Atlanta	$ 9,713
Big Creek Plant, John's Creek Plant & Marsh Creek Plant - Fulton County	469
Jackson Creek Plant - Gwinnett County	840
Total	$ 11,022

12. Allowance For Uncollectible Receivables

Allowances for uncollectible receivables at December 31, 2012 are as follows (in thousands of dollars):

	Gross Receivables	Uncollectible Receivables	Net Receivables
Governmental activities:			
Taxes receivable	$ 51,957	$ 1,776	$ 50,181
Accounts receivable	9,143	6,635	2,508
	$ 61,100	$ 8,411	$ 52,689
Business-type activities:			
Accounts receivable	$ 63,032	$ 12,919	$ 50,113

13. Due From Other Governments

Amounts due from other governments at December 31, 2012 are as follows (in thousands of dollars):

Governmental activities:		Business-type activities:	
Georgia Department of Transportation	$ 708	Federal Aviation Administration	$ 127
Georgia Department of Communtiy Affairs	592	Department of Energy	212
U. S. Department of Labor	622	Georgia Dept of Transportation	612
U. S. Department of Health and Human Services	228	Other local governments	954
Criminal Justice Coordinating Council	551	Total	$ 1,905
Atlanta Regional Commission	837		
Georgia Department of Human Resources	700		
U.S. Department of Justice	170		
Others	83	Component units:	
Total	$ 4,491	Miscellaneous State Agencies	$ 1,382

14. Interfund Balances and Other Activities

(A) Balances Due To / From Other Funds

Balances due to / from other funds at December 31, 2012 consist of the following (in thousands of dollars):

Due to the General Fund from other Non-Major Governmental funds representing short-term loans.	$	5,606
Due to the General Fund from Special Tax District - Designated Services Fund representing short-term loans.		1,365
Due to the General Fund from Special Tax District - Unincorporated Fund representing short-term loans.		438
Due to Watershed Fund from the Sanitation Fund - current portion of advance.		2,000
Due between Internal Service Funds, representing a short term loan		1,295
	$	10,704

(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.	$	2,276
Transfer from General Fund to other Nonmajor Governmental Funds for capital projects.		12,128
Transfer from Special Tax District Police Services Fund to other Nonmajor Governmental Funds to match federal and state grants.		113
Transfer from Special Tax District Unincorporated Fund to Special Tax District Designated Services Fund to fund operations.		17,174
Transfer from Special Tax District Unincorporated Fund to Special Tax District Police Services Fund to fund operations.		48,080
Transfer from other Nonmajor Governmental Fund to Special Tax District Police Services Fund to fund programs.		2,071
Transfer from other Nonmajor Governmental Funds to General Fund to fund programs.		4,816
Transfer between other Nonmajor Governmental Funds to match grants.		381
Transfer from Watershed System Fund to the Internal Service Fund to fund personnel costs.		1,092
Transfer from Sanitation Fund to the Internal Service Fund to fund personnel costs.		563
Transfer from Nonmajor Proprietary Fund to the Internal Service Fund to fund personnel costs.		52
	$	88,746

(C) AdvancesTo/From Other Funds

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

Advance from Watershed Fund to Sanitation Fund for a capital project that will be repaid in three years.	$	4,000
Advance from General Fund to the Special Revenue (Hospital) Fund that will be repaid over the next five years.		4,029
	$	8,029

15. 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 DeKalb 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 2012, the County collected $4,646,778.93 in total receipts from vendors for the hotel/motel tax. Two of the vendors are located at a facility owned by the State and those vendors send the collected 2% portion directly to a designated State agency per State law. The County received $342,543.40 from theses vendors for the 3% portion and the adjusted receipts were $4,304,255.53. The County makes payments to the DCVB the month after the funds are received and related payments payments were $1,764,645.67 or 40% of the adjusted receipts. The amounts are not reflected in the related financial statements due to a timing difference of when revenues are collected by the vendor, received by the County and paid 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, any potential liability related to these suits pending or unasserted claims is not estimable.

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 material.

16. Fund Deficits and Liquidity

Two of the four major tax funds all completed 2012 with fund balance deficits as follows: the Special Tax District-Designated Services Services Fund ($2,080,000) and the Special Tax District-Unincorporated Fund ($2,917,000). These deficits were caused by a downturn in the economy forcing revenue to lag behind expenditures. The County 's planned debt refinancing will allow the reallocation of current millage to these funds to eliminate the deficits. The Nonmajor Special Revenue-Development Fund ended fiscal year 2012 with a fund balance deficit of ($98,000). The Nonmajor Special Revenue-Recreation Fund ended fiscal year 2012 with a fund balance deficit of ($357,000). The County will review current fees The Nonmajor Special Revenue-Recreation Fund ended fiscal year 2012 with ($3,336,000) deficit. The County will refinance its portion of the 2003 Fulton-DeKalb Hospital Authority revenue Bonds on a tax exempt basis. The Nonmajor Capital Projects -Host Capital Projects Fund ended 2012 with a ($5,176,000) deficit. Currently the project expenditures captured in this fund but the revenue sources are allocated to different funds. Going forward new projects, expenses, and funding sources will be in the same fund. The Internal Service Fund - Vehicle Maintenance ended fiscal 2012 with a fund balance deficit of ($2,052,000). The County evaluates the allocation of costs related to vehicle maintenance during each budget cycle.

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.

The County acknowledges the urgency and criticality of reversing the trend of negative fund balances in certain funds and building back adequate reserves. 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 2013 and beyond.

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.

17. Budget Information

The County exceeded the legal level of budgeted expenditures in the following departments during 2012 (in thousands of dollars):

Fund	Department	Amount
General	Chief Executive Officer	$ 62
General	Economic Development	12
General	Public Safety - Fire and Rescue Services	527
General	District Attorney	187
General	Medical Examiner	55
General	Public Works - Administration	23
General	Library System	425
General	Sheriff	326
Special Revenue - Special Tax District - Designated	Public Safety - Police	131
Special Revenue - Special Tax District - Designated	Arts, culture, and entertainment	1
Special Revenue - Special Tax District - Designated	Non-departmental	764
Nonmajor Special Revenue Grant-in-Aid	Juvenile Court	235
Nonmajor Special Revenue Grant-in-Aid	District Attorney	460
Nonmajor Special Revenue Grant-in-Aid	Family and Children Services	1,402
Nonmajor Special Revenue Fire	Public Safety - Fire and Rescue Services	416

In the administrative departments of Chief Executive Officer and Economic Development, excess expenditures were due to a change in strategic direction in emphasis of economic development and planning that was not anticipated in the budget. This emphasis is corrected in the 2013 Budget. Overspending in Fire & Rescue in the General Fund was due to uncertainty (at budget adoption) as to the timing of outsourcing of Emergancy Medical Transport. The outsourcing is implemented in 2013 with an adequate budget. The District Attorney's Office excess expenditures were mainly due to market forces necessitating hiring and promoting at rates higer than budgeted. This issue is addressed in the 2013 Budget. The Medical Examiner Department maintained 1 more filled position during 2012 than was in the budget. The 2013 Budget is at a level sufficient for the number of filled positions. Public Works Administration's excess expenditures result from the temporary necessity of expertise from retired employees, due to loss of institutional experience in the 2010 Early Retirement program. The 2013 Budget will also likely be exceeded, due to change in leadership and the resulting severance expenditures. The Library System's excess expenditures are due to insufficient reduction of branch operating hours in light of budget reductions; the 2013 Budget is expected to be sufficient for current staffing. The Sheriff's department excess expenditures were due to accruals in salaries and benefits.The following departments are defunct, either due to movement to other funds or consolidation with other departments: Public Safety - Police in the Special Tax District - Designated Servcies. (Moved to Police Services Fund.) Arts, Arts, Culture and Entertainment. (Consolidated with Parks and Recreation.) These departments 2012 results reflect legacy transaction errors that should have impacted their new departments or funds. The budget for Juvenile Court Grants resulted from a correction of the 2011 General Ledger balance forward. This cost center budget is correct in 2013. The District Attorney's Office excess Grant expenditures were mainly due to market forces necessitating hiring and promoting at rates higher than budgeted. This issue is addressed in the 2013 Budget. The budget for the grant-funded Family and Children's Services building lease wasn't properly recorded for grants proceeds. This will be corrected in 2013.

18. Subsequent Events

On February 26, 2013, the County executed an agreement to sell the Callaway Building to the Urban Development Agency of Decatur - Redevelopment Agency for the sum of $5,089,300 or $25.00 per square foot of land whichever is greater and to lease the building back for a period of time (up to a maximum of 30 months) at the following rates: First year, $250,000, second year; $300,000.00 and $25,00 per month for the last 6 months of said lease.

On May 2, 2013, the county issued a $103,000,000 general obligation tax anticipation note (Series 2013). The tax anticipation note matures on December 31, 2013.

19 Restatements

Tax Commissioner Agency Fund:

The County has determined that a restatement of the beginning assets and liabilities of the Tax Commissioner's Agency Fund is necessary to correctly report amounts owed to other governments or entities in the amount of approximately $23,887,000. In previous years, the County did not report these balances as tax receivables and due to others in the financial statements for the Tax Commissioner's Agency Fund. The effect of this entry on beginning assets and liabilities of the County's Tax Commissioner's Agency Fund is to increase both by approximately $23,887,000.

	Tax Commissioner Agency Fund
Beginning assets and liabilities as previously reported	$ 14,369,000
To report amounts collected and owed to other governments.	23,887,000
Beginning assets and liabilities, as restated	$ 38,256,000

Governmental Activities:

The County has determined that a restatement of beginning net position of its governmental activities in the amount of approximately $16,315,000 is necessary to properly report the County's beginning net position.

In previous years, the County used estimated employer contributions instead of actual employer contributions in its calculation of the net pension asset. The effect of this error on the beginning net position for the County's Governmental Activities is to decrease net position by $14,686,000.

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County is required to change its accounting treatment of debt issuance costs. The new standard requires that debt issuance costs be recognized as an expense in the period incurred rather than deferred and recognized as an expense (amortized) in a systematic and rational manner over the duration of the related debt as was the required treatment in prior reporting periods. The result of implementing the standard is to reduce beginning net position by $1,629,000.

The effect of the above restatements were required to the beginning net position of the governmental activities to properly record the net pension asset, and to properly recognize debt issuance cost as expenses in the periods in which they were incurred.

	Governmental Activities
Net Position, as previously reported	$ 668,634,000
To correct the calculation of the net pension asset in the prior period.	(14,686,000)
Recognition of bond issuance costs incurred in prior period.	(1,629,000)
Beginning Net Position, as restated	$ 652,319,000

Watershed System Fund:

The County has determined that a restatement of beginning net position of its Watershed System in the amount of approximately $2,959,000 is necessary to properly report the capitalized interest on debt used to finance various projects during construction. In previous years, the County did not capitalize such interest on debt during construction and did not properly report the capitalized interest as part of the construction in progress (capital assets). The effect of this entry on beginning net position for the County's Watershed System Fund is to increase net position by $2,959,000.

The County has determined that a restatement on beginning net position of its Watershed System Fund in the amount in the approximately $14,721,000 is necessary to properly allocate the Watershed System Fund's portion of the Other Post-Employment Benefits (OPEB) liability that was incorrectly recorded in the County's Vehicle Maintenance Internal Service Fund which resulted in that internal service fund reporting a total deficit of $24,065,000 as of December 31, 2011. The effect of this entry on beginning net position for the County's Watershed System Fund is to decrease net position by $14,721,000.

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, the County is required to change its accounting treatment of debt issuance costs. The new standard requires that debt issuance costs be recognized as an expense in the period incurred rather than deferred and recognized as an expense (amortized) in a systematic and rational manner over the duration of the related debt as was the required treatment in prior reporting periods. The result of implementing the standard is to reduce beginning net position by $4,124,000.

The effect of the above restatements were required to the beginning net position of the Watershed System Fund to properly record capitalized interest in the proper period, to record the OPEB liability, and to properly recognize debt issuance costs as expenses in the periods in which they were incurred.

	Watershed Fund
Net Position, as previously reported	$ 715,695,000
Record capitalized interest in the proper period.	2,959,000
Record additonal OPEB obligation in the proper fund and period.	(14,721,000)
Recognition of bond issuance costs incurred in prior periods.	(4,124,000)
Beginning Net Position, as restated	$ 699,809,000

Sanitation Fund:

The County has determined that a restatement of beginning net position of its Sanitation Fund in the amount of approximately $4,725,000 is necessary to properly report intergovernmental revenue in the proper period. in previous years, the County properly recorded certain grant-related expenses as capital assets but did not record the related grant receivable and revenue in the proper period. The effect of this entry on beginning net position for the County's Sanitation fund is to incease net position by $4,725,000.

The County has determined that a restatement of beginning net position of its Sanitation Fund in the amount of approximately $7,590,000 is necessary to properly allocate the Sanitation Fund's portion of the Other Post Employment Benefits (OPEB) liability that was incorrectly recorded in the County's Vehicle Maintenance Internal Service Fund which resulted in that Internal Service fund reporting a total deficit of $24,065,000 as of December 31, 2011. The effect of this entry on beginning net position for the County's Sanitation fund is to decease net position by $7,590,000.

	Sanitation Fund
Net Position, as previously reported	$ 86,706,000
Record intergovernmental revenue in the proper period.	4,725,000
Record additonal OPEB obligation in the proper fund and period	(7,590,000)
Beginning Net Position, as restated	$ 83,841,000

Nonmajor Proprietary Funds (and DeKalb Peachtree Airport):

The County has determined that a restatement of beginning net position of its DeKalb Peachtree Airport Fund and nonmajor proprietary funds in the amount of approximately $1,232,000 is necessary to remove receivables and revenue recorded in error in the prior period. The effect of this entry on beginning net position for the County's DeKalb Peachtree Airport Fund (nonmajor enterprise funds) is to decrease net position by $1,232,000.

The County has determined that a restatement on beginning net position of its DeKalb Peachtree Airport Fund (nonmajor enterprise funds) in the amount of approximately $690,000 is necessary to properly allocate the DeKalb Peachtree Fund's portion of the Other Post Employment Benefits (OPEB) liability that was incorrectly recorded in the County's Vehicle Maintenance Internal Service Fund which resulted in that Internal Service Fund reporting a total deficit of $24,065,000 as of December 31, 2011. The effect of this entry on beginning net position for the County's DeKalb Peachtree Airport Fund (nonmajor enterprise funds) is to decrease net position by $690,000.

	DeKalb Peachtree Airport	Nonmajor Proprietary Funds
Net Position, as previously reported	$ 75,355,000	$ 121,398,000
To correct receivable/revenue recorded in error in proper period.	(1,232,000)	(1,232,000)
Record additonal OPEB liability in the proper fund and period.	(690,000)	(690,000)
Beginning Net Position, as restated	$ 73,433,000	$ 119,476,000

Business-type Activities:

The County has determined that a restatement of beginning net position of its business-type activities in the amount of approximately $2,328,000 is necessary to properly report the County's beginning net position as a result of the previously mentioned items that effected the County's net position for the Watershed System Fund, Sanitation Fund, and the DeKalb Peachtree Airport Fund. The prior period adjustment relating to the OPEB obligation liability allocation from the Internal Service Fund has no effect on business-type activities since the Vehicle Maintenance Internal Service Fund acitivity is reported in the County's business-type activities in the government-wide financial statements and the adjustment reallocated that liability from the Internal Service Fund to the enterprise funds which will fund the liability. The effect of these entries on beginning net position for the County's Business-type activities is to increase net position by $2,328,000.

	Business-type Activities
Net Position, as previously reported	$ 950,921,000
Record capitalized interest in the proper period.	2,959,000
Recognition of bond issuance costs incurred in prior periods.	(4,124,000)
Record intergovernmental revenue in the proper period.	4,725,000
To correct receivable/revenue recorded in error in proper period.	(1,232,000)
Beginning Net Position, as restated	$ 953,249,000

Internal Service Fund

The County has determined that a restatement of beginning net position of its Vehicle Maintenance Internal Service Fund in the amount of approximately $23,001,000 is necessary to properly record the Other Post Employment Benefits (OPEB) liability in the Watershed System Fund, the Sanitation Fund, and the DeKalb Peachtree Airport Fund. This error in reporting the OPEB liability in the Vehicle Maintenance Internal Service Fund caused this internal service fund to report a total deficit of $24,065,000 as of December 31, 2011. The effect of this entry on beginning net position for the County's Vehicle Maintenance Internal Service Fund is to increase net position by $23,001,000.

	Vehicle Maintenance Fund	Internal Service Funds
Net Position, as previously reported	$ (24,065,000)	$ 20,816,000
To remove OPEB obligation incorrectly reported in this fund.	23,001,000	23,001,000
Beginning Net Position, as restated	$ (1,064,000)	$ 43,817,000

DEKALB COUNTY, GEORGIA

REQUIRED SUPPLEMENTAL INFORMATION

DECEMBER 31, 2012

(Unaudited)

1. Pension Plan

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

	Valuation Date						
	4-1-2012	4-1-2011	4-1-2010	4-1-2009	4-1-2008	4-1-2007	4-1-2006 *
Actuarial value of plan assets	$ 1,195,500	$ 1,189,093	$ 1,243,277	$ 1,209,256	$ 1,289,817	$ 1,266,830	$1,243,750
Actuarial accrued liability (AAL)	1,836,276	1,797,925	1,808,967	1,677,163	1,576,182	1,495,475	1,415,719
Assets in excess/unfunded of actuarial accrued liability (UAAL)	$ (640,776)	$ (608,832)	$ (565,690)	$ (467,907)	$ (286,365)	$ (228,645)	$ (171,969)
Funded ratio	65.10%	66.14%	68.73%	72.10%	81.83%	84.71%	87.85%
Annual covered payroll	$ 271,188	$ 271,643	$ 265,696	$ 315,482	$ 306,037	$ 292,963	$ 284,989
UAAL as a percentage of covered payroll (not less than zero)	236.28%	224.13%	212.91%	148.31%	93.57%	78.05%	60.34%

Note: See assumptions used for Schedule of Funding Progress in Note 9 to the financial statements.

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

	Fiscal Year						
	2012	2011	2010	2009	2008	2007	2006
Annual required contribution (ARC)	$ 39,198	$ 46,818	$ 33,133	$ 28,932	$ 29,038	$ 24,482	$ 13,091
Percentage of annual employer contributions made to annual required contributions	87%	101%	84%	102%	85%	78%	88%

Note: See assumptions used for Schedule of Employer Contributions in Note 9 to the financial statements.

*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				
	4-1-2012	1-1-2011	1-1-2010	1-1-2009	1-1-2008
Actuarial accrued liability:					
Retired employees	$ 472,807	$ 717,498	$ 622,041	$ 614,907	$ 414,901
Active employees	332,680	650,610	982,454	855,149	713,608
Unfunded of actuarial accrued liability (UAAL)	$ 805,487	$ 1,368,108	$ 1,604,495	$ 1,470,056	$ 1,128,509
Covered Payroll	$ 305,900	$ 288,190	$ 309,750	$ 315,482	$ 328,689
UAAL as a percentage of Covered Payroll	263.3%	474.7%	518.0%	466.0%	343.3%

Note: See assumptions used for Schedule of Funding Progress in Note 9 to the financial statements.

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

	2012	2011	2010	2009* (as restated)	2008 (as restated)
Annual required contribution (ARC)	68,913	139,405	168,242	156,603	105,256
Percentage of annual employer contributions made to annual OPEB cost	33.2%	16.8%	13.0%	9.1%	15.8%

Note: See assumptions used for Schedule of Employer Contributions in Note 9 to the financial statements.

*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.

DEKALB COUNTY, GEORGIA

COMBINING STATEMENTS AND SCHEDULES

DEKALB COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

DeKalb County, Georgia

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2012
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	$ 33,572	$ 7,209	$ 57,635	$ 98,416
Cash with fiscal agent	-	8,382	-	8,382
Taxes receivable (net)	5,165	2,168	-	7,333
Accounts receivable (net)	1,756	-	-	1,756
Due from other governments	3,598	-	801	4,399
Total assets	$ 44,091	$ 17,759	$ 58,436	$ 120,286
LIABILITIES				
Accounts and contracts payable	$ 4,778	$ -	$ 1,680	$ 6,458
Other accrued liabilities	2,432	-	-	2,432
Advance payments and deposits	248	-	-	248
Advance from other funds	4,029	-	-	4,029
Due to other funds	498	-	5,108	5,606
Due to others	1,397	-	-	1,397
Total liabilities	13,382	-	6,788	20,170
DEFFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	1,907	1,131	-	3,038
Total deferred inflows of resources	1,907	1,131	-	3,038
FUND BALANCES (DEFICIT)				
Restricted	24,765	16,628	45,028	86,421
Committed	7,836	-	11,796	19,632
Unassigned (deficits)	(3,799)	-	(5,176)	(8,975)
Total fund balances	28,802	16,628	51,648	97,078
Total liabilities, deferred inflow of resources, and fund balances	$ 44,091	$ 17,759	$ 58,436	$ 120,286

DeKalb County, Georgia

Nonmajor Governmental Funds

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

For the Year Ended December 31, 2012
(in thousands of dollars)

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Taxes	$ 76,595	$ 41,542	$ -	$ 118,137
Licenses and permits	5,747	-	-	5,747
Use of money and property	88	7,818	69	7,975
Intergovernmental	27,951	-	2,771	30,722
Fines and forfeitures	4,010	-	-	4,010
Charges for services	4,715	-	-	4,715
Miscellaneous	14,644	-	392	15,036
Total revenues	133,750	49,360	3,232	186,342
EXPENDITURES				
Current:				
General government	11,669	5	-	11,674
Public safety	69,149	-	-	69,149
Civil and criminal court system	3,119	-	-	3,119
Planning and development	351	-	-	351
Public works	10,128	-	-	10,128
Human and community development	11,296	-	-	11,296
Parks and recreation	1,300	-	-	1,300
Health and welfare	25,406	-	-	25,406
Debt service:				
Principal	339	26,981	-	27,320
Interest	10	17,950	-	17,960
Capital outlay:				
General government	-	-	5,123	5,123
Public safety	-	-	1,711	1,711
Civil and criminal court system	-	-	54	54
Planning and development	-	-	675	675
Public works	-	-	8,042	8,042
Parks and recreation	-	-	1,383	1,383
Total expenditures	132,767	44,936	16,988	194,691
Excess (deficiency) of revenues over (under) expenditures	983	4,424	(13,756)	(8,349)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,770	-	12,128	14,898
Transfers out	(7,268)	-	-	(7,268)
Total other financing sources (uses)	(4,498)	-	12,128	7,630
Net change in fund balance (deficits)	(3,515)	4,424	(1,628)	(719)
Fund balance - beginning	32,317	12,204	53,276	97,797
Fund balance - ending	$ 28,802	$ 16,628	$ 51,648	$ 97,078

DeKalb County, Georgia
Nonmajor Special Revenue Funds

The Nonmajor 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 or committed 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.

Foreclosure Registry - to account for operations to protect neighborhoods from becoming blighted through a lack of adequate maintenance and security as a result of foreclosed properties.

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 (American 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, 2012

(in thousands of dollars)

	Development	PEG Support	County Jail	Foreclosure Registry	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	$ 1,411	$ 2,102	$ 200	$ 1,008	$ 273	$ -	$ 272	$ 121	$ 8,401	$ 2,123	$ 1,897	$ 6,907	$ 4,391
Taxes receivable (net)	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable (net)	-	-	-	-	-	-	-	-	-	399	16	1,272	-
Due from other governments	-	-	-	-	-	-	-	-	-	-	-	-	3,424
Total assets	$ 1,411	$ 2,102	$ 200	$ 1,008	$ 273	$ -	$ 272	$ 121	$ 8,401	$ 2,522	$ 1,913	$ 8,179	$ 7,815
LIABILITIES													
Accounts and contracts payable	$ 10	$ 6	$ -	$ -	$ -	$ -	$ 5	$ -	$ 316	$ 28	$ 148	$ 432	$ 3,273
Other accrued liabilities	1,499	-	-	-	-	7	-	-	-	-	-	137	117
Advance payments and deposits	-	-	-	-	-	-	-	-	248	-	-	-	-
Advance from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	350	-	-	-	-	-	-	-
Due to others	-	-	-	-	-	-	-	-	1,397	-	-	-	-
Total liabilities	1,509	6	-	-	-	357	5	-	1,961	28	148	569	3,390
DEFERRED INFLOWS OF RESOURCES													
Unavailable revenue - property taxes	-	-	-	-	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT)													
Restricted	-	-	-	-	-	-	267	121	6,440	-	-	7,610	4,425
Committed	-	2,096	200	1,008	273	-	-	-	-	2,494	1,765	-	-
Unassigned (deficit)	(98)	-	-	-	-	(357)	-	-	-	-	-	-	-
Total fund balances (deficits)	(98)	2,096	200	1,008	273	(357)	267	121	6,440	2,494	1,765	7,610	4,425
Total liabilities, deferred inflow of resources and fund balances	$ 1,411	$ 2,102	$ 200	$ 1,008	$ 273	$ -	$ 272	$ 121	$ 8,401	$ 2,522	$ 1,913	$ 8,179	$ 7,815

(continued)

DeKalb County, Georgia

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2012

(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	$ -	$ 815	$ 674	$ -	$ -	$ 1,074	$ 833	$ 200	$ 755	$ 33,572
Taxes receivable (net)	-	-	-	-	-	3,546	1,176	372	71	-	-	5,165
Accounts receivable (net)	-	-	-	-	-	69	-	-	-	-	-	1,756
Due from other governments	-	-	-	-	174	-	-	-	-	-	-	3,598
Total assets	$ 8	$ 107	$ -	$ 815	$ 848	$ 3,615	$ 1,176	$ 1,446	$ 904	$ 200	$ 755	$ 44,091
LIABILITIES												
Accounts and contracts payable	$ -	$ -	$ -	$ 18	$ 51	$ 229	$ -	$ 188	$ 1	$ 73	$ -	$ 4,778
Other accrued liabilities	-	-	-	-	17	655	-	-	-	-	-	2,432
Advance payments and deposits	-	-	-	-	-	-	-	-	-	-	-	248
Advance from other funds	-	-	-	-	-	-	4,029	-	-	-	-	4,029
Due to other funds	-	-	8	-	-	-	-	-	-	-	140	498
Due to others	-	-	-	-	-	-	-	-	-	-	-	1,397
Total liabilities	-	-	8	18	68	884	4,029	188	1	73	140	13,382
DEFERRED INFLOWS OF RESOURCES												
Unavailable revenue - property taxes	-	-	-	-	-	1,424	483	-	-	-	-	1,907
Total deferred inflows of resources	-	-	-	-	-	1,424	483	-	-	-	-	1,907
FUND BALANCES (DEFICIT)												
Restricted	8	107	-	797	780	1,307	-	1,258	903	127	615	24,765
Committed	-	-	-	-	-	-	-	-	-	-	-	7,836
Unassigned (deficits)	-	-	(8)	-	-	-	(3,336)	-	-	-	-	(3,799)
Total fund balances (deficits)	8	107	(8)	797	780	1,307	(3,336)	1,258	903	127	615	28,802
Total liabilities, deferred inflow of resources, and fund balances	$ 8	$ 107	$ -	$ 815	$ 848	$ 3,615	$ 1,176	$ 1,446	$ 904	$ 200	$ 755	$ 44,091

DeKalb County, Georgia

Nonmajor Special Revenue Funds

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

For the Year Ended December 31, 2012
(in thousands of dollars)

REVENUES	Development	PEG Support	County Jail	Foreclosure Registry	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	5,747	-	-	-	-	-	-	-	-	-	-	-	-
Use of money and property	2	3	-	-	-	-	32	-	12	1	2	12	-
Intergovernmental	-	-	133	-	381	-	-	-	2,271	-	-	-	23,519
Fines and forfeitures	-	-	2,299	554	1,086	-	-	71	-	-	-	-	-
Charges for services	24	-	-	-	-	778	-	-	-	3,586	323	3	-
Miscellaneous	-	388	-	-	-	-	-	-	11	-	-	10,444	2,627
Total revenues	5,773	391	2,432	554	1,467	778	32	71	2,294	3,587	325	10,459	26,146
EXPENDITURES													
Current:													
General government	-	144	-	-	-	-	-	-	-	-	-	-	7,012
Public safety	-	-	-	-	-	-	-	-	2,336	-	-	10,667	1,472
Civil and criminal court system	-	-	-	-	5	-	67	27	-	-	-	-	2,263
Planning & Development	-	-	-	351	-	-	-	-	-	-	-	-	-
Public works	5,040	-	-	-	-	-	-	-	-	4,683	405	-	-
Community development	-	-	-	-	-	-	-	-	-	-	-	-	11,296
Parks and recreation	-	-	-	-	-	696	-	23	-	-	-	-	581
Health and welfare	-	-	-	-	-	-	-	-	-	-	-	-	6,334
Debt Service													
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	5,040	144	-	351	5	696	67	50	2,336	4,683	405	10,667	28,958
Excess (deficiency) of revenues over (under) expenditures	733	247	2,432	203	1,462	82	(35)	21	(42)	(1,096)	(80)	(208)	(2,812)
OTHER FINANCING SOURCES (USES)													
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	2,539
Transfers out	(1,060)	-	(2,798)	-	(1,298)	-	-	-	(9)	-	-	-	-
Total other financing sources (uses)	(1,060)	-	(2,798)	-	(1,298)	-	-	-	(9)	-	-	-	2,539
Net change in fund balance (deficits)	(327)	247	(366)	203	164	82	(35)	21	(51)	(1,096)	(80)	(208)	(273)
Fund balance (deficits) - beginning	229	1,849	566	805	109	(439)	302	100	6,491	3,590	1,845	7,818	4,698
Fund balance (deficits) - ending	$ (98)	$ 2,096	$ 200	$ 1,008	$ 273	$ (357)	$ 267	$ 121	$ 6,440	$ 2,494	$ 1,765	$ 7,610	$ 4,425

(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, 2012
(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	$ -	$ -	$ -	$ -	$ -	$ 53,754	$ 17,473	$ 4,745	$ 569	$ 54	$ -	$ 76,595
Licenses and permits	-	-	-	-	-	-	-	-	-	-	-	5,747
Use of money and property	-	-	-	1	2	-	-	-	2	-	19	88
Intergovernmental	-	-	-	86	1,561	-	-	-	-	-	-	27,951
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	4,010
Charges for services	-	-	-	-	-	1	-	-	-	-	-	4,715
Miscellaneous	-	-	-	314	-	69	-	-	-	18	773	14,644
Total revenues	-	-	-	401	1,563	53,824	17,473	4,745	571	72	792	133,750
EXPENDITURES												
Current:												
General government	-	-	-	-	2,152	-	-	1,650	711	-	-	11,669
Public safety	-	-	-	519	-	54,155	-	-	-	-	-	69,149
Civil and criminal court system	-	-	-	-	-	-	-	-	-	195	562	3,119
Planning & Development	-	-	-	-	-	-	-	-	-	-	-	351
Public works	-	-	-	-	-	-	-	-	-	-	-	10,128
Community development	-	-	-	-	-	-	-	-	-	-	-	11,296
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	1,300
Health and welfare	-	-	-	-	-	-	19,072	-	-	-	-	25,406
Debt Services												
Principal	-	-	-	-	-	339	-	-	-	-	-	339
Interest	-	-	-	-	-	10	-	-	-	-	-	10
Total expenditures	-	-	-	519	2,152	54,504	19,072	1,650	711	195	562	132,767
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(118)	(589)	(680)	(1,599)	3,095	(140)	(123)	230	983
OTHER FINANCING SOURCES (USES)												
Transfers in	-	-	-	118	-	113	-	-	-	-	-	2,770
Transfers out	-	-	-	-	(31)	-	-	(2,072)	-	-	-	(7,268)
Total other financing sources (uses)	-	-	-	118	(31)	113	-	(2,072)	-	-	-	(4,498)
Net change in fund balance (deficits)	-	-	-	-	(620)	(567)	(1,599)	1,023	(140)	(123)	230	(3,515)
Fund balance (deficits) - beginning	8	107	(8)	797	1,400	1,874	(1,737)	235	1,043	250	385	32,317
Fund balance (deficits) - ending	$ 8	$ 107	$ (8)	$ 797	$ 780	$ 1,307	$ (3,336)	$ 1,258	$ 903	$ 127	$ 615	$ 28,802

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, 2012

Non-GAAP Budget Basis (in thousands of dollars)

	Development			PEG Support			Foreclosure Registry		
	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:									
Licenses and permits	$ 5,553	$ 4,645	$ (908)	$ 10	$ 3	$ (7)	$ 716	$ 554	$ (162)
Charges for services	21	24	3	-	-	-	-	-	-
Investment income	(1)	2	3	145	388	243	-	-	-
Miscellaneous	(20)	(80)	(60)	-	-	-	-	-	-
Total revenues	5,553	4,591	(962)	155	391	236	716	554	(162)
Expenditures:									
Current:									
General government	-	-	-	2,019	153	(1,866)	1,521	351	(1,170)
Planning & development	4,795	4,293	(502)	-	-	-	-	-	-
Public Works	745	633	(112)	-	-	-	-	-	-
Total expenditures	5,540	4,926	(614)	2,019	153	(1,866)	1,521	351	(1,170)
Excess (deficiency) of revenues over (under) expenditures	13	(335)	(348)	(1,864)	238	2,102	(805)	203	1,008
Other financing sources (uses):									
Transfers in	1,500	-	(1,500)	-	-	-	-	-	-
Transfers out	-	(1,060)	(1,060)	-	-	-	-	-	-
Excess (deficiency) of over (under) revenues	1,513	(1,395)	(2,908)	(1,864)	238	2,102	(805)	203	1,008
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under)expenditures - budget basis		$ (1,395)			$ 238			$ 203	
Differences - budget basis to GAAP:									
Net change in revenues		1,182			-			-	
Net change in expenditures		(114)			9			-	
Net change in fund balance - GAAP basis		$ (327)			$ 247			$ 203	

(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, 2012

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	$ 210	$ 133	$ (77)	-	$ 381	$ 381	$ 1,173	$ 779	$ (394)
Charges for services	-	-	-	-	-	-	-	-	-
Fines and forfeitures	2,022	2,299	277	950	1,086	136	-	-	-
Miscellaneous	-	-	-	-	-	-	-	(1)	(1)
Total revenues	2,232	2,432	200	950	1,467	517	1,173	778	(395)
Expenditures:									
Current:									
Civil and criminal court system - district attorney	-	-	-	112	5	(107)	-	-	-
Parks and recreation	-	-	-	-	-	-	738	693	(45)
Total expenditures	-	-	-	112	5	(107)	738	693	(45)
Excess (deficiency) of revenues over (under) expenditures	2,232	2,432	200	838	1,462	624	435	85	(350)
Other financing uses:									
Transfers out	(2,798)	(2,798)	-	(1,298)	(1,298)	-	-	-	-
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(566)	(366)	200	(460)	164	624	435	85	(350)

Explanation of differences between budget basis and GAAP:			
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - budget basis	$ (366)	$ 164	$ 85
Differences - budget basis to GAAP:			
Net change in revenues	-	-	-
			-
Net change in expenditures	-	-	(3)
Net change in fund balance - GAAP basis	$ (366)	$ 164	$ 82

(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, 2012

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

	Juvenile Services			Drug Abuse Treatment & Education			Law Enforcement Confiscated Monies		
	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Intergovernmental	$ -	$ -	$ -	-	-	$ -	$ 1,970	$ 1,750	$ (220)
Charges for services	30	32	2	-	-	-	-	-	-
Fines and forfeitures	-	-	-	50	71	21	-	-	-
Investment income	1	-	(1)	-	-	-	-	11	11
Miscellaneous	-	-	-	-	-	-	-	11	11
Total revenues	31	32	1	50	71	21	1,970	1,772	(198)
Expenditures:									
Current:									
Public safety - police	-	-	-	-	-	-	7,897	2,254	(5,643)
Civil and criminal court system - sheriff	-	-	-	-	-	-	600	(2)	(602)
Civil and criminal court system - juvenile court	335	65	(270)	-	-	-	-	-	-
Civil and criminal court system - district attorney	-	-	-	150	52	(98)	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-
Total expenditures	335	65	(270)	150	52	(98)	8,497	2,252	(6,245)
Excess (deficiency) of revenues over (under) expenditures	(304)	(33)	271	(100)	19	(77)	(6,527)	(480)	6,047
Other financing sources (uses):									
Transfer In	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(7)	(9)	(2)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	(304)	(33)	271	(100)	19	(77)	(6,534)	(489)	6,045
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - budget basis		$ (33)			$ 19			$ (489)	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			522	
Net change in expenditures		(2)			2			(84)	
Net change in fund balance - GAAP basis		$ (35)			$ 21			$ (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, 2012

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	$ 4,500	$ 4,978	$ 478	$ 285	$ 318	$ 33	$ -	$ 4	$ 4
Investment income	-	1	1	3	3	-	10	11	1
Miscellaneous	-	-	-	-	-	-	10,560	9,496	(1,064)
Total revenues	4,500	4,979	479	288	321	33	10,570	9,511	(1,059)
Expenditures:									
Current:									
Public safety	-	-	-	-	-	-	18,453	10,669	(7,784)
Public works - transportation	6,391	4,754	(1,637)	-	-	-	-	-	-
Public works - roads and drainage	-	-	-	2,127	263	(1,864)	-	-	-
Total expenditures	6,391	4,754	(1,637)	2,127	263	(1,864)	18,453	10,669	(7,784)
Excess (deficiency) of revenues over expenditures	(1,891)	225	2,116	(1,839)	58	1,897	(7,883)	(1,158)	6,725
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under) expenditures- budget basis		$ 225			$ 58			$ (1,158)	
Differences - budget basis to GAAP:									
Net change in revenues		(1,392)			4			948	
Net change in expenditures		71			(142)			2	
Net change in fund balance - GAAP basis		$ (1,096)			$ (80)			$ (208)	

(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, 2012

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	$ 34,496	$ 24,329	$ (10,167)	$ -	$ -	$ -	$ 28	$ -	$ (28)
Investment income	-	-	-	-	-	-	379	-	(379)
Deferred revenue	(430)	2,627	3,057	-	-	-	-	-	
Total revenues	34,066	26,956	(7,110)	-	-	-	407	-	(407)
Expenditures:									
Current:									
General government:									
Registrar and elections	-	-	-	-	-	-	-	-	
Cooperative extension	-	-	-	-	-	-	-	-	
Keep DeKalb beautiful	16	-	(16)	-	-	-	-	-	
Arts, culture, and entertainment	-	-	-	-	-	-	-	-	
Workforce development	14,989	5,858	(9,131)	-	-	-	-	-	
Total general government	15,005	5,858	(9,147)	-	-	-	-	-	
Public safety:							-	-	
Police	3,154	1,602	(1,552)	21	-	(21)	16	-	(16)
Fire and rescue services	2,907	68	(2,839)	-	-	-	-	-	
Total public safety	6,061	1,670	(4,391)	21	-	(21)	16	-	(16)
Civil and criminal court system:									
Sheriff	775	232	(543)	-	-	-	-	-	
Juvenile court	(152)	83	235	-	-	-	-	-	
Superior court	1,201	502	(699)	-	-	-	-	-	
State court	11	-	(11)	-	-	-	-	-	
Solicitor	737	148	(589)	-	-	-	-	-	
District attorney	202	662	460	-	-	-	-	-	
Public Defender	188	92	(96)	-	-	-	-	-	
Magistrate court	730	495	(235)	-	-	-	-	-	
Total civil and criminal court system	3,692	2,214	(1,478)	-	-	-	-	-	
Public works:									
Administration	748	(488)	(1,236)	-	-	-	-	-	
Fleet maintenance	-	-	-	-	-	-	-	-	
Sanitation	13	-	(13)	-	-	-	-	-	
Total public works	761	(488)	(1,249)	-	-	-	-	-	
Human and community development	23,901	10,422	(13,479)	-	-	-	-	-	
Parks and recreation	669	588	(81)	-	-	-	-	-	
Health and welfare:									
Public health	1	-	(1)	-	-	-	-	-	
Senior citizens services	4,237	3,080	(1,157)	-	-	-	-	-	
Human and community development	2,745	1,539	(1,206)	-	-	-	-	-	
Family and children services	771	2,173	1,402	-	-	-	-	-	
Total health and welfare	7,754	6,792	(962)	-	-	-	-	-	
Non-departmental	32	-	(32)	-	-	-	-	-	
Total expenditures	57,875	27,056	(30,819)	21	-	(21)	16	-	(16)
Excess (deficiency) of revenues over (under) expenditures	(23,809)	(100)	23,709	(21)	-	(21)	391	-	(391)
Other financing sources (uses):									
Transfers in	498	2,539	2,041	-	-	-	-	-	
Transfers out	-	-	-	-	-	-	-	-	
Excess (deficiency) of revenues and other sources over (under)expenditures and other uses	(23,311)	2,439	25,750	(21)	-	21	391	-	(391)
Explanation of differences between budget basis and GAAP:		-							
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - budget basis		$ 2,439			$ -			$ -	
Differences - budget basis to GAAP:									
Net change in revenues		(810)			-			-	
Net change in expenditures		(1,902)			-			-	
Net change in fund balance - GAAP basis		$ (273)			$ -			$ -	

(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, 2012

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

	2004 Local Law Enforcement Block Grant			2005 Justice Assistance Grant			ARRA - 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	$ 188	-	$ (188)	$ 1,134	$ 462	$ (672)	$ (6,646)	$ 1,971	$ 8,617
Investment income	(3)	-	3	1	1	-	1	2	1
Total revenues	185	-	(185)	1,135	463	(672)	(6,645)	1,973	8,618
Expenditures:									
Current:									
Public safety - police	-	-	-	1,635	802	(833)	1,246	710	(536)
Total expenditures	-	-	-	1,635	802	(833)	1,246	710	(536)
Excess (deficiency) of revenues over (under) expenditures	185	-	(185)	(500)	(339)	161	(7,891)	1,263	9,154
Other financing sources (uses):									
Transfers in	-	-	-	133	723	590	267	-	(267)
Transfers out	-	-	-	-	-	-	-	(31)	(31)
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	185	-	(185)	(367)	384	751	(7,624)	1,232	8,856
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under)expenditures and other uses - budget basis		$ -			$ 384			$ 1,232	
Differences - budget basis to GAAP:									
Net change in revenues		-			(667)			(410)	
Net change in expenditures		-			283			(1,442)	
								-	
Net change in fund balance - GAAP basis		$ -			$ -			$ (620)	

(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, 2012

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	$ 39,890	$ 40,563	$ 673	$ 15,364	$ 13,067	$ (2,297)	$ -	$ -	$ -
Sales taxes	11,787	12,500	713	5,093	4,219	(874)	-	-	-
Charges for services	1,000	1	(999)	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	3,316	4,647	1,331
Intergovernmental	-	-	-	-	-	-	-	-	-
Investment income	-	(14)	(14)	-	(12)	(12)	-	-	-
Miscellaneous	20	19	(1)	-	-	-	-	-	-
Total revenues	52,697	53,069	372	20,457	17,274	(3,183)	3,316	4,647	1,331
Expenditures:									
Current:									
General government	8,100	4,899	(3,201)	-	-	-	2,055	1,840	(215)
Health and welfare - hospital	-	-	-	19,103	19,059	(44)	-	-	-
Public safety - fire and rescue services	47,770	48,186	416	-	-	-	-	-	-
Total expenditures	55,870	53,085	(2,785)	19,103	19,059	(44)	2,055	1,840	(215)
Excess (deficiency) of revenues over (under) expenditures	(3,173)	(16)	3,157	1,354	(1,785)	(3,139)	1,261	2,807	1,546
Other financing sources (uses):									
Transfers in	-	113	113	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	(1,600)	(2,072)	(472)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(3,173)	97	3,270	1,354	(1,785)	(3,139)	(339)	735	1,074
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses - budget basis		$ 97			$ (1,785)			$ 735	
Differences - budget basis to GAAP:									
Net change in revenues		755			199			98	
Net change in expenditures		(1,419)			(13)			190	
Net change in fund balance - GAAP basis		$ (567)			$ (1,599)			$ 1,023	

(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, 2012

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	$ 332	627	295	$ -	-	-	$ -	-	-
Investment income	-	2	2	-	-	-	23	23	-
Miscellaneous	-	-	-	73	73	-	526	526	-
Total revenues	332	629	297	73	73	-	549	549	-
Expenditures:									
Current:									
Arts, culture, and entertainment	1,246	710	(536)	-	-	-	-	-	-
Civil and criminal court system:	-	-	-	195	124	(71)	563	554	(9)
Total expenditures	1,246	710	(536)	195	124	(71)	563	554	(9)
Excess (deficiency) of revenues over (under) expenditures	(914)	(81)	833	(122)	(51)	71	(14)	(5)	9
Explanation of differences between budget basis and GAAP:									
Deficiency of revenues and other sources (under) expenditures - budget basis		$ (81)			$ (51)			$ (5)	
Differences - budget basis to GAAP:									
Net change in revenues		(58)			(1)			243	
Net change in expenditures		(1)			(71)			(8)	
Net change in fund balance - GAAP basis		$ (140)			$ (123)			$ 230	

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.

Urban Redevelopment Agency Bonds Debt Service Fund - to account for payments made for principal and interest requirements, paying agent and other fees for certain projects within an urban development area designated recovery zones.

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2012
(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	Urban Redevelopment Agency Debt Service	Total Nonmajor Debt Service Funds
ASSETS						
Cash and cash equivalents	$ 5,706	$ 1,120	$ 33	$ 140	$ 210	$ 7,209
Cash with fiscal agent	8,382	-	-	-	-	8,382
Taxes receivable (net)	757	1,411	-	-	-	2,168
Total assets	$ 14,845	$ 2,531	$ 33	$ 140	$ 210	$ 17,759
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows of resources:						
Unavailable revenue-property taxes	405	726	-	-	-	1,131
Total deferred inflows of resurces	405	726	-	-	-	1,131
FUND BALANCES						
Restricted fund balance	14,440	1,805	33	140	210	16,628
Total liabilities, deferred inflows of resources, and fund balances	$ 14,845	$ 2,531	$ 33	$ 140	$ 210	$ 17,759

DeKalb County, Georgia
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended December 31, 2012
(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	Urban Redevelopment Agency Debt Service	Total Nonmajor Debt Service Funds
REVENUES						
Taxes	$ 14,311	$ 27,231	$ -	$ -	$ -	$ 41,542
Use of money and property	4	2	3,093	3,734	985	7,818
Total revenues	14,315	27,233	3,093	3,734	985	49,360
EXPENDITURES						
General government	2	1	-	2	-	5
Debt service:						
Principal	6,545	16,765	1,161	2,200	310	26,981
Interest	3,087	10,949	1,932	1,517	465	17,950
Total debt service	9,632	27,714	3,093	3,717	775	44,931
Total expenditures	9,634	27,715	3,093	3,719	775	44,936
Excess (deficiency) of revenues over (under) expenditures	4,681	(482)	-	15	210	4,424
Net change in fund balance	4,681	(482)	-	15	210	4,424
Fund balance - beginning	9,759	2,287	33	125	-	12,204
Fund balance - ending	$ 14,440	$ 1,805	$ 33	$ 140	$ 210	$ 16,628

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, 2012

Non-GAAP Budget Basis (in thousands of dollars)

	General Obligation Bonds Debt Service			Special Tax District General Obligation 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	$ 3,435	$ 14,189	$ 10,754	$ 25,671	$ 26,770	$ 1,099
Investment income	-	4	4	-	2	2
Total revenues	3,435	14,193	10,758	25,671	26,772	1,101
Expenditures:						
Debt service	9,652	9,374	(278)	27,734	27,715	(19)
Excess (deficiency) of revenues over expenditures	(6,217)	4,819	11,036	(2,063)	(943)	1,120
Explanation of differences between budget basis and GAAP:						
Excess (deficiency) of revenues over (under) expenditures - budget basis		$ 4,819			$ (943)	
Differences - budget basis to GAAP:						
Net change in revenues		122			461	
Net change in expenditures		(260)			-	
Net change in fund balance - GAAP basis		$ 4,681			$ (482)	

(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, 2012

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

	Public Safety Judicial Authority Revenue Bonds Debt Service			Building Authority Revenue Bonds Debt Service			Urban Redevelopment Agency 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)	Final Budgeted Amounts	Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
Revenues:									
Investment income	$ -	$ 1	$ 1	$ -	$ 2	$ 2	$ -	$ -	$ -
Miscellaneous	3,072	3,092	20	3,714	3,732	18	776	985	209
Total revenues	3,072	3,093	21	3,714	3,734	20	776	985	209
Expenditures:									
Debt service	3,105	3,093	(12)	3,839	3,719	(120)	776	775	(1)
Excess (deficiency) of revenues over (under) expenditures	(33)	-	33	(125)	15	140	-	210	210
Explanation of differences between budget basis and GAAP:									
Excess (deficiency) of revenues and other sources over (under) expenditures - budget basis		$ -			$ 15			$ 210	
Differences - budget basis to GAAP:									
Net change in revenues		-			-			-	
Net change in expenditures		-			-			-	
Net change in fund balance - GAAP basis		$ -			$ 15			$ 210	

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.

HUD Section 108 Fund - to account for the guaranteed proceeds from HUD Section 108 used to fund the construction of two community centers and a senior center.

DeKalb County, Georgia

Nonmajor Capital Project Funds

Combining Balance Sheet

December 31, 2012

(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	HUD Section 108	ARRA Capital Project	Total Nonmajor Capital Project Funds
ASSETS													
Cash and cash equivalents	$ 62	$ 221	$ 126	$ 31,731	$ -	$ 11,883	$ 1,284	$ 828	$ 421	$ 6,508	$ 1,000	$ 3,571	$ 57,635
Due from other governments	-	-	-	-	48	612	-	-	-	-	-	141	801
Total assets	$ 62	$ 221	$ 126	$ 31,731	$ 48	$ 12,495	$ 1,284	$ 828	$ 421	$ 6,508	$ 1,000	$ 3,712	$ 58,436
LIABILITIES													
Accounts and contracts payable	$ -	$ -	$ -	$ 291	$ 116	$ 699	$ -	$ 39	$ -	$ 165	$ 370	$ -	$ 1,680
Due to other funds	-	-	-	-	5,108	-	-	-	-	-	-	-	5,108
Total liabilities	-	-	-	291	5,224	699	-	39	-	165	370	-	6,788
FUND BALANCES (DEFICIT)													
Restricted	62	221	126	31,440	-	-	1,284	789	421	6,343	630	3,712	45,028
Committed	-	-	-	-	-	11,796	-	-	-	-	-	-	11,796
Unassigned (deficit)	-	-	-	-	(5,176)	-	-	-	-	-	-	-	(5,176)
Total fund balances	62	221	126	31,440	(5,176)	11,796	1,284	789	421	6,343	630	3,712	51,648
Total liabilities, deferred inflow of resources, and fund balances	$ 62	$ 221	$ 126	$ 31,731	$ 48	$ 12,495	$ 1,284	$ 828	$ 421	$ 6,508	$ 1,000	$ 3,712	$ 58,436

DeKalb County, Georgia

Nonmajor Capital Project Funds

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

For the Year Ended December 31, 2012

(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	HUD Section 108	ARRA Capital Project	Total Nonmajor Capital Project Funds
Use of money and property	$ -	$ -	$ -	$ 50	$ -	$ -	$ -	$ -	$ -	$ 19	$ -	$ -	$ 69
Intergovernmental	-	-	-	-	209	1,654	-	-	-	-	-	908	2,771
Miscellaneous	-	-	-	-	-	392	-	-	-	-	-	-	392
Total revenues	-	-	-	50	209	2,046	-	-	-	19	-	908	3,232
Expenditures													
Capital outlay:											-		
General government	-	-	-	-	674	2,299	-	-	-	1,151	370	629	5,123
Public safety	-	-	-	-	-	1,641	-	70	-	-	-	-	1,711
Civil and criminal court system	-	-	-	-	-	-	49	-	5	-	-	-	54
Planning & development	-	-	-	-	-	675	-	-	-	-	-	-	675
Public works	-	-	-	-	107	7,935	-	-	-	-	-	-	8,042
Parks and recreation	-	-	-	1,383	-	-	-	-	-	-	-	-	1,383
Total expenditures	-	-	-	1,383	781	12,550	49	70	5	1,151	370	629	16,988
Excess (deficiency) of revenues over (under) expenditures	-	-	-	(1,333)	(572)	(10,504)	(49)	(70)	(5)	(1,132)	(370)	279	(13,756)
Other Financing Sources													
Transfers in	-	-	-	-	-	12,128	-	-	-	-	-	-	12,128
Total other financing sources	-	-	-	-	-	12,128	-	-	-	-	-	-	12,128
Net change in fund balance	-	-	-	(1,333)	(572)	1,624	(49)	(70)	(5)	(1,132)	(370)	279	(1,628)
Fund balance - beginning	62	221	126	32,773	(4,604)	10,172	1,333	859	426	7,475	1,000	3,433	53,276
Fund balance (deficits) - ending	$ 62	$ 221	$ 126	$ 31,440	$ (5,176)	$ 11,796	$ 1,284	$ 789	$ 421	$ 6,343	$ 630	$ 3,712	$ 51,648

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 Position
December 31, 2012
(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 17,445	$ 16,038	$ 33,483
Accounts receivable (net)	214	1,637	1,851
Due from other governments	828	7	835
Total current assets	18,487	17,682	36,169
Noncurrent assets:			
Capital assets (net)	58,650	31,865	90,515
Total assets	77,137	49,547	126,684
LIABILITIES			
Current liabilities:			
Accounts payable	73	684	757
Other accrued liabilities	22	77	99
Claims & Judgments payable, current portion	-	115	115
Compensated absences payable	82	311	393
Advance payments and deposits	35	-	35
Unearned revenue	-	284	284
Total current liabilities	212	1,471	1,683
Noncurrent liabilities:			
OPEB Obligation	4,781	-	4,781
Compensated absences payable	27	17	44
Total noncurrent liabilities	4,808	17	4,825
Total liabilities	5,020	1,488	6,508
NET POSITION			
Investment in capital assets	58,650	31,865	90,515
Unrestricted	13,467	16,194	29,661
Total net position	$ 72,117	$ 48,059	$ 120,176

DeKalb County, Georgia
Nonmajor Proprietary Funds
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2012
(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Operating revenues:			
Rental fees	$ 5,132	$ -	$ 5,132
Intergovernmental	828	1,021	1,849
Charges for services	-	16,780	16,780
Total operating revenues	5,960	17,801	23,761
Operating expenses:			
Salaries and employee benefits	5,184	4,544	9,728
Supplies	486	972	1,458
Operating services and charges	1,131	9,922	11,053
Depreciation	424	361	785
Total operating expenses	7,225	15,799	23,024
Operating income (loss)	(1,265)	2,002	737
Nonoperating revenues:			
Interest income	1	14	15
Transfers out	(52)	-	(52)
Change in net position	(1,316)	2,016	700
Net position - beginning, as restated (see Note 19)	73,433	46,043	119,476
Net position - ending	$ 72,117	$ 48,059	$ 120,176

DeKalb County, Georgia
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2012
(in thousands of dollars)

	DeKalb Peachtree Airport	Stormwater Utility	Total
Cash flows from operating activities:			
Cash received from customers	$ 5,538	$ 16,046	$ 21,584
Cash payments to suppliers for goods and services	(1,391)	(9,379)	(10,770)
Cash payments to employees for services	(2,739)	(4,544)	(7,283)
Other operating receipts	828	1,021	1,849
Net cash provided by operating activities	2,236	3,144	5,380
Cash flows from noncapital financing activities:			
Transfers to other funds	(52)	-	(52)
Net cash required by noncapital financing activities	(52)	-	(52)
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(1,286)	(229)	(1,515)
Net cash required by capital and related financing activities	(1,286)	(229)	(1,515)
Cash flows from investing activities:			
Interest on investments	1	14	15
Net cash provided by investing activities	1	14	15
Net increase in cash and cash equivalents	899	2,929	3,828
Cash and cash equivalents at beginning of year	16,546	13,109	29,655
Cash and cash equivalents at end of year	$ 17,445	$ 16,038	$ 33,483
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ (1,265)	$ 2,002	$ 737
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	424	361	785
Change in assets and liabilities:			
(Increase) decrease in receivables	406	61	467
Increase (decrease) in payables	2,312	1,231	3,543
Increase (decrease) in other liabilities	5	-	5
Increase (decrease) in advance deposits	1	-	1
Increase (decrease) in unearned revenue	-	(511)	(511)
Increase in OPEB obligation	353	-	353
Net cash provided by operating activities	$ 2,236	$ 3,144	$ 5,380

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 Position (Deficit)
December 31, 2012
(in thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Total
ASSETS				
Current assets:				
Cash and cash equivalents	$ -	$ 21,018	$ 14,946	$ 35,964
Due from other funds	-	1,295	-	1,295
Inventories and prepaid items	2,078	-	1,367	3,445
Total current assets	2,078	22,313	16,313	40,704
Noncurrent assets:				
Capital assets (net)	927	36,770	-	37,697
Total assets	3,005	59,083	16,313	78,401
LIABILITIES				
Current liabilities:				
Accounts payable	3,013	1,061	2,415	6,489
Claims and judgments payable, current portion	-	-	5,066	5,066
Compensated absences payable	464	-	-	464
Other accrued liabilities	136	-	-	136
Due to other funds	1,295	-	-	1,295
Total current liabilities	4,908	1,061	7,481	13,450
Noncurrent liabilities:				
Claims and judgments payable, long-term portion	-	-	5,396	5,396
Compensated absences payable	149	-	-	149
Total long-term liabilities	149	-	5,396	5,545
Total liabilities	5,057	1,061	12,877	18,995
NET POSITION (DEFICIT)				
Invested in capital assets	927	36,770	-	37,697
Unrestricted (deficit)	(2,979)	21,252	3,436	21,709
Total net position (deficit)	$ (2,052)	$ 58,022	$ 3,436	$ 59,406

DeKalb County, Georgia

Internal Service Funds

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

For the Year Ended December 31, 2012
(In thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Operating revenues:				
Charges for services	$ 33,307	$ 20,235	$ 113,645	$ 167,187
Intergovernmental	202	-	-	202
Miscellaneous	173	1,305	-	1,478
Total operating revenues	33,682	21,540	113,645	168,867
Operating expenses:				
Salaries and employee benefits	9,578	-	-	9,578
Supplies	20,484	-	-	20,484
Operating services and charges	5,347	40	103,903	109,290
Miscellaneous	719	-	-	719
Depreciation	249	14,553	-	14,802
Total operating expenses	36,377	14,593	103,903	154,873
Operating income (loss)	(2,695)	6,947	9,742	13,994
Other income (expense):				
Interest income	-	31	-	31
Loss on sale of capital assets	-	(143)	-	(143)
Total other income (expenses)	-	(112)	-	(112)
Transfer in	1,707	-	-	1,707
Change in net position	(988)	6,835	9,742	15,589
Net position (deficit) -beginning, as restated (See Note 19)	(1,064)	51,187	(6,306)	43,817
Net position (deficit) - ending	$ (2,052)	$ 58,022	$ 3,436	$ 59,406

DeKalb County, Georgia

Internal Service Funds

Combining Statement of Cash Flows

Year Ended December 31, 2012
(in thousands of dollars)

	Vehicle Maintenance	Vehicle Replacement	Risk Management	Totals
Cash flows from operating activities:				
Receipt by interfund services provided	$ 33,682	$ 35,377	$ 115,889	$ 184,948
Cash payments to suppliers for goods and services	(25,795)	-	(103,597)	(129,392)
Cash payments to employees for services	(9,578)	-	-	(9,578)
Net cash provided by operating activities	(1,691)	35,377	12,292	45,978
Cash flows from noncapital financing activities:				
Transfers from other funds	1,707	-	-	1,707
Net cash provided by noncapital financing activities	1,707	-	-	1,707
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(16)	(15,999)	-	(16,015)
Net cash required by capital and related financing activities	(16)	(15,999)	-	(16,015)
Cash flows from investing activities:				
Interest on investments	-	31	-	31
Net cash provided by investing activities	-	31	-	31
Net increase in cash and cash equivalents	-	19,409	12,292	31,701
Cash and cash equivalents at beginning of year	-	1,609	2,654	4,263
Cash and cash equivalents at end of year	$ -	$ 21,018	$ 14,946	$ 35,964
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	$ (2,695)	$ 6,947	$ 9,742	$ 13,994
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	249	14,553	-	14,802
Change in assets and liabilities:				
(Increase) decrease in receivables	-	12,902	2,244	15,146
(Increase) decrease in inventories and prepaid items	910	-	1,113	2,023
Increase (decrease) in payables	(180)	975	(807)	(12)
Increase (decrease) in other liabilities	25	-	-	25
Net cash provided by (used in) operating activities	$ (1,691)	$ 35,377	$ 12,292	$ 45,978

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, 2012
(in thousands of dollars)

	Restated Balance 12/31/2011	Additions	Deductions	Balance 12/31/2012
TAX COMMISSIONER				
ASSETS				
Cash and Cash Equivalents	$ 14,369	$ 922,532	$ 914,731	$ 22,170
Taxes Receivables	23,887	842,522	836,493	29,916
Total Assets	$ 38,256	$ 1,765,054	$ 1,751,224	$ 52,086
LIABILITIES				
Due to Others	$ 38,256	$ 1,765,054	$ 1,751,224	$ 52,086
SHERIFF				
ASSETS				
Cash and Cash Equivalents	$ 5,026	$ 3,509	$ 3,231	$ 5,304
LIABILITIES				
Due to Others	$ 5,026	$ 3,509	$ 3,231	$ 5,304
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and Cash Equivalents	$ 2,304	$ 22,770	$ 22,315	$ 2,759
LIABILITIES				
Due to Others	$ 2,304	$ 22,770	$ 22,315	$ 2,759
STATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 1,879	$ 10,714	$ 8,529	$ 4,064
LIABILITIES				
Due to Others	$ 1,879	$ 10,714	$ 8,529	$ 4,064
JUVENILE COURT				
ASSETS				
Cash and Cash Equivalents	$ 14	$ 97	$ 104	$ 7
LIABILITIES				
Due to Others	$ 14	$ 97	$ 104	$ 7

	Restated Balance 12/31/2011	Additions	Deductions	Balance 12/31/2012
PROBATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 375	$ 1,391	$ 1,455	$ 311
LIABILITIES				
Due to Others	$ 375	$ 1,391	$ 1,455	$ 311
MAGISTRATE COURT				
ASSETS				
Cash and Cash Equivalents	$ 907	$ 9,912	$ 10,063	$ 756
LIABILITIES				
Due to Others	$ 907	$ 9,912	$ 10,063	$ 756
STATE COURT PROBATION				
ASSETS				
Cash and Cash Equivalents	$ 294	$ 3,305	$ 3,301	$ 298
Due from others		$ 10		$ 10
Total Assets	$ 294	$ 3,315	$ 3,301	$ 308
LIABILITIES				
Due to Others	$ 294	$ 3,315	$ 3,301	$ 308
SEIZED PROPERTY				
ASSETS				
Cash and Cash Equivalents	$ 681	$ 164	$ 27	$ 818
LIABILITIES				
Due to Others	$ 681	$ 164	$ 27	$ 818
TOTALS				
ASSETS				
Cash and Cash Equivalents	$ 25,849	$ 974,394	$ 963,756	$ 36,487
Taxes Receivables	23,887	842,522	836,493	29,916
Due from others		10		10
Total Assets	$ 49,736	$ 1,816,926	$ 1,800,249	$ 66,413
LIABILITIES				
Due to Others	$ 49,736	$ 1,816,926	$ 1,800,249	$ 66,413



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.

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 Position (Deficit) by Component (unaudited)

Last Ten Years
(in thousands of dollars)

	2012	2011 (restated)	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
Governmental activities:										
Net investment in capital assets	$1,044,929	$ 1,037,278	$1,015,406	$ 996,928	$ 969,556	$ 920,759	$ 849,228	$ 762,138	$ 723,385	$ 670,833
Restricted	59,158	97,738	87,196	40,306	48,583	9,778	33,703	58,419	41,118	57,533
Unrestricted (deficit)	(450,678)	(482,697)	(410,855)	(228,979)	(102,889)	20,676	109,402	38,377	34,064	51,388
Total governmental activities net position	$ 653,409	$ 652,319	$ 691,747	$ 808,255	$ 915,250	$ 951,213	$ 992,333	$ 858,934	$ 798,567	$ 779,754
Business-type activities:										
Net investment in capital assets	$ 932,552	$ 924,553	$ 914,991	$ 906,295	$ 897,769	$ 849,814	$ 794,096	$ 720,427	$ 695,273	$ 681,681
Restricted	33,977	1,497	3,948	68,357	100,375	120,006	130,607	43,508	58,580	49,015
Unrestricted (deficit)	50,421	27,199	25,331	(61,916)	(58,623)	(3,558)	5,198	111,838	104,342	81,921
Total business-type activities net position	$1,016,950	$ 953,249	$ 944,270	$ 912,736	$ 939,521	$ 966,262	$ 929,901	$ 875,773	$ 858,195	$ 812,617
Primary government:										
Net investment in capital assets	$1,977,481	$ 1,961,831	$1,930,397	$1,903,223	$ 1,867,325	$ 1,770,573	$ 1,643,324	$ 1,482,565	$1,418,658	$ 1,352,514
Restricted	93,135	99,235	91,144	108,663	148,958	129,784	164,310	101,927	99,698	106,548
Unrestricted (deficit)	(400,257)	(455,498)	(385,524)	(290,895)	(161,512)	17,118	114,600	150,215	138,406	133,309
Total primary government net position	$1,670,359	$ 1,605,568	$1,636,017	$1,720,991	$ 1,854,771	$ 1,917,475	$ 1,922,234	$ 1,734,707	$1,656,762	$ 1,592,371

Source: DeKalb County Finance Department

2011 balances have been restated to reflect the cumulative effect of applying GASB Statement 65.

DeKalb County, Georgia

Changes in Net Position (unaudited)

Last Ten Years
(in thousands of dollars)

	2012	2011 (restated)	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
Expenses										
Governmental activities:										
General government	$ 102,058	$ 116,416	$ 123,999	$ 126,144	$ 128,912	$ 118,913	$ 85,673	$ 86,494	$ 82,760	$ 79,615
Public safety	207,778	228,126	220,431	231,146	216,207	224,885	153,741	167,085	166,585	148,775
Civil and criminal court system	160,553	182,245	178,462	181,022	168,543	163,121	114,529	124,713	123,479	110,237
Planning & development	4,202	4,512	2,063	2,709	2,908	2,339	1,935	1,703	1,686	1,599
Public works	40,427	38,102	48,529	53,220	54,643	63,773	49,729	60,965	63,510	50,950
Human and community development	12,121	16,469	30,757	9,091	11,845	12,685	6,700	13,559	13,323	9,444
Parks and recreation	13,855	15,793	22,576	26,107	22,996	24,819	20,148	23,213	23,306	18,003
Library	15,195	15,557	16,919	13,510	14,696	12,539	12,866	12,054	11,699	11,286
Health and welfare	34,633	36,443	41,473	42,753	36,259	45,623	40,814	34,728	35,118	34,539
Bond issuance expense	-	-	-	221	234	242	245	603	237	518
Interest on long-term debt	18,468	20,405	21,459	22,834	22,610	36,625	29,456	14,762	16,205	19,796
Total governmental activities expenses	609,290	674,068	706,668	708,757	679,853	705,564	515,836	539,879	537,908	484,762
Business-type activities:										
Water	78,412	95,633	69,771	85,365	75,503	68,881	55,085	55,269	53,187	48,421
Sewer	99,798	121,713	88,800	108,646	96,094	87,666	70,108	70,343	62,437	56,843
Sanitation	68,834	73,335	70,977	70,382	60,019	57,061	54,314	56,783	44,037	43,896
DeKalb Peachtree Airport	7,116	4,205	4,213	4,387	3,269	3,805	2,671	2,985	2,815	2,657
Stormwater utility	15,560	17,356	12,978	13,187	20,399	15,854	13,977	13,319	5,038	597
Total business-type activities expenses	269,720	312,242	246,739	281,967	255,284	233,267	196,155	198,699	167,514	152,414
Total primary government expenses	$ 879,010	$ 986,310	$ 953,407	$ 990,724	$ 935,137	$ 938,831	$ 711,991	$ 738,578	$ 705,422	$ 637,176
Program Revenues										
Governmental activities:										
Charges for services										
Civil and criminal court system	$ 43,444	$ 43,135	$ 44,818	$ 42,823	$ 55,514	$ 46,038	$ 43,127	$ 34,280	$ 37,319	$ 42,628
Public safety	29,952	17,865	20,951	22,131	23,856	33,529	28,522	20,995	20,859	17,332
General government	36,110	30,078	21,716	30,535	24,672	14,107	15,088	11,432	20,061	13,742
Other activities	10,937	14,873	12,681	14,860	16,936	18,165	16,035	19,951	16,182	17,227
Operating grants and contributions	28,492	48,964	40,224	26,258	22,569	11,291	49,447	12,714	17,901	24,165
Capital grants and contributions	3,983	12,164	15,503	13,666	19,244	53,178	49,321	37,276	28,250	30,969
Total governmental activities program revenues	152,918	167,079	155,893	150,273	162,791	176,308	201,540	136,648	140,572	146,063
Business-type activities:										
Charges for services:										
Water	105,389	97,565	84,110	72,343	62,439	60,183	60,249	52,792	53,061	55,383
Sewer	134,132	124,173	107,050	92,072	79,468	76,596	76,680	67,190	62,289	65,015
Sanitation	69,442	64,071	66,019	67,689	62,475	69,554	66,387	57,067	58,405	52,506
Other activities	23,761	24,746	25,788	22,434	31,027	35,579	24,724	23,120	19,871	2,766
Capital grants and contributions	202	4,475	740	1,499	9,290	17,396	13,903	21,330	17,875	7,602
Total business-type activities program revenues	332,926	315,030	283,707	256,037	244,699	259,308	241,943	221,499	211,501	183,272
Total primary governmental program revenues	$ 485,844	$ 482,109	$ 439,600	$ 406,310	$ 407,490	$ 435,616	$ 443,483	$ 358,147	$ 352,073	$ 329,335

(continued)

DeKalb County, Georgia

Changes in Net Position (unaudited)

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

	2012	2011 (restated)	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
Net (Expense)/Revenue										
Governmental activities	$ (456,372)	$ (506,989)	$ (550,775)	$ (558,484)	$ (517,062)	$ (529,256)	$ (314,295)	$ (403,231)	$ (397,336)	$ (338,699)
Business-type activities	63,206	2,788	36,968	(25,930)	(10,585)	26,041	45,787	22,800	43,987	30,858
Total primary government net expense	$ (393,166)	$ (504,201)	$ (513,807)	$ (584,414)	$ (527,647)	$ (503,215)	$ (268,508)	$ (380,431)	$ (353,349)	$ (307,841)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property tax	$ 264,886	$ 289,690	$ 259,848	$ 260,984	$ 275,427	$ 272,850	$ 252,294	$ 231,516	$ 209,783	$ 219,265
Sales tax	102,703	98,839	88,622	86,978	95,350	100,649	94,921	91,488	85,365	81,684
Other taxes	82,858	75,914	71,711	75,444	86,983	90,805	86,698	78,919	77,728	66,502
Unrestricted investment earnings	7,015	9,093	8,494	8,601	2,278	8,290	8,876	6,048	2,326	2,627
Unrestricted grants and contributions	-	-	-	18,182	16,381	15,407	4,233	45,879	40,252	21,530
Transfers	-	(5,975)	5,592	1,300	4,680	135	672	9,748	695	(610)
Total governmental activities	457,462	467,561	434,267	451,489	481,099	488,136	447,694	463,598	416,149	390,998
Business-type activities:										
Unrestricted investment earnings	495	216	158	465	4,708	10,455	9,013	4,526	2,286	3,079
Transfers	-	5,975	(5,592)	(1,300)	(4,680)	(135)	(672)	(9,748)	(695)	610
Total business-type activities	495	6,191	(5,434)	(835)	28	10,320	8,341	(5,222)	1,591	3,689
Total primary government	$ 457,957	$ 473,752	$ 428,833	$ 450,654	$ 481,127	$ 498,456	$ 456,035	$ 458,376	$ 417,740	$ 394,687
Change in Net Position										
Governmental activities:	$ 1,090	$ (39,428)	$ (116,508)	$ (106,995)	$ (35,963)	$ (41,120)	$ 133,399	$ 60,367	$ 18,813	$ 52,299
Business-type activities:	63,701	8,979	31,534	(26,765)	(10,557)	36,361	54,128	17,578	45,578	34,547
Total primary government change in net position	$ 64,791	$ (30,449)	$ (84,974)	$ (133,760)	$ (46,520)	$ (4,759)	$ 187,527	$ 77,945	$ 64,391	$ 86,846

DeKalb County, Georgia

Fund Balances of Governmental Funds (unaudited)

Last Ten Years
(in thousands of dollars)

	2012	2011	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
General Fund:										
Reserved	-	-	$ 1	$ 103	$ 5,219	$ 2,649	$ 8,491	$ 8,040	$ 1,608	$ 5,804
Unreserved (deficit)	-	-	(33,769)	(24,520)	(15,041)	19,447	23,380	23,893	19,793	16,709
Nonspendable	4,897	92	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	4,165	-	-	-	-	-	-	-	-
Unassigned (deficit)	5,114	(22,708)	-	-	-	-	-	-	-	-
Total General Fund	10,011	(18,451)	(33,768)	(24,417)	(9,822)	22,096	31,871	31,933	21,401	22,513
All Other Governmental Funds:										
Reserved	-	-	36,086	40,031	61,194	39,884	51,480	37,793	22,659	18,446
Unreserved, reported in:										
Special revenue funds	-	-	649	1,942	437	3,866	23,664	32,031	25,087	21,107
Debt service funds	-	-	13,144	10,131	8,796	4,346	19,322	15,911	13,186	11,500
Capital projects funds	-	-	125,982	154,364	192,691	255,335	323,715	145,651	124,331	154,724
Restricted	144,916	166,152	-	-	-	-	-	-	-	-
Committed	19,632	19,165	-	-	-	-	-	-	-	-
Unassigned (deficit)	(13,972)	(10,546)	-	-	-	-	-	-	-	-
Total all other governmental funds	150,576	174,771	175,861	206,468	263,118	303,431	418,181	231,386	185,263	205,777
Total governmental funds	$ 160,587	$ 156,320	$ 142,093	$ 182,051	$ 253,296	$ 325,527	$ 450,052	$ 263,319	$ 206,664	$ 228,290

*DeKalb County has adopted and implemented GASB 54 in 2011.

DeKalb County, Georgia

Changes in Fund Balances of Governmental Funds (unaudited)

Last Ten Years
(in thousands of dollars)

	2012	2011	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
Revenues By Source:										
Taxes	$ 427,328	$ 452,445	$ 414,945	$ 406,475	$ 449,216	$ 430,429	$ 409,023	$ 381,027	$ 356,629	$ 353,904
Licenses and permits	32,302	27,216	21,860	22,911	31,076	32,996	30,719	30,757	28,432	26,833
Use of money and property	8,203	8,563	7,416	10,863	13,474	25,467	36,546	8,075	2,467	4,284
Intergovernmental	33,621	60,409	59,637	62,750	37,371	46,655	59,703	63,057	46,613	46,704
Fines and forfeitures	37,453	36,993	36,217	32,870	38,333	32,676	34,376	31,429	33,674	29,311
Charges for services	51,495	33,915	25,311	36,859	39,718	36,522	29,386	42,467	46,786	35,835
Miscellaneous	18,910	25,834	18,044	28,874	20,695	17,814	22,317	7,296	8,043	6,742
Total revenues	609,312	645,375	583,430	601,602	629,883	622,559	622,070	564,108	522,644	503,613
Expenditures By Function:										
General government	$ 91,447	$ 89,191	$ 95,332	$ 95,238	$ 106,917	$ 100,988	$ 95,017	$ 79,115	$ 75,847	$ 73,532
Public safety	190,578	184,213	174,485	187,371	191,230	198,495	177,375	155,917	160,407	144,166
Civil and criminal court system	148,312	146,698	140,751	145,373	146,951	139,440	126,513	115,928	115,295	109,274
Planning and development	3,915	3,642	1,737	2,408	2,562	2,015	1,650	1,688	1,664	1,569
Public works	19,228	19,095	23,991	33,650	39,651	40,830	41,843	40,169	40,858	43,605
Human and community development	11,296	13,533	24,593	7,388	10,518	11,121	7,486	13,457	12,929	9,443
Parks and recreation	10,669	15,363	16,777	18,756	21,898	23,582	20,195	18,931	18,433	17,697
Library	12,230	12,064	12,138	10,639	11,323	13,141	12,013	11,446	11,004	10,828
Health and welfare	34,437	35,221	40,540	41,794	35,893	45,018	40,010	34,127	33,801	33,960
Debt service:										
Bond issuance expense	-	-	63	-	-	-	825	624	237	11,204
Interest	19,059	19,942	20,699	22,041	23,235	24,200	30,106	16,024	11,400	12,256
Principal	29,698	29,493	33,808	33,656	32,314	30,623	26,542	16,251	18,414	23,106
Capital outlays	34,176	56,718	58,704	75,833	84,302	129,621	97,094	51,477	101,517	71,934
Total expenditures	605,045	625,173	643,618	674,147	706,794	759,074	676,669	555,154	601,806	562,574
Excess (deficiency) of revenues over (under) expenditures	4,267	20,202	(60,188)	(72,545)	(76,911)	(136,515)	(54,599)	8,954	(79,162)	(58,961)
Other Financing Sources (Uses)										
Issuance of debt	-	-	7,945	-	-	-	230,000	35,670	50,000	167,915
Premium on bond issuance	-	-	-	-	-	-	7,596	637	579	6,953
Contractual purchase obligations	-	-	-	-	-	11,855	3,064	1,616	6,296	4,723
Payments to escrow agents	-	-	-	-	-	-	-	-	-	(135,562)
Transfers in	87,039	95,697	102,798	108,653	135,751	157,482	128,293	133,138	122,323	119,287
Transfers out	(87,039)	(101,672)	(90,491)	(107,353)	(131,071)	(157,347)	(127,621)	(123,390)	(121,628)	(119,897)
Total other financing sources (uses)	-	(5,975)	20,252	1,300	4,680	11,990	241,332	47,671	57,570	43,419
Net change in fund balance	$ 4,267	$ 14,227	$ (39,936)	$ (71,245)	$ (72,231)	$ (124,525)	$ 186,733	$ 56,625	$ (21,592)	$ (15,542)
Debt service as a percentage of noncapital expenditures	8.6%	8.7%	9.3%	9.3%	8.9%	8.7%	9.9%	6.5%	6.0%	9.5%

Source: DeKalb County Finance Department

DeKalb County, Georgia

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

Last Ten Years
(in thousands of dollars)

	2012	2011	2010	2009 (restated)	2008 (restated)	2007	2006	2005	2004	2003
Watershed System Fund:										
Operating revenues	$ 239,521	$ 221,738	$ 191,160	$ 164,415	$ 141,907	$ 136,779	$ 136,929	$ 119,982	$ 115,350	$ 120,398
Operating expenses	157,343	190,894	141,736	165,007	155,791	135,363	113,412	107,074	100,230	93,181
Operating income (loss)	$ 82,178	$ 30,844	$ 49,424	$ (592)	$ (13,884)	$ 1,416	$ 23,517	$ 12,908	$ 15,120	$ 27,217
Sanitation Fund:										
Operating revenues	$ 69,442	$ 68,796	$ 66,019	$ 67,689	$ 62,475	$ 69,554	$ 66,387	$ 57,067	$ 58,405	$ 52,506
Operating expenses	69,891	70,784	69,534	65,118	59,946	57,836	55,387	55,321	42,980	46,397
Operating income (loss)	$ (449)	$ (1,988)	$ (3,515)	$ 2,571	$ 2,529	$ 11,718	$ 11,000	$ 1,746	$ 15,425	$ 6,109
DeKalb Peachtree Airport Fund:										
Operating revenues	$ 5,960	$ 5,197	$ 6,772	$ 5,040	$ 8,829	$ 8,375	$ 5,167	$ 6,247	$ 3,178	$ 2,766
Operating expenses	7,225	4,060	4,127	4,059	3,265	3,857	2,724	2,908	2,747	2,771
Operating income (loss)	$ (1,265)	$ 1,137	$ 2,645	$ 981	$ 5,564	$ 4,518	$ 2,443	$ 3,339	$ 431	$ (5)
Stormwater Utility Fund:										
Operating revenues	$ 17,801	$ 18,317	$ 19,016	$ 17,394	$ 22,198	$ 27,204	$ 19,557	$ 16,873	$ 16,693	-
Operating expenses	15,799	16,752	12,714	12,201	20,374	16,069	13,977	13,319	5,038	597
Operating income (loss)	$ 2,002	$ 1,565	$ 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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Purposes and Bond Retirement:										
Real property:										
Assessed value	$ 17,208	$ 19,161	$ 22,405	$ 22,878	$ 23,639	$ 22,652	$ 21,809	$ 19,952	$ 18,728	$ 17,636
Estimated market value	43,020	47,903	56,013	57,195	59,098	56,630	54,523	49,880	46,820	44,090
Personal property:										
Assessed value	1,688	1,623	1,850	2,207	2,301	1,863	1,881	1,752	1,686	1,763
Estimated market value	4,220	4,058	4,625	5,518	5,753	4,658	4,702	4,380	4,215	4,408
Motor vehicle and mobile homes:										
Assessed value	1,362	1,318	1,347	1,486	1,453	1,410	1,348	1,378	1,439	1,513
Estimated market value	3,405	3,295	3,368	3,716	3,633	3,525	3,370	3,445	3,598	3,783
Privately owned public utilities:										
Assessed value	433	377	366	468	494	475	478	458	477	424
Estimated market value	1,083	943	915	1,170	1,235	1,188	1,195	1,145	1,193	1,060
Total value for bond retirement (gross):										
Assessed value	$ 20,691	$ 22,479	$ 25,968	$ 27,039	$ 27,887	$ 26,400	$ 25,516	$ 23,540	$ 22,330	$ 21,336
Estimated market value	$ 51,728	$ 56,198	$ 67,599	$ 69,719	$ 66,001	$ 63,790	$ 58,850	$ 55,826	$ 53,341	$ 50,864
Ratio of Total Assessed Value to Total Estimated Market Value	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Homestead Exemption	$ 1,657	$ 1,675	$ 2,060	$ 1,812	$ 2,104	$ 1,780	$ 1,550	$ 1,544	$ 1,534	$ 1,499
Freeport Exemption	$ 260	$ 231	$ 257	$ 270	$ 286	$ 318	$ 311	$ 289	$ 240	$ 265
Net Assessed Value for General Purpose	$ 18,774	$ 20,573	$ 23,651	$ 24,957	$ 25,497	$ 24,302	$ 23,655	$ 21,707	$ 20,556	$ 19,572
Total Direct Tax Rate	$ 45.39	$ 44.44	$ 40.09	$ 40.09	$ 39.30	$ 39.30	$ 39.30	$ 38.71	$ 38.71	$ 38.81

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Property Tax Rates Per $1,000										
Real and Personal Property:										
County:										
General	$ 10.43	$ 10.43	$ 8.00	$ 8.00	$ 7.99	$ 7.54	$ 9.12	$ 8.21	$ 8.31	$ 8.73
Special tax district - designated services:										
Avondale	0.16	0.16	2.12	2.12	2.10	2.14	1.84	2.05	2.89	2.76
Chamblee	0.16	0.16	0.86	0.86	0.85	0.87	0.74	0.83	1.17	1.12
Clarkston	0.16	0.16	1.79	1.79	1.77	1.80	1.55	1.73	2.44	2.33
Decatur	0.16	0.16	1.12	1.12	1.12	1.14	0.97	1.09	1.53	1.47
Doraville	0.16	0.16	1.20	1.20	1.18	1.20	1.03	1.15	1.62	1.56
Lithonia	0.30	0.30	1.86	1.86	1.84	1.87	1.60	1.79	2.53	2.42
Pine Lake	0.30	0.30	2.12	2.12	2.10	2.14	1.84	2.05	2.89	2.76
Stone Mountain	0.16	0.16	1.59	1.59	1.58	1.60	1.38	1.54	2.17	2.07
Unincorporated	0.38	0.38	3.50	3.50	2.74	2.87	2.04	2.55	2.69	2.76
Police Services										
Avondale	1.76	1.76	-	-	-	-	-	-	-	-
Chamblee	0.13	0.13	-	-	-	-	-	-	-	-
Clarkston	1.44	1.44	-	-	-	-	-	-	-	-
Decatur	0.20	0.20	-	-	-	-	-	-	-	-
Lithonia	1.50	1.50	-	-	-	-	-	-	-	-
Pine Lake	1.76	1.76	-	-	-	-	-	-	-	-
Stone Mountain	0.31	0.31	-	-	-	-	-	-	-	-
Unincorporated	3.75	3.75	-	-	-	-	-	-	-	-
Hospital services	0.94	0.94	0.96	0.96	0.84	0.89	0.83	0.98	0.88	0.92
Fire protection	3.29	3.29	2.46	2.46	2.54	2.61	2.08	2.43	2.30	1.99
Bond retirement and interest	2.42	2.42	1.94	1.94	1.96	2.16	2.00	1.31	1.30	1.18
Total County *	$ 21.21	$ 21.21	$ 16.86	$ 16.86	$ 16.07	$ 16.07	$ 16.07	$ 15.48	$ 15.48	$ 15.58

* The total County millage rate shown above is for the unincorporated portion of the County which comprises over 81% of the total County.

Property Tax Levies (In thousands of dollars)										
Real and Personal Property:										
County:										
General	$ 126,294	$ 140,795	$ 126,647	$ 130,460	$ 128,271	$ 114,173	$ 138,183	$ 112,450	$ 103,863	$ 102,320
Special tax district - designated services	3,409	5,136	42,023	43,217	39,427	38,768	27,821	31,373	30,762	29,291
Police Services	31,555	62,111	-	-	-	-	-	-	-	-
Hospital services	11,382	13,139	15,198	15,655	13,485	13,477	12,576	13,423	10,999	10,730
Fire protection	36,166	36,706	35,773	36,872	37,605	36,380	28,972	30,704	26,556	21,469
Bond retirement and interest	38,187	33,966	40,621	41,546	43,140	45,730	41,498	25,775	24,041	20,806
Total County	$ 246,993	$ 291,853	$ 260,262	$ 267,750	$ 261,928	$ 248,528	$ 249,050	$ 213,725	$ 196,221	$ 184,616

(continued)

DeKalb County, Georgia

Property Tax Rates and Levies (unaudited)

Last Ten Years
(continued)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Property Tax Levies (continued)										
(In thousands of dollars)										
Public Utilities:										
County:										
General	$ 3,966	$ 2,929	$ 3,018	$ 2,930	$ 3,768	$ 3,795	$ 4,675	$ 3,937	$ 3,886	$ 4,168
Special tax district - designated services	116	122	1,126	1,097	1,115	1,244	909	1,042	1,086	1,106
Police Services	1,092	1,500	-	-	-	-	-	-	-	-
Hospital services	357	273	362	352	396	448	426	470	411	439
Fire protection	1,085	767	850	827	1,062	1,168	951	1,025	943	812
Bond retirement and interest	776	512	645	628	800	937	880	563	539	503
Total County	$ 7,392	$ 6,103	$ 6,001	$ 5,834	$ 7,141	$ 7,592	$ 7,841	$ 7,037	$ 6,865	$ 7,028
Motor Vehicle and Mobile Homes:										
County:										
General	$ 14,127	$ 11,391	$ 10,865	$ 11,201	$ 11,697	$ 13,716	$ 12,034	$ 11,467	$ 12,295	$ 11,999
Special tax district - designated services	681	4,046	3,983	3,402	4,038	2,931	3,458	3,490	3,708	4,280
Police Services	6,949	171	-	-	-	-	-	-	-	-
Hospital services	1,326	1,357	1,299	1,186	1,365	1,267	1,423	1,219	1,312	1,760
Fire protection	3,759	3,248	3,115	3,323	3,720	2,979	3,305	2,964	2,664	3,617
Bond retirement and interest	1,289	2,534	2,437	2,544	3,041	2,774	1,828	1,691	1,608	1,987
Total County	$ 28,131	$ 22,747	$ 21,699	$ 21,656	$ 23,861	$ 23,667	$ 22,048	$ 20,831	$ 21,587	$ 23,643
Total County Property Tax Levies	$ 282,516	$ 320,703	$ 287,962	$ 295,240	$ 292,930	$ 279,787	$ 278,939	$ 241,593	$ 224,673	$ 215,287

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
DeKalb County	$ 45.39	$ 44.44	$ 40.09	$ 40.09	$ 39.30	$ 39.30	$ 39.30	$ 38.71	$ 38.71	$ 38.81
Atlanta	$ 47.17	$ 47.02	$ 44.41	$ 44.41	$ 40.91	$ 41.78	$ 43.39	$ 41.27	$ 42.10	$ 43.60
Avondale	$ 52.41	$ 51.07	$ 48.34	$ 48.34	$ 48.21	$ 47.44	$ 47.76	$ 47.53	$ 48.02	$ 48.06
Chamblee	$ 47.23	$ 45.81	$ 44.03	$ 42.39	$ 40.96	$ 40.67	$ 41.56	$ 41.32	$ 40.63	$ 42.82
Clarkston	$ 59.09	$ 53.76	$ 48.32	$ 48.01	$ 47.88	$ 47.60	$ 48.37	$ 48.22	$ 42.38	$ 42.38
Decatur	$ 46.53	$ 46.64	$ 43.85	$ 43.85	$ 43.65	$ 42.44	$ 42.72	$ 42.25	$ 43.38	$ 43.44
Doraville	$ 48.70	$ 47.30	$ 44.42	$ 43.92	$ 43.79	$ 43.50	$ 44.35	$ 44.14	$ 44.95	$ 46.81
Dunwoody	$ 44.00	$ 40.79	$ 39.33	$ 39.33	$ -	$ -	$ -	$ -	$ -	$ -
Lithonia	$ 57.89	$ 55.24	$ 50.26	$ 49.40	$ 48.65	$ 48.37	$ 49.12	$ 48.98	$ 49.56	$ 50.30
Pine Lake	$ 63.65	$ 59.91	$ 54.44	$ 51.64	$ 51.51	$ 51.24	$ 51.96	$ 52.02	$ 52.72	$ 52.89
Stone Mountain	$ 58.81	$ 52.90	$ 46.81	$ 46.81	$ 46.69	$ 46.40	$ 47.20	$ 45.03	$ 46.50	$ 47.81

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	2012 Assessed Valuation (In thousands)	2012 Rank	2012 Percentage of Total County Assessed Valuation	2011 Assessed Valuation (In thousands)	2011 Rank	2011 Percentage of Total County Assessed Valuation	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
Bellsouth/AT&T Georgia	Utility	$ 48,127	3	0.23%	$ 71,567	3	0.32%	$ 116,590	2	0.45%	$ 119,412	2	0.44%	$ 238,926	1	0.86%
Georgia Power	Utility	150,986	1	0.73%	180,638	1	0.80%	151,024	1	0.58%	140,887	1	0.52%	1,348	10	-
Perimeter Mall LLC	Retail	63,688	2	0.31%	70,202	4	0.31%	72,962	3	0.28%	72,962	3	0.28%	73,232	2	0.26%
General Motors Corp	Industrial	-		-	-		-	-		-	38,587	10	0.14%	42,398	8	0.15%
Post Apartment Homes LP	Developer	-		-	-		-	-		-	-		-	-		-
Koger Ravinia LLC	Developer	40,244	4	0.19%	40,244	8	0.18%	40,244	9	0.15%	40,243	9	0.15%	44,268	6	0.16%
Highwoods Forsyth Limited	Developer	-		-	48,856	6	0.22%	50,679	5	0.20%	55,557	5	0.21%	41,578	9	0.15%
Stone Mountain Ind Park	Developer	-		-	114,270	2	0.51%	49,154	6	0.19%	49,839	7	0.18%	51,271	5	0.18%
Atlanta Gas Light Co	Utility	38,226	5	0.18%	55,524	5	0.25%	47,165	7	0.18%	43,956	8	0.16%	44,047	7	0.16%
Perimeter Summit LLC	Developer	27,119	7	0.13%	28,410	10	0.13%	28,425	10	0.11%	-		-	-		-
RB Terraces LLC	Developer	-		-	43,199	7	0.19%	71,673	4	0.28%	71,673	4	0.27%	52,579	4	0.19%
Wells REIT II Parkside Atlanta	Developer	-		-	33,406	9	0.15%	40,279	8	0.16%	-		-	-		-
AT&T Mobility LLC	Utility	32,958	6	0.16%	-		-	-		-	-		-	-		-
Oglethorpe Power Company	Utility	22,468	8	0.11%	-		-	-		-	-		-	-		-
Perimeter Atlanta SC LLC	Developer	22,120	9	0.11%	-		-	-		-	-		-	-		-
Post Apartment Homes LP	Developer	22,081	10	0.11%	-		-	-		-	55,045	6	0.20%	69,124	3	0.25%
Total		$ 468,017		2.26%	$ 686,316		3.06%	$ 668,195		2.58%	$ 688,161		2.54%	$ 658,771		2.36%
Total County		$20,691,000			$22,479,000			$ 25,968,000			$27,039,000			$27,887,000		

	Type of Business	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	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
Bell South/AT&T Georgia	Utility	$ 244,402	1	0.93%	$ 238,664	1	0.94%	$ 252,285	1	1.07%	$ 252,505	1	1.13%	$ 250,737	1	1.18%
GA-Perimeter Center LLC	Investment	131,572	3	0.50%	160,392	2	0.63%	148,656	2	0.63%	-		-	153,107	2	0.72%
Development Authority of DeKalb	Developer	-		-	-		-	-		-	99,647	3	0.45%	-		-
Georgia Power	Utility	141,126	2	0.53%	150,761	3	0.59%	120,596	3	0.51%	109,162	2	0.49%	108,082	3	0.51%
Perimeter Mall LLC	Retail	73,232	4	0.28%	73,412	5	0.29%	65,658	6	0.28%	65,658	6	0.29%	107,435	4	0.50%
General Motors	Industrial	44,288	7	0.17%	50,296	6	0.20%	106,400	4	0.45%	99,205	4	0.44%	83,025	5	0.39%
Post Apartment Homes LP	Developer	68,820	5	0.26%	73,451	4	0.29%	68,625	5	0.29%	65,842	5	0.29%	65,842	6	0.31%
Hewlett-Packard Co	Retail	-		-	50,296	8	0.20%	53,378	7	0.23%	55,678	7	0.25%	52,614	7	0.25%
Koger Ravinia LLC	Developer	40,244	9	0.15%	44,268	10	0.17%	40,244	10	0.17%	-		-	47,000	8	0.22%
Highwoods/Forsyth LTD	Developer	41,055	8	0.16%	-		-	42,053	9	0.18%	43,117	9	0.19%	44,651	9	0.21%
Stone Mountain Industrial Park	Developer	28,385	10	0.11%	53,071	7	0.21%	46,393	8	0.20%	44,220	8	0.20%	44,568	10	0.21%
Atlanta Gas Light	Utility	44,688	6	0.17%	49,137	9	0.19%	-		-	39,559	10	0.18%	-		-
RB Terraces LLC	Developer	-		-	-		-	-		-	-		-	-		-
Wells REIT II Parkside Atlanta	Developer	-		-	-		-	-		-	-		-	-		-
Total		$ 857,812		3.26%	$ 943,748		3.71%	$ 944,288		4.01%	$ 874,593		3.91%	$ 957,061		4.50%
Total County		$26,400,000			$25,516,000			$ 23,540,000			$22,330,000			$21,336,000		

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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Total Tax Levy	$ 282,516	$ 320,703	$ 287,962	$ 295,240	$ 292,930	$ 279,787	$ 278,939	$ 241,593	$ 224,673	$ 215,287
Collection of Current Year's Taxes During Year	$ 254,394	$ 297,522	$ 261,836	$ 269,955	$ 275,236	$ 263,800	$ 255,264	$ 230,053	$ 215,878	$ 203,674
Percentage of Levy Collected During Year	90.05%	92.77%	90.93%	91.44%	93.96%	94.29%	91.51%	95.22%	96.09%	94.61%
Collection of Prior Years' Taxes During Year	$ 12,065	$ 16,270	$ 18,527	$ 11,861	$ 11,116	$ 15,987	$ 8,942	$ 7,199	$ 6,643	$ 7,676
Total Collections	$ 266,459	$ 313,792	$ 280,363	$ 281,816	$ 286,352	$ 279,787	$ 264,206	$ 237,252	$ 222,521	$ 211,350
Percentage of Total Collections to Tax Levy	94.32%	97.85%	97.36%	95.45%	97.75%	100.00%	94.72%	98.20%	99.04%	98.17%
Current Delinquent Taxes	$ 5,191	$ 11,817	$ 17,512	$ 17,844	$ 12,775	$ 14,027	$ 846	$ 441	$ 250	$ 179
Accumulated Delinquent Taxes	$ 19,275	$ 15,985	$ 20,911	$ 20,344	$ 29,063	$ 16,288	$ 18,433	$ 9,275	$ 8,167	$ 10,134
Percentage of Accumulated Delinquent Taxes to Current Year's Tax Levy	6.82%	4.98%	7.26%	6.89%	9.92%	5.82%	6.61%	3.84%	3.64%	4.71%

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]
2003	$ 250,345	$ 25,000	$ 15,000	$ 4,509	$ 294,854	1.4%	$ 505,365	$ 5,712	$ 1,766	$ 805,931	3.39%	$ 1,166
2004	234,500	24,525	64,420	8,293	331,738	1.5	497,815	3,536	1,717	833,089	3.34	1,199
2005	218,865	24,040	98,600	6,552	348,057	1.5	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	2.1	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	2.0	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
2011	309,085	17,810	88,270	1,553	416,718	2.0	923,680	-	4,906	1,340,398	n/a	1,930
2012	285,775	16,645	84,600	-	387,020	2.1	909,475	-	4,290	1,296,495	n/a	1,850

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Population (in thousands)	701	694	692	731	728	718	710	701	695	691
Assessed Value (in millions of dollars)	$ 20,691	$ 22,479	$ 25,968	$ 27,039	$ 27,887	$ 26,400	$ 25,516	$ 23,540	$ 22,330	$ 21,336
Gross Bonded Debt (in thousands of dollars)	$ 285,775	$ 309,085	$ 331,305	$ 356,745	$ 381,380	$ 405,215	$ 427,360	$ 218,865	$ 234,500	$ 250,345
Less Reserve for General Bond Debt Service (in thousands of dollars)	16,245	12,046	13,002	11,396	8,739	4,341	19,353	15,678	13,182	10,814
Net Bonded Debt (in thousands of dollars)	$ 269,530	$ 297,039	$ 318,303	$ 345,349	$ 372,641	$ 400,874	$ 408,007	$ 203,187	$ 221,318	$ 239,531
Ratio of Net Bonded Debt to Assessed Value	0.0130	0.0132	0.0123	0.0128	0.0134	0.0152	0.0160	0.0086	0.0099	0.0112
Net General Bonded Debt Per Capita	$ 384.49	$ 428.01	$ 459.98	$ 472.43	$ 511.87	$ 558.32	$ 574.66	$ 289.85	$ 318.44	$ 346.64

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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Governmental Expenditures[1]	$ 605,045	$ 625,173	$ 674,147	$ 674,147	$ 646,235	$ 759,074	$ 676,669	$ 555,154	$ 601,806	$ 562,574
Debt Service Expenditures for General Bonded Debt[2]	$ 37,346	$ 37,242	$ 41,406	$ 41,607	$ 41,933	$ 41,245	$ 39,767	$ 26,125	$ 26,140	$ 28,495
Ratio (%) of Debt Service Expenditures to General Governmental Expenditures	6.17%	5.96%	6.43%	6.17%	6.49%	5.43%	5.88%	4.71%	4.34%	5.07%

[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, 2012
(in thousands of dollars)

Assessed Value			$ 20,691,000
Debt Limit - 10% of assessed value			$ 2,069,100
Amount of Debt Applicable to Debt Limit:			
Total bonded debt		$ 1,279,850	
Less:			
General obligation bonds fund balance	$ 16,245		
Governmental activities revenue bonds	84,600		
Water and sewerage system revenue bonds	909,475	1,010,320	
Total debt applicable to debt limit			269,530
Legal Debt Margin			$ 1,799,570

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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Debt limit	$ 2,069,100	$ 2,247,900	$2,596,800	$ 2,703,900	$ 2,788,700	$ 2,640,000	$ 2,551,600	$ 2,354,000	$2,233,000	$2,150,600
Total debt applicable to limit	269,530	278,950	319,868	345,349	372,641	400,874	408,007	203,187	221,318	239,531
Legal debt margin	$ 1,799,570	$ 1,950,861	$2,276,932	$ 2,358,551	$ 2,416,059	$ 2,239,126	$ 2,143,593	$ 2,150,813	$2,011,682	$1,911,069
Total debt applicable to the limit as a percentage of the debt limit	13.03%	13.21%	12.32%	12.77%	13.36%	15.18%	15.99%	8.63%	9.91%	11.14%

Source: DeKalb County Finance Department

DEKALB COUNTY DIRECT AND OVERLAPPING DEBT

Category of Debt	Total Amount Outstanding (000s)	% Applicable to the County[3]	Amount of Debt Applicable to DeKalb County
Direct Debt:			
DeKalb County Gross Bonded Debt, Less Debt Service Fund Balance	269,530	100%	269,530
Fulton-DeKalb Hospital Authority - County portion	43,815	100%	43,815
Total Direct Debt	313,345		313,345
Overlapping Debt:			
DeKalb County Board of Education [1]			
General Obligation Bonds	33,330	100%	33,330
Certificates of Participation	51,755	100%	51,755
	85,085		85,085
City of Decatur[1]			
General Obligation Bonds	31,700	100%	31,700
Notes Payable	5,415	100%	5,415
Guaranteed Revenue Bonds	43,015	100%	43,015
Certificates of Participation	3,350	100%	3,350
	83,480		83,480
City Schools of Decatur[1]			
Certificates of Participation	10,020	100%	10,020
General Obligation Sales Tax Notes Payable	5,415	100%	5,415
	15,435		15,435
City of Atlanta			
General Obligation Bonds	230,680	4.88%	11,257
Total Overlapping Debt	409,265		189,842
Total Direct and Overlapping Debt	722,610		503,187
Total Per Capita Direct and Overlapping Debt			$ 718.12

[1] As of June 30, 2013
[2] As of June 30, 2012
[3]

	A.V. (000s)	% of A.V.
City of Atlanta in Fulton	22,776,006	95.12%
City of Atlanta in DeKalb	1,168,673	4.88%
	23,944,679	100.00%

DeKalb County, Georgia

Schedule of Governmental Revenue Bond Coverage (unaudited)

Last Ten Years
(in thousands of dollars)

Building Authority and Juvenile Justice Center Revenue Bonds

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net Available Revenue *	$ 3,717	$ 3,716	$ 3,714	$ 3,715	$ 3,717	$ 3,712	$ 3,717	$ 1,622	$ 1,079	$ 208
Current Annual Debt Service	$ 3,717	$ 3,716	$ 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	1.00	1.00

Public Safety and Judicial Facilities Authority Revenue Bonds

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net Available Revenue *	$ 3,093	$ 3,092	$ 3,095	$ 3,096	$ 3,092	$ 3,092	$ 3,097	$ 2,882	$ -	$ -
Current Annual Debt Service	$ 3,093	$ 3,092	$ 3,095	$ 3,096	$ 3,092	$ 3,092	$ 3,097	$ 2,882	$ -	$ -
Ratio	1.00	1.00	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)

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net Operating Revenue as Defined in Bond Resolution *	$ 119,774	$ 81,028	$ 59,663	$ 45,562	$ 61,414	$ 63,917	$ 71,247	$ 51,372	$ 56,028	$ 55,176
Current Annual Debt Service Requirement	$ 57,203	$ 38,838	$ 38,838	$ 38,660	$ 35,516	$ 31,336	$ 32,110	$ 31,500	$ 30,919	$ 29,869
Ratio	2.09	2.09	1.54	1.18	1.73	2.04	2.22	1.63	1.81	1.85

* 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)
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	316,065	n/a	n/a	10.2%	67,599	4,572	1,238	8,582
2010	691,893	99,406	214,256	n/a	n/a	10.4%	64,920	4,842	584	7,652
2011	694,400	99,088	212,360	n/a	n/a	9.4%	56,198	7,473	2,233	7,586
2012	700,700	98,910	212,012	n/a	n/a	9.1%	51,728	4,287	620	7,807

Note: Personal income data is unavailable for 2005, 2006, 2009, 2010, 2011 and 2012

Sources: DeKalb County Planning and Sustainability 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

	2012			2011			2010			2009			2008		
	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	13,124	3	3.9%	12,978	3	3.5%	20,172	2	5.4%	12,265	2	3.4%	10,401	2	2.9%
DeKalb County Schools	13,452	2	4.0%	13,072	2	3.6%	13,890	3	3.7%	13,285	1	3.7%	14,700	1	4.1%
Emory Healthcare	14,442	1	4.3%	14,595	1	4.0%	9,000	5	2.4%	11,143	3	3.1%	9,044	3	2.5%
U.S. Centers for Disease Control & Preventior	9,231	4	2.7%	9,634	4	2.6%	9,634	4	2.6%	6,500	6	1.8%	3,800	6	1.1%
DeKalb County Government	7,373	6	2.2%	7,907	6	2.2%	7,188	7	1.9%	8,077	4	2.2%	7,130	4	2.0%
General Motors Corporation	-		-	-		-	-	-	-	5,606	7	1.6%	3,500	7	1.0%
Internal Revenue Service	-		-	-		-	-	-	-	5,200	8	1.4%	2,848	8	0.8%
Cox Enterprises	3,408	8	1.0%	2,500	10	0.7%	2,499	10	0.7%	5,606	7	1.6%	3,500	7	1.0%
AT&T	3,838	7	1.1%	5,252	7	1.4%	20,325	1	5.4%	5,200	8	1.4%	2,848	8	0.8%
DeKalb Medical Center	3,067	9	0.9%	2,946	8	0.8%	2,800	8	0.8%	3,766	9	1.0%	1,213	9	0.3%
Childrens Healthcare of Atlanta	8,190	5	2.4%	7,978	5	2.2%	7,527	6	2.0%	6,700	5	1.9%	6,046	5	1.7%
Georgia Perimeter College	2,591	10	0.8%	2,591	9	0.7%	2,563	9	0.7%	2,563	10	0.7%	1,192	10	0.3%
Total	78,716		23.2%	79,453		21.6%	95,598		25.5%	85,911		23.7%	66,222		18.3%
Total County	339,593			367,785			374,768			362,420			362,420		

	2007			2006			2005			2004			2003		
	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	12,968	2	3.4%	10,265	2	3.3%	13,727	2	4.4%	6,876	4	2.0%	10,300	1	3.0%
DeKalb County Schools	15,800	1	4.1%	14,223	1	4.6%	-		-	22,041	1	6.4%	10,000	2	2.9%
Emory Healthcare	10,265	3	2.7%	-		0.0%	14,700	1	4.7%	14,398	2	4.2%	-		-
U.S. Centers for Disease Control & Preventior	6,177	6	1.6%	8,949	3	2.9%	5,089	4	-	2,800	9	0.8%	-		-
InterContinental Hotels Group Inc.	-		-	-		0.0%	3,100	6	1.0%	3,500	8	1.0%	-		-
DeKalb County Government	8,477	4	2.2%	8,285	4	2.7%	8,220	3	2.6%	8,045	3	2.3%	7,903	3	2.3%
General Motors Corporation	6,002	7	1.8%	1,566	9	0.5%	-			-		-	4,800	4	1.4%
Internal Revenue Service	3,800	8	1.1%	-		-	4,500	5	1.5%	4,500	7	1.3%	4,500	5	1.3%
Cox Enterprises	6,002	7	1.6%	-		0.0%			0.0%	-		-	4,000	6	1.2%
AT&T	3,800	8	1.0%	7,000	5	2.3%	3,000	7	1.0%	-		-	-		-
Emory Clinic	-		-	-		-	-		-	-		-	2,800	7	0.8%
DeKalb Medical Center	3,463	9	0.9%	3,662	6	1.1%	2,100	8	0.7%	5,322	5	1.5%	2,300	8	0.7%
Childrens Healthcare of Atlanta	6,690	5	1.7%	3,010	7	1.0%	-		-	5,089	6	1.5%	2,100	9	0.6%
Veteran's Administration Hospital	-		-	1,782	8	0.6%	-		-	-		-	2,000	10	0
Georgia Perimeter	1,860	10	0.5%	-		-	-		-	-		-	-		-
Marshall's	-		-	926	10	0.3%	-		-	-		-	-		-
DeKalb College	-		-	-		-	2,000	9	0.6%	2,300	10	0.7%	-		-
United Parcel Service	-		-	-		-	-		-	-		-	-		-
Total	85,304		22.6%	59,668		19.3%	56,436		16.5%	74,871		21.7%	50,703		14.6%
Total County	383,718			308,842			311,283			346,900			346,900		

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

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

DeKalb County, Georgia

County Government Employees by Function/Program (unaudited)

Last Ten Years

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government	1,425	763	795	1,125	1,029	964	896	872	868	874
Public safety:										
Fire & rescue services	786	722	855	921	859	860	849	849	849	850
Police officers	1,226	1,231	1,228	1,251	1,250	1,104	1,058	1,056	1,058	1,012
Other public safety	756	285	255	377	377	507	533	536	528	538
Civil and criminal court system	898	1,781	1,753	1,747	1,740	1,762	1,715	1,693	1,624	1,603
Planning and development	102	76	54	29	186	186	186	185	177	178
Public works	224	220	487	540	611	612	612	612	582	540
Community development	24	24	22	15	24	22	33	32	29	27
Parks and recreation	154	480	471	543	636	637	623	615	588	578
Library	286	285	295	298	246	233	229	226	226	227
Health and welfare	85	85	32	86	86	87	76	76	77	74
Watershed management (Water and sewer)	684	682	686	771	771	729	736	732	713	688
Sanitation	699	699	699	742	743	728	712	709	699	686
DeKalb Peachtree Airport	24	24	24	27	28	27	27	27	27	28
Total	7,373	7,357	7,656	8,472	8,586	8,458	8,285	8,220	8,045	7,903

Source: DeKalb County Budget Office

DeKalb County, Georgia

Operating Indicators by Function/Program (unaudited)

Last Ten Years

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General government:										
Business licenses issued	15,410	16,879	14,500	22,430	22,955	27,743	22,450	21,390	20,443	20,908
Registered voters	476,132	448,834	456,049	445,388	456,096	408,279	403,419	388,993	404,539	364,394
Public safety:										
Fire & EMS emergency calls	98,256	93,151	92,171	89,356	201,300	164,291	100,769	98,995	89,499	65,593
Police arrests	53,388	48,660	48,669	54,584	53,707	45,284	62,354	54,686	51,757	48,914
Training academies	2	3	7	2	2	2	2	1	1	1
Civil and criminal court system:										
Recorder's court citations processed	201,586	221,388	182,811	231,591	243,396	212,224	235,854	195,863	211,297	195,472
State court dispossessory warrants	35,289	34,895	33,983	33,511	39,072	37,649	34,935	33,831	35,057	36,910
Superior court felony case filings	5,317	7,100	6,128	6,000	4,773	5,400	6,711	6,293	5,835	6,195
Planning and development:										
Building permits issued	4,287	7,473	4,842	4,572	8,244	8,127	17,333	9,039	9,115	8,785
Number of inspections	11,880	16,486	28,674	51,139	24,218	63,633	35,998	29,875	34,623	58,478
Public works:										
Road resurfacing (miles)	40	36	37	66	42	22	21	20	20	30
Patching (tons)	79,704	94,028	70,185	101,465	30,000	35,600	30,000	50,000	48,000	29,050
Sidewalks constructed (miles)	1	2	1	2	1	1	1	12	23	25
Parks and recreation:										
Average attendance per pool	11,964	8,756	13,570	13,153	5,059	6,900	4,100	4,017	4,800	4,755
Golf rounds per course	54,359	53,323	28,809	68,500	79,871	76,000	37,091	36,221	30,929	22,009
Youth & adult athletic patrons	131,000	164,210	151,175	138,500	20,559	109,000	40,500	33,017	21,500	20,939
Library:										
Patron visits	3,190,289	3,240,490	3,321,574	3,232,361	3,273,489	3,292,187	3,216,230	3,153,749	2,968,638	2,866,374
Water:										
Water Customers	212,012	212,360	214,256	316,065	314,572	311,023	299,445	293,407	289,813	286,556
Water Meters	187,815	188,224	189,666	189,162	189,162	188,763	186,503	182,329	181,443	181,682
Average daily water consumption (million gallons)	70	70	72	59	66	77	65	72	67	67
Miles of water mains constructed during year	-	2	2	6	5	21	27	31	31	42
Sewer:										
Sewer Customers	183,326	161,470	288,352	287,061	280,196	278,353	267,057	261,379	258,066	254,357
Average daily sewer treatment (million gallons)	35	36	37	36	56	56	40	43	39	39
Miles of sewer mains constructed during year	-	1	1	1	28	28	16	18	14	26
Sanitation:										
Residential customers	159,901	159,567	159,241	159,743	176,186	174,500	158,427	153,748	148,015	148,999
Commercial customers	8,992	12,546	9,624	7,071	9,588	9,078	8,713	8,256	17,133	12,287
Weekly pickups	2	2	2	2	2	2	2	2	2	2
DeKalb Peachtree Airport:										
Annual flights	144,961	155,180	160,948	151,714	187,006	220,576	207,981	202,251	215,174	224,187
Based aircraft	525	585	565	565	608	698	608	608	608	608

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

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Public safety:										
Fire stations	26	26	26	26	26	26	26	25	25	25
Fire hydrants	18,858	18,657	18,500	22,000	22,200	22,200	17,295	15,200	22,908	22,908
Public works:										
Miles of paved roads	2,269	2,320	2,303	2,280	2,422	2,753	2,746	2,746	2,746	2,668
Miles of unpaved roads	2	1	2	3	3	2	2	2	2	2
Street Lights	41,996	41,660	41,202	43,067	42,265	41,518	40,836	39,884	39,086	38,355
Parks and recreation:										
Parks	129	131	127	131	131	126	130	130	141	120
Park acreage	6,970	6,862	6,444	6,679	6,679	6,482	6,000	5,948	5,738	5,517
Swimming pools	11	11	11	11	11	13	12	12	12	12
Athletic fields	158	158	158	158	158	158	158	158	174	162
Recreation centers	13	13	13	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	105	105	104	109
Picnic shelters	77	77	77	77	77	90	90	90	80	87
Golf courses	2	2	2	2	2	2	2	2	2	2
Library:										
Books	837,028	831,236	808,682	826,340	811,672	826,239	812,634	775,472	776,329	785,396
Water:										
Water plant capacity (million gallons)	150	150	150	150	150	150	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	1,000	1,000	324	324
Miles of water mains	3,000	2,600	2,600	2,600	2,600	2,600	2,854	2,827	2,796	2,765
Sewer:										
Sewer treatment capacity (million gallons)	56	56	56	56	56	56	56	56	56	56
Sewer pumping stations	66	66	66	66	66	63	60	57	57	53
Miles of sewer mains	2,434	2,400	2,400	2,250	2,241	2,230	2,200	2,184	2,166	2,152

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, 2012

	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; Stan Watson	10,000	38,374 -40,769
Clerk of Superior Court - Debra Deberry	25,000	127,472
Probate Court Judge - Jeryl Rosh	100,000	144,469
Sheriff - Thomas E. Brown, Jr.	25,000	161,000
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; Eleanor L. Ross; Janis Gordon; Stacey K. Hydrick; 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.; Courtney L. Johnson; Gail C. Flake; Asha Jackson; 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 - Berryl A. Anderson		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, 2012

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 1 PPO AND 1 CDHP available	Unlimited
Umbrella - $1,000,000 deductible	$ 5,000,000
Auto Liability Per Accident (combined single limit)	$ 750,000

Source: DeKalb County Finance Department