

City of Avondale Estates

Annual Comprehensive Financial Report

FOR THE YEAR ENDED DECEMBER 31, 2025

CITY OF Avondale ESTATES

CITY OF AVONDALE ESTATES, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2025

Prepared by:
Finance Department

CITY OF AVONDALE ESTATES, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

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INTRODUCTORY SECTION

July 7, 2026

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

The Annual Comprehensive Financial Report (ACFR) of the City of Avondale Estates for the fiscal year ended December 31, 2025, is hereby submitted. Responsibility for both the accuracy of the data, the completeness, and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Readers should consult Management's Discussion and Analysis, beginning on page 5 of this report, to provide context and explanation for the financial statements and other information.

There were no accounting policy changes during 2025 that had a significant impact on the current period's financial statements.

The financial reporting entity includes all the funds of the primary government. The City provides a limited range of municipal government services to an estimated 3,600 citizens. Included in these services are traditional city functions, such as public works, public safety, sanitation, parks, courts, and inherent support activities.

INDEPENDENT AUDIT

The City of Avondale Estates' financial statements have been audited by the firm Mauldin and Jenkins. Based on the audit, **the independent auditor rendered an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2025, are fairly represented and in conformity with GAAP.**

The independent auditor's report is the first component of the financial section of this report. The independent audit of city financial statements is sometimes part of a broader, federal, and state-mandated "single audit" designed to meet the special needs of federal and state grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal and state awards. The requirement for a single audit is the expense of $1,000,000 or more in federal funds. Thus, a single audit was required in 2025.

The financial statements presented in this report have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and standards established by the Governmental Accounting Standards Board (GASB). The Annual Comprehensive Financial Report also includes Management's Discussion and Analysis (MD&A), which provides management's overview and analysis of the City's financial position and operations.

This letter of transmittal is intended to supplement the MD&A and should be read in conjunction with it. The City of Avondale Estates' MD&A appears immediately following the Independent Auditor's Report.

PROFILE

The City of Avondale Estates didn't just happen. It was created on purpose. Incorporated in 1928, the City began with a clear vision: to design a place where people could truly flourish. Inspired by the Tudor-style architecture of Stratford-upon-Avon, the hometown of William Shakespeare, the developer alongside internationally recognized planners, built what would become the only documented planned city of its kind in the Southeastern United States. Today, that vision is recognized on the National Register of Historic Places.

Avondale Estates is a compact community of approximately 3,525 residents located within 1.23 square miles (790 acres) in DeKalb County, just six and a half miles east of downtown Atlanta. According to the U.S. Census Bureau's 2023 American Community Survey (ACS) estimates, approximately 99 percent of residents have at least a high school education, and the median household income is $136,250. The community is home to a highly educated and professionally accomplished population.

While small in size, Avondale Estates is rich in amenities and quality of life. Residents enjoy a strong sense of community supported by thoughtfully designed public spaces, including Lake Avondale, the Town Green, neighborhood parks, tennis courts, and a variety of well-loved community clubs and organizations. Designed to foster connection and engagement, Avondale Estates combines the benefits of a close-knit small town with convenient access to the economic and cultural opportunities of the Atlanta metropolitan area.

As a planned garden city, nothing is accidental. The historic downtown, defined by its distinctive Tudor architecture reflects that original intention, while ongoing revitalization efforts continue to bring new energy to existing spaces. Former industrial areas have been reimagined with purpose, creating opportunities for creativity, connection, and growth.

Avondale Estates thrives on the strength of its local businesses, which give the City personality and pulse. These businesses bring fresh ideas, and contribute to a vibrant, walkable downtown. An eclectic mix of restaurants, bakeries, coffee shops, artisan retailers, and gathering spaces creates an environment where people don't just visit, they stay, connect, and return. The City's craft beer scene, recognized multiple times by USA Today as one of the best in the country, is just one example of how local flavor continues to shape the experience here.

Avondale Estates also holds a meaningful place in American culture as the birthplace of the first Waffle House, opened in 1955. Today, that legacy lives on through the Waffle House Museum and a nearby location within the City that continues to serve the community.

Creativity is part of the City's foundation and its future. The Rail Arts District brings together artists, makers, and innovators in repurposed spaces designed for inspiration and collaboration.

The City is governed by a Mayor and a Board of Commissioners (BOMC), who sets policy and relies on the City manager to implement policy direction. City elections in 2025 brought two new people to the BOMC, Luis Suazo and Lyda Steadman who will serve a 4-year term.

The City of Avondale Estates provides a full range of administrative and municipal services designed to support a thriving, connected community. Administrative services include zoning, permitting, economic development, management of the historic preservation district, and marketing and communications. The City also manages stormwater systems, parks and green spaces, transportation facilities, sanitation, and recycling services. Public safety is delivered through the City's own Police Department (AEPD), which has approximately 13 officers providing around-the-clock coverage, while City Court convenes multiple times each month. Fire and emergency medical services are provided by DeKalb County, which also supplies water and sewer infrastructure, ensuring residents have access to essential utilities and emergency response.

Budget Process: The City of Avondale Estates prepares an annual budget document as the basis for the City's financial planning and control. The Finance Director and City Manager meet with department heads in mid-September annually. The prior year's amended budget, along with 2 years' actual historical data, is used to develop a proposed operating budget.

The proposed budget is to be published by October 1st. The BOMC is required to hold a public hearing on the proposed budget, which is typically done by mid-December after all budget work sessions with the Commission are completed, but before the adoption of the budget by the BOMC in December.

The General Fund is the City's operating fund. It contains the revenues and expenditures required for the day-to-day operations of the government. The annual budget is presented by the fund and department. Budget-to-actual comparisons are provided in this report for each fund for which an appropriated budget has been adopted. For the general fund, this comparison extends to the department level. Budget to actual comparisons for all non-major special revenue governmental funds are presented in the other Required Supplementary Information (RSI) section of the financial statements. The legal level of budgetary control is at the department level.

Annual budgets are adopted in compliance with generally accepted accounting principles for the general and special revenue funds. Special Revenue funds are funds legally restricted to use for purposes and are accounted for separately. Special revenue funds include the ARPA Fund, Tax Allocation District Fund, and the Police Seizures Fund.

Economic Outlook: Avondale Estates is a compact community of approximately 3,525 residents located within 1.23 square miles (790 acres) in DeKalb County, just six and a half miles east of downtown Atlanta. According to the U.S. Census Bureau's 2023 American Community Survey (ACS) estimates, approximately 99 percent of residents have at least a high school education, and the median household income is $136,250. The community is home to a highly educated and professionally accomplished population.

OVERVIEW OF MAJOR INITIATIVES

This year, one word has defined the City of Avondale Estates: resilience.

Across every department, initiative, and project, the City has approached its work with intention, evaluating each decision through a lens that balances financial responsibility, operational efficiency, and environmental stewardship. This is not a onetime effort. It is an ongoing commitment to making thoughtful choices that strengthen the community today while preparing for the future.

City staff and leadership have remained aligned in optimizing these priorities, ensuring that each investment contributes to long-term sustainability and quality of life. This intentional approach has led to meaningful recognition, including a Bronze level Green Leaf Community designation from the Atlanta Regional Commission, designation as a Tree City USA

community for the 42nd consecutive year, and new recognition as a Bee City. The impact extends beyond recognition. Environmental decisions, particularly the adoption of more regenerative and sustainable landscaping practices, are also producing measurable financial benefits. Reduced long term maintenance needs are creating a model where sustainability and fiscal responsibility work together.

Marketing and Communications: In 2025, the City launched its first ever comprehensive branding initiative, establishing a clear and consistent identity that reflects what makes Avondale Estates distinct. This effort created a unified voice across departments and platforms, ensuring that every message reinforces the City's vision of a place where people can thrive, work, and live well.

The City's communications efforts remained consistent, intentional, and multi-channel. Weekly e-newsletters, six printed magazines, and quarterly business spotlights highlighted local entrepreneurs and kept residents informed and engaged. Social media presence expanded significantly, with regular content across Facebook and Instagram designed to connect with the community and promote local events and businesses. In partnership with the Downtown Development Authority, staff also supported the launch of the "DDA Dish," a blog offering insight into initiatives, priorities, and perspectives from the DDA Board.

Events continued to play a central role in community life, bringing people together in ways that feel both meaningful and memorable. The City supported long standing traditions such as the Fourth of July parade, the Lake Avondale Christmas tree lighting, and the annual Easter Egg Hunt, along with two qualifying track races benefiting local schools.

New and expanded programming lifted Avondale's arts community and added fresh energy throughout the year in the heart of downtown. The City hosted three Shakespeare performances, in partnership with County Commissioner Ted Terry's office. Six Weekend Winddown Concerts brought music and community together, supported through sponsorship funding and designed to activate public spaces in meaningful ways. Additionally, signature events like Avondale Ale Day. Which highlights Avondale's craft brewery scene, and the Wine and Art Walk which were sponsored and implemented in partnership with the Downtown Development Authority, continued to strengthen the City's identity as a destination for culture and connections.

Seasonal enhancements, such as new light pole banners, holiday lights and wreaths, and new plantings also contributed to the overall experience of place.

A major effort spanning 2024 and 2025 was the City's communication with residents and support for businesses during construction of the North Avondale/East College Complete Street project. The City provided biweekly website updates, along with articles in all six 2025 magazines, blogs, and social media posts, to help residents and businesses navigate construction as well as assigned a staff member to communicate directly with businesses facing upcoming storefront impacts. In partnership with the Downtown Development Authority, the City also placed and relocated "We're Open" signs, and promoted affected businesses. To encourage customer traffic, the DDA led a resident-focused "Shop Local" competition, with winning teams recognized at a downtown party in March 2025 and also launched the Barrel People competition to make the construction period more engaging and enjoyable.

Planning and Community Development: Staff administered the Historic Preservation Commission (HPC) and the Planning, Architecture, and Zoning Board (PAZB). This included organizing meetings, preparing staff reports, and delivering presentations in support of each agenda. In total, over 310 permits were issued and 25+ HPC projects were reviewed, an increase from 2024.

Major development projects are well underway, most of which are concentrated in the City's downtown. Those large-scale development projects are advancing through planning, permitting and inspection process and include:

- The Dale – a 24,000 retail project front the Town Green,
- Avila/Hedgewood - 2 sites with approximately 800 multi-family and single-family homes on 17 acres
- Overlook Housing - a 66-unit Senior Affordable Apartment building
- Wellroot Family Services campus – supported annexation, re-zoning, and ongoing reviews for new offices and affordable apartments

Downtown Avondale welcomed **16 new businesses**, demonstrating a robust interest in local commerce and entrepreneurship. Examples of the new businesses included Weithhous Baby & Home, Pool Turtle, Creamalosa, Birdi Dental, Mint Mobile, Billy's, and Reformology Pilates.

The Avondale Estates Downtown Development Authority (DDA) served as a significant implementation partner for the City's economic development efforts. During 2025, the DDA promoted shop-local campaigns, offered low-interest business loans, and provided ongoing support for the Avondale Arts Alliance. More specifically, the DDA did the following:

- Distributed $61,000 in microgrants to businesses affected by nearby construction

- Accelerated and supported development through a low interest loan program, which will generate interest revenue to be reinvested.
- Allocated Tax Allocation District (TAD) funds to support streetscape construction across 18 acres of new development
- Provided a local match for a federal grant to build shared streets in downtown
- Approved the first bridge loan to help a locally owned business secure and purchase property

Capital Projects: The City made substantial progress on a range of capital improvements through the reporting period, demonstrating its ongoing commitment to infrastructure, sustainability, and community development.

Transportation: Transportation improvements were a major focus of the City's capital program in 2025. Throughout the year, the City advanced construction of the North Avondale/East College Complete Street Initiative, which was largely completed by year-end. Federal and state grants covered 80% of construction costs.

Additional projects completed in 2025 reflect the City's attention to detail and commitment to accessibility, walkability, and safety. These efforts included traffic-calming measures that reduced neighborhood speeding, street repaving, 400 feet of sidewalk repairs, linear curb repairs, and expanded bicycle infrastructure. Because bicycle infrastructure remains a high priority for the City of Avondale Estates, the City also secured a General Motors on Main Street grant to install 25 new leaf-shaped bike racks in high-traffic areas near local businesses, public spaces, and key bike routes. Nine of these locations also include wayfinding and informational signage tailored to the unique character of each area.

Utilities: The City worked in coordination with DeKalb County streamlined permitting and minimized conflicts for water and sewer capital projects based in the City. Projects included US278 Water Main Replacement, PASARP Gravity Sewer Renewal, and Scott Boulevad Phase III Water Main Replacement. Each project required monthly coordination meetings between the City, the contractor, and DeKalb County staff. These meetings served as a forum to identify issues, develop solutions, and ensure all work aligned with the City's standards. City staff actively followed up to confirm that agreed-upon plans were executed properly.

Stormwater: Stormwater management and environmental stewardship are approached with intention and care. Throughout the year, the City continued to refine the North Woods stormwater and woodland restoration effort by removing invasive species, stabilizing slopes with native plantings, and reseeding to enhance both the beauty and long-term sustainability of the rain gardens and surrounding landscape. The City completed stormwater improvements on Dunwick Drive, supported in part by $200,000 in grant funding. Planning

also advanced along key corridors, including Washington and Pine Street, Wiltshire and Lakeshore Drive, and Kensington Road, ensuring future improvements are both strategic and impactful.

The City successfully met all requirements for the 2025 Municipal Separate Storm Sewer System permit administered by the Georgia Environmental Protection Division. This achievement reflects an ongoing commitment to proactive planning, consistent maintenance, and building resilient infrastructure that supports both the environment and the community.

Public Works: The City's Public Works department continued its work in sanitation, green space management, and street maintenance.

Sanitation, Recycling and Compost: Sanitation services continued to be provided by Arrow, the City's 3rd party vendor. Residents were provided curb side pick-up one day a week Public Works managed a significant volume of waste over the course of the year: over 1,000 tons of trash and close to 200 tons of recycling were hauled to landfills, along with a projected 663 tons of yard waste. There were well over 80 special pick-ups for residential customers. The City's pilot curbside composting program, wrapped up at the end of the year. In total, 554 households participated, diverting 136 lbs. from the land fill. Because of the number of residents participating in the program, Compost Now was able to offer a discounted rate to continue services for those that wanted to participate beyond the pilot period. Many have done so.

Parks and Greenspace: 2025 marked meaningful progress across several parks and green space initiatives in the City of Avondale Estates. This year also introduced the City's first Green Space Advisory Committee, a group of engaged volunteer leaders providing thoughtful input to guide decisions and help shape the future of Avondale's natural spaces.

With intention, the City restructured its approach to landscape management by dividing responsibilities into two areas. Routine mowing and general maintenance are now handled by a third-party partner, improving efficiency and reducing costs while allowing staff to focus on more impactful projects. This shift has enabled the team to take on larger-scale landscape improvements and restoration efforts across the City.

In partnership with the Georgia Institute of Technology and Roots Down, the City also strengthened its commitment to regenerative landscaping, an approach that restores soil health, supports native plant communities, improves stormwater absorption, and reduces long-term maintenance needs. Through training staff and education of residents, this

initiative is building long-term capacity while establishing methods to measure progress and success over time.

Investment in key spaces also moved forward. Fletcher Park renovations were completed with new playground equipment, native plantings, and upgraded stormwater infrastructure, the park now better supports both recreation and environmental resilience. Phase 1 of the Lanier Garden upgrades was successfully planned, funded, and implemented, creating a more welcoming and functional space for community gathering. Planning and funding were also secured for improvements to Dewey Brown Plaza, reinforcing its role as a central and vibrant destination. Ongoing stewardship of Lake Avondale remains a priority. Continued cleanout and maintenance efforts are improving the health and long-term sustainability of this valued community asset.

The City also continued to invest in its urban tree canopy. Following up on the 2022 tree survey, the City arborist reassessed trees previously identified in fair and poor condition. As a result, 56 trees were identified as needing to be removed, four were pruned, and 32 new trees were planted throughout the public realm, supporting a healthier and more resilient urban forest.

Public Safety and Courts: The Public Safety force was fully staffed in 2025 and continue to increase efficiency, connect with the community, and maintain a safe environment for all.

The Police Department implemented the following operational improvements to enable the staff to be safer, and more effective.

- Upgraded body cameras and in-car cameras with the newest Axon Models
- Addressed over 60 code compliance violations
- Participated in career development training for officers
- Implemented new software to better track internal documents and early warning systems for officers

Crime in the City continues to be very low. The number of reported crimes has decreased, continuing a downward pattern starting in 2021. On average, the City issues approximately 300 tickets per month for misdemeanor traffic offenses and code violations, the majority of which are traffic related. After a period of decline in traffic tickets and warnings since 2021, the number issued in 2025 was slightly up.

Additionally, the police continued its community engagement initiatives in 2025 with events like National Night Out, school visits, Chief for the Day, and drug take-back days to strengthen ties with the community.

The City operates a municipal court that convenes three times per month. The Court Clerk plays a central role in managing municipal court operations. Municipal courted managed monthly citation and adopted improved processes.

OPERATIONS AND TECHNOLOGY:

In 2025, the City of Avondale Estates continued to refine operational efficiency while introducing new technology to support more intentional and informed decision making. Staff fully implemented a Geographic Information System (GIS), creating a more systematic approach to work order management for stormwater operations and enabling real time tracking of both routine maintenance and unplanned repairs. The system was thoughtfully expanded to include additional data layers such as parcels, streets, and streetlight infrastructure, allowing the City to better understand, manage, and maintain its assets.

This commitment to modernization extended to financial operations as well. With enhanced accounting software, staff can now easily view the City's overall financial position while managing individual funds within a centralized platform. The system also enabled the successful transition to the Georgia Uniform Chart of Accounts (UCOA), improving consistency, transparency, and long-term financial management.

FINANCIAL INFORMATION

Budget: The City maintained a balanced budget and received a clean audit for 2025, demonstrating a strong commitment to responsible financial stewardship**.** The operating budget maintains staff at current levels. In addition to adopting balanced operating budgets for 2025, the City enhanced and updated its Capital Improvements Budget, which funds key initiatives such as transportation and stormwater infrastructure. This multi-year capital budget is supported by various funding sources, many of which are restricted to specific uses or types of projects.

Grant and Sponsorship Funding: The City of Avondale Estates made significant progress in securing grants and sponsorships to support key community projects. Funding achievements in 2025 included an additional $490,000 for the North Avondale/East College Streetscapes and transportation improvements (on top of 7.9 million from previous awards), $60,000 for expanded bicycle infrastructure through a Main Street Grant, $200,000 in state funds for Dunwick Drive stormwater improvements, $393,000 for Fletcher Park upgrades, $324,000 from the U.S. Department of Agriculture for the curbside composting pilot

program, and $30,000 in sponsorships to support seasonal concerts on the Town Green. These projects were largely completed during the year.

Looking ahead, the City was awarded a $2.3 million grant for the shared streets initiative, an additional $200,000 to update the Downtown Master Plan, and in-kind support from the Atlanta Regional Commission to develop the City's Comprehensive Plan Update. These major initiatives are scheduled to launch in 2026.

RECOGNITION AND AWARDS

- Tree City USA Designation: 42 years as a Tree City USA through the National Arbor Day Foundation
- Designated a Bee City USA
- City award Green leaf Communication designation Bronze Certification by the Atlanta Regional Commission
- Court Clerk Received 2025 Statewide Clerk Mentor of the year
- Chief of Police was elected 4th Vice President of the G Georgia Association of Chiefs of Policy by his peers
- City was awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2024 Annual Comprehensive Financial Report and the City intends to submit the 2025 report and believes it meets the criteria for the award

ACKNOWLEDGMENTS

The preparation of the annual comprehensive financial report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the City administrative department, and the auditors for the City. I extend my sincere appreciation to everyone who contributed to the preparation of this report. Without the leadership and support of the Board of Mayor and Commissioners and the residents of Avondale Estates, the preparation of this report would not have been possible.

Respectfully submitted,



Patrick Bryant

City Manager,

City of Avondale Estates

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Avondale Estates
Georgia

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF AVONDALE ESTATES, GEORGIA

PRINCIPAL OFFICIALS

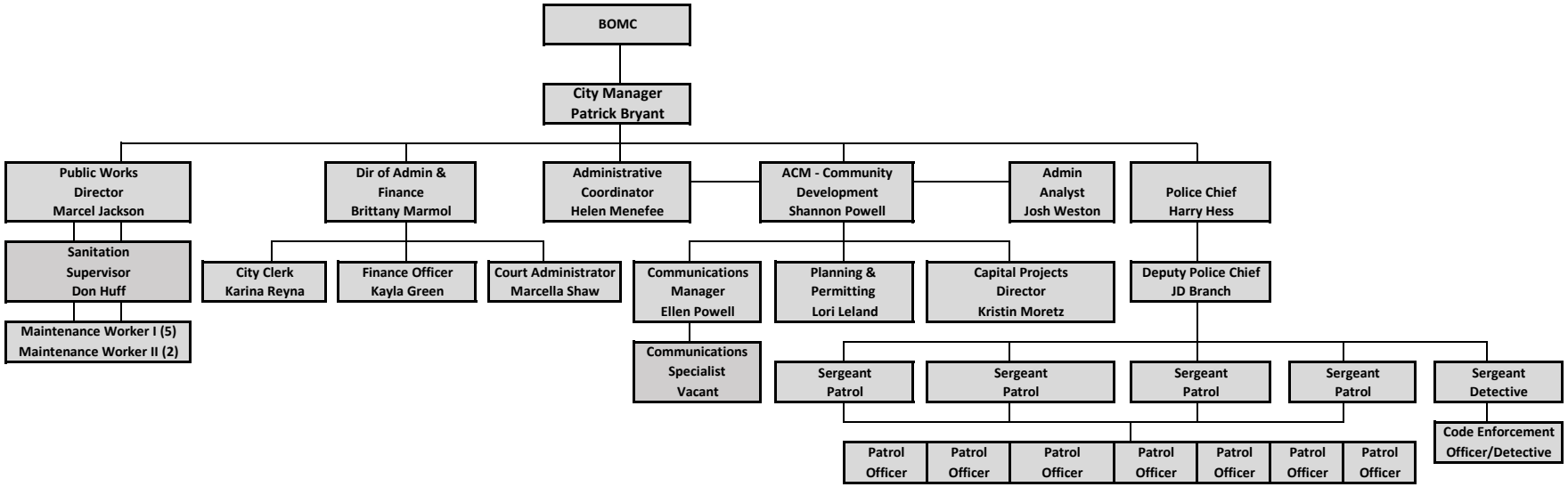
DECEMBER 31, 2025

CITY COMMISSION

Jonathan Elmore	Mayor
Lisa Shortell	Mayor Pro-Tem
Lionel Laratte	Commissioner
Michael Smith	Commissioner
Graham Reiney	Commissioner

ADMINISTRATION OFFICIALS

Patrick Bryant	City Manager
Stephen Quinn	City Attorney
Shannon Powell	Assistant City Manager, Economic & Community Development
Brittany Marmol	Director of Finance & Administrative Services
Karina Reyna	City Clerk
Harry Hess	Chief of Police
Marcel Jackson	Public Works Director
Kayla Green	Finance Officer
Lori Leland	Planner & Permit Services Coordinator
Marcella Shaw	Municipal Court Clerk
Ellen Powell	Creative, Marketing and Communications Director


BOMC
City Manager
Patrick Bryant
Public Works
Director
Marcel Jackson
Dir of Admin &
Finance
Brittany Marmol
Administrative
Coordinator
Helen Menefee
ACM - Community
Development
Shannon Powell
Admin
Analyst
Josh Weston
Police Chief
Harry Hess
Sanitation
Supervisor
Don Huff
City Clerk
Karina Reyna
Finance Officer
Kayla Green
Court Administrator
Marcella Shaw
Communications
Manager
Ellen Powell
Planning &
Permitting
Lori Leland
Capital Projects
Director
Kristin Moretz
Deputy Police Chief
JD Branch
Maintenance Worker I (5)
Maintenance Worker II (2)
Communications
Specialist
Vacant
Sergeant
Patrol
Sergeant
Patrol
Sergeant
Patrol
Sergeant
Patrol
Sergeant
Detective
Code Enforcement
Officer/Detective
Patrol
Officer
Patrol
Officer
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Officer
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Officer
Patrol
Officer
Patrol
Officer

FINANCIAL SECTION

MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Board of Commissioners of
City of Avondale Estates, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the **City of Avondale Estates, Georgia** (the "City"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2025, and the respective changes in financial position, and where applicable, cash flows thereof and the budgetary comparison for the General Fund and TAD Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the City's Net Pension Liability and Related Ratios and the Schedule of City Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds, as required by the Official Code of Georgia 48-8-121, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 and individual fund financial statements and schedules and Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2026, on our consideration of the City'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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 City’s internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Atlanta, Georgia
July 7, 2026

As management of the City of Avondale Estates (the "City"), we offer readers of the City of Avondale Estates' financial statements, this narrative overview and analysis of financial activity of the City of Avondale Estates for the fiscal year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the financial statements and footnotes.

Financial Highlights

The City's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $27,573,198. Of this amount, $7,280,594 (unrestricted net position) may be used to meet the government's ongoing obligations. Additionally, $15,596,787 is invested in capital assets. The remainder is restricted primarily for capital projects and law enforcement.

The City's net position from governmental activities increased approximately 33.5% (or $6,148,524) when compared to the previous year, while business-type activities' net position increased by approximately 2.0% (or $58,546) when compared to the previous year. The total increase for 2025 was 29.1%.

General Fund revenues increased in total by $769,080 (14.9%) compared to 2024. Most of this increase was from taxes, licenses and permits, and intergovernmental. Taxes increased by approximately $342,000, licenses and permits increased by $190,000, and intergovernmental increased by $175,000.

General Fund expenses increased by 12.9%, or $606,608, in 2025. Public safety expenditures decreased by approximately $24,000; public works expenses decreased by $3,000 and recreation expenditures increased by $2,000. General government expenditures increased by $257,931. Explanations for the variances follow in the document when comparing 2025 and 2024 operating results.

At the close of 2025, the City's governmental funds reported combined fund balances of $13,414,259 as compared to $13,916,009 at the end of 2024. This reflects a decrease of $501,750, or 3.6%. With the new SPLOST voted in 2023, the City started a new SPLOST II Fund. The City began receiving SPLOST II funds in June 2024 as well as issued a bond. The largest decrease in the current year was in the General Fund. The decrease of $2,031,000 the result of a transfer to capital projects as directed by the Board of Commissioners. Also, because of this transfer the Capital Projects funds shows an increase of $1,365,957. The TAD Fund balance increased by $547,617, simply because no funds were expended during the year.

Unassigned fund balance for the General Fund was $1,902,570 at the end of 2025, as compared to $3,662,828 at the end of 2024. This balance represents 35.7% of total General Fund expenditures. The City's reserves policy stipulates maintaining a balance of at least 25% of expenditures.

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal 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 fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, culture and recreation, housing and development and economic development. The business-type activities of the City are the Stormwater Utility and Sanitation.

The government-wide financial statements include not only the City itself (known as the primary government), but also a discretely presented component unit, the Downtown Development Authority (DDA), for which the City is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself. The Urban Redevelopment Agency (URA) is a blended component unit of the City; URA financial information is reported as a nonmajor capital projects fund.

The government-wide financial statements can be found on pages 16-18 of this report.

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

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

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

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, SPLOST II, Capital Project Funds, and TAD which are reported as major funds. Data from the governmental funds are combined into a single, aggregated presentation, but supplementary information on the individual nonmajor funds may be found beginning on page 64 of this report.

The City adopts an annual appropriated budget for its General Fund and special revenue funds. Project length budgets are adopted for capital project funds. A budgetary comparison statement has been provided for the General Fund and special revenue funds to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 19-23 of this report.

Proprietary funds. The City maintains two enterprise funds in the proprietary fund group. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Avondale Estates uses enterprise funds to account for its Stormwater Utility and Sanitation functions. The basic proprietary fund financial statements can be found on pages 24-26 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has one fiduciary fund: Dottie Holmes Memorial Trust Fund. The basic fiduciary fund financial statements can be found on pages 27 and 28 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 29-60 of this report.

Government-Wide Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following chart is a depiction of the City's net position as compared to the previous year:

City of Avondale Estates Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Assets						
Current assets	$ 15,904,240	$ 15,326,697	$ 979,508	$ 974,460	$ 16,883,748	$ 16,301,157
Capital assets	23,654,900	17,590,597	2,180,201	2,268,692	25,835,101	19,859,289
Total assets	39,559,140	32,917,294	3,159,709	3,243,152	42,718,849	36,160,446
Deferred outflows - Pension	257,519	119,877	15,495	2,648	273,014	122,525
Liabilities						
Non-current liabilities	12,770,033	13,085,123	34,866	201,211	11,888,334	1,196,989
Other liabilities	2,082,597	995,778	89,422	50,861	3,088,584	13,135,984
Total liabilities	14,852,630	14,080,901	124,288	252,072	14,976,918	14,332,973
Deferred inflows - Lease	420,474	465,199	-	-	420,474	465,199
Deferred inflows - Pension	20,066	116,106	1,207	2,565	21,273	118,671
Net Position						
Net investment in capital assets	13,416,586	8,744,238	2,180,201	2,115,615	15,596,787	10,859,853
Restricted	4,695,817	4,464,980	-	-	4,695,817	4,464,980
Unrestricted	6,411,086	5,165,747	869,508	875,548	7,280,594	6,041,295
Total net position	**$ 24,523,489**	**$ 18,374,965**	**$ 3,049,709**	**$ 2,991,163**	**$ 27,573,198**	**$ 21,366,128**

The City's investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding, represents about 56.6% of its total net position. The City uses these capital assets to provide services; consequently, these assets are not currently available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining portions of the City's net position are either restricted ($4.7 million) or unrestricted ($7.3 million). Unrestricted net position may be used to meet the government's ongoing obligations. At the end of the current fiscal year, the City is able to report positive balances in all categories of net position, for both the government as a whole and its business-type activities. During fiscal year 2025, the City's total primary government net position increased by $6,207,070, or 29.1%.

Changes in Net Position

The following schedule presents a summary of changes in net position for the fiscal year ended December 31, 2025:

City of Avondale Estates Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues:						
Charges for services	$ 631,784	$ 429,793	$ 1,135,785	$ 1,020,633	$ 1,767,569	$ 1,450,426
Capital grants and contributions	6,356,104	5,114,468	-	-	6,356,104	5,114,468
General revenues:						
Property taxes	4,458,451	4,019,170	-	-	4,458,451	4,019,170
Franchise taxes	269,871	266,318	-	-	269,871	266,318
Insurance premium taxes	387,818	340,320	-	-	387,818	340,320
Other taxes	278,506	264,628	-	-	278,506	264,628
Other revenues	137,570	62,513	-	-	137,570	62,513
Investment earnings	132,385	100,697	16,055	490,965	148,440	591,662
Total revenues	12,652,489	10,597,907	1,151,840	1,511,598	13,804,329	12,109,505
Expenses						
General government	2,318,151	2,093,710	-	-	2,318,151	2,093,710
Public safety	1,819,982	1,824,239	-	-	1,819,982	1,824,239
Public works	777,350	512,967	-	-	777,350	512,967
Recreation	1,062,760	1,077,865	-	-	1,062,760	1,077,865
Economic development	35,375	35,374	-	-	35,375	35,374
Interest	490,347	551,039	-	-	490,347	551,039
Sanitation	-	-	731,517	645,519	731,517	645,519
Stormwater	-	-	361,777	320,072	361,777	320,072
Total expenses	6,503,965	6,095,194	1,093,294	965,591	7,597,259	7,060,785
Change in net position	6,148,524	4,502,713	58,546	546,007	6,207,070	5,048,720
Net position beginning of year	18,374,965	13,872,252	2,991,163	2,445,156	21,366,128	16,317,408
Net position end of year	$ **24,523,489**	$ **18,374,965**	$ **3,049,709**	$ **2,991,163**	$ **27,573,198**	$ **21,366,128**

Capital grants and contributions were up from 2024 primarily due to grants that were received by the City in 2025 for the 278 Project as the construction continued on the project. Property taxes reflect a gain of $439,281 over 2024 due to an increase in the City's tax digest.

Franchise fees increased $3,553 over 2024 and insurance premium taxes increased $47,498. Other revenues were $75,057 more than 2024.

Total Primary Government expenses increased $536,474 in 2025. General government saw the largest increase of $224,441. Interest expenses decreased by $60,692 due to the City securing a lower fixed interest rate in the prior year.

Reporting of business-type activities includes operations of the Stormwater Utility and Sanitation Department. Business-type activities increased the City of Avondale Estates' net position by $58,546 due to a decrease of $25,242 in the Sanitation Fund and an increase of $83,788 in the Stormwater Fund. Expenses increased by $41,705 in the Stormwater Fund and increased by $85,998 in the Sanitation Fund. The increases were mainly due to salaries.

The City continues to expect to spend down Stormwater reserves in 2026 as high-priority projects identified in the plan are completed. Both Stormwater and Sanitation fees are billed annually with property tax bills; the Sanitation Fund requires significant funding by the General Fund early in the year and then funds are transferred back to the General Fund as revenues are collected near the end of the year.

Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of Avondale Estates, Georgia's governmental funds reported combined ending fund balances of $13,414,259, a decrease of $501,750 in comparison with the prior year. Of that total, $1,902,570 constitutes unassigned General Fund balance, which is available for spending at the government's discretion. As a measure of the General Fund's liquidity, it may be useful to compare fund balance to total fund expenditures. Unassigned General Fund balance at the end of 2025 represents 35.7% of total General Fund expenditures for the year.

Of the total governmental fund balance, $1,218,111 is nonspendable, with $1,116,409 of that amount representing an asset held for resale, and the remainder being prepaid expenses and lease receivable. Additionally, $8,187,270 (consisting of $6,084,870 in SPLOST II collections, $1,742,538 from the Tax Allocation District Fund collections, and $359,862 from nonmajor funds) is restricted for capital outlay projects, $4,437 is restricted for law enforcement outlays. The remainder has been assigned or committed by the Board of Mayor and Commissioners to be spent on approved capital outlay projects in the Urban Redevelopment, Capital Projects, and General Funds.

The table below compares General Fund revenues and expenditures for 2025 and 2024:

	General Fund		
	2025	2024	$ Increase (Decrease
Revenues			
Taxes	$ 4,842,453	$ 4,500,569	$ 341,884
Licenses and permits	321,032	130,717	190,315
Intergovernmental	335,727	160,879	174,848
Fines and forfeitures	299,052	268,576	30,476
Charges for services	500	1,280	(780)
Interest income	42,347	52,889	(10,542)
Other revenues	105,392	62,513	42,879
Total revenues	5,946,503	5,177,423	769,080
Expenditures			
General government	2,316,515	2,058,584	257,931
Public safety	1,570,622	1,594,432	(23,810)
Public works	286,568	283,145	3,423
Recreation	780,887	782,328	(1,441)
Capital outlay	305,356	-	305,356
Debt Service:			
Principal	65,149	-	65,149
Total expenditures	5,325,097	4,718,489	606,608
Excess of revenue over expenditures	621,406	458,934	162,472
Other financing sources (uses):			
Transfers to/from other funds (net)	(2,957,762)	(511,581)	(2,446,181)
Issuance of SBITA	305,356	-	305,356
Total other financing sources(uses)	(2,652,406)	(511,581)	(2,140,825)
Net change in fund balances	(2,031,000)	(52,647)	(1,978,353)
Fund balances, beginning of year	5,151,681	5,204,328	(52,647)
	$ **3,120,681**	$ **5,151,681**	$ **(2,031,000)**

Fines and forfeitures showed an increase of $30,476 from 2024 to 2025. Taxes were $341,884 higher than in 2024 primarily to growth in the digest and economic development activities. Other revenues (miscellaneous and intangibles) increased by $42,879 due to an increase in donations to the City for events. Interest income decreased by $10,542 from 2024. Intergovernmental revenues increased $174,848 due to compost grants. Licenses and permits increased $190,315 due to one time permits.

General government expenditures increased $257,931 during 2025 primarily due to communications expenses. Public safety expenditures showed a decrease of $23,810 during 2025. Public works expenditures had a minor increase of $3,423.

SPLOST II Fund - The SPLOST II Fund collected $766,252 in sales taxes and spent $961,073. The fund balance of $6,084,870 is restricted for capital projects.

Capital Projects Fund - The Capital Projects Fund spent $5,708,477 on capital construction during the year. The fund also received a transfer from the general fund for projects. Remaining fund balance of $2,101,657 is assigned by the City for future capital construction.

TAD Fund - The TAD fund recognized taxes of $526,524 and had no expenditures. Fund balance of $1,742,538 is restricted for capital construction.

Proprietary funds. The Statement of Revenues, Expenses, and Changes in Net Position for the City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City maintains two enterprise funds, the Stormwater Utility Fund and Sanitation Fund, which are operated similarly to for-profit businesses, i.e., expenses incurred in providing services to residents are generally recouped through fees charged.

Revenue from Stormwater fees remained consistent with 2024, at $433,807. After accounting for interest income of $11,758 and operating expenses of $361,777, the Stormwater utility net position increased by $83,788 for total net position of $3,026,143 at the end of the fiscal year. The City anticipates strong infrastructure spending in 2026.

Sanitation revenues increase $91,804, or 15.0%, in 2025, primarily due to an increase in sanitation fees. After accounting for operating expenses of $731,517, interest expense in the amount of $330 and interest income in the amount of $4,627, Sanitation had a net loss of $25,242. The fund's net position at the end of 2025 was $23,566.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The primary fiduciary fund is the Dottie Holmes Memorial Trust Fund that holds assets to be used for replanting certain flora around the City. The Dottie Holmes Memorial Trust Fund had a net increase of $59 to net position during 2025 for a total of $12,529 at year end.

General Fund Budgetary Highlights

The 2025 adopted budget anticipated no change in fund balance and there was one budget amendment made during the fiscal year. When the year ended, the fund balance decreased by $2,031,000. The final revenue budget included an increase of $57,500 in licenses and permits and an additional $77,500 in Intergovernmental. The final budget also included an increase for the issuance of SBITA. The revenue budget for 2025 including other financing sources was $8,470,631. Actual revenue collections were $6,251,859.

The final expenditures budget including transfers was $8,470,631. The City's General Fund balance as of December 31, 2024, was $3,120,381, or about 58.6% of the City's actual General Fund expenditures for calendar year 2025.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $25,835,101 (net of accumulated depreciation). This investment in capital assets includes land, buildings and fixtures, improvements, machinery and equipment, vehicles, and infrastructure. Governmental capital assets increased approximately 30.1% for the current calendar year. Major additions included construction for the 278 project.

Additional information on the City's capital assets can be found in Note 8 on pages 47-49 of this report. The following table summarizes the capital assets (net of depreciation) for governmental activities, business-type activities and the total for the primary government:

Capital Assets (net of depreciation)

	Governmental Activities		Business - Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	$ 2,900,972	$ 2,900,972	$ 101,505	$ 101,505	$ 3,002,477	$ 3,002,477
Land improvements	8,002,142	8,124,556	-	-	8,002,142	8,124,556
Infrastructure	1,110,624	476,888	1,908,040	1,354,580	3,018,664	1,831,468
Construction in progress	10,038,181	4,830,272	131,534	727,740	10,169,715	5,558,012
Building and improvements	578,636	583,548	-	-	578,636	583,548
Furniture, equipment, and vehicles	761,321	674,361	39,122	84,867	800,443	759,228
Subscription assets	263,024	-	-	-	263,024	-
Total	**$ 23,654,900**	**$ 17,590,597**	**$ 2,180,201**	**$ 2,268,692**	**$ 25,835,101**	**$ 19,859,289**

As of December 31, 2025, construction in progress included the following projects, which are scheduled for completion in future years:

- Highway 278 Streetscape
- Street Grid Improvements
- Fletcher Park

Business-type activities included the following infrastructure additions:

- Wiltshire/Lakemore
- Drain repairs around the City

Additionally, construction in progress at year-end included Northwoods at Lake Avondale's stormwater project. This project will be completed in future years.

Long-Term Debt

At the end of 2025, the City directly held long-term liabilities of $314,043 for compensated absences and $614,297 for net pension liability. Of these amounts, $280,08 and $579,431, respectively, were related to governmental activities with the remainder related to business-type activities. The City paid off financed purchases agreements during 2025. The City issued a Subscription Based IT Arrangement (SBITA) Liability in 2025 for $305,356. The outstanding balance of the SBITA is $240,207.

The City also held long-term debt through component units. The Urban Redevelopment Agency of the City issued $8,595,000 of bond debt. The City also issued $3,785,000 of sales tax bond debt. The outstanding balance of bonds at December 31, 2025 is $11,515,000.

Additional information on the City's long-term debt can be found in Note 9 on pages 49-51 of this report.

Economic and Demographic Factors

According to the Bestplaces.net, the City of Avondale Estates, GA is an attractive place to live with a cost of living that is slightly below the U.S. average. Local companies in Avondale Estates include shops like Garage Door Studio and restaurants such as The Stratford Pub. It's also home to antique mall Estates Emporium and coffee shop Banjo Coffee.

Avondale Estates has an unemployment rate of 4.8%. The U.S. average is 6.0%. Future job growth over the next ten years is predicted to be 44.7%.

The average income of an Avondale Estates resident is $70,046 a year. The U.S. average is $39,525 a year. The median household income of an Avondale Estates resident is $118,929 a year, while the U.S. average is $74,664 a year.

Next Year's Budget

The 2026 budget anticipates General Fund revenues of $5,860,680 which is $85,823 less than total actual 2025 revenue collections in the amount of $5,946,503. The City expects less tax and permit revenue in the next year. The General Fund budgeted expenditures also totaled $5,860,680 for 2026. General Fund expenditures are projected to increase by about $535,583 compared to the 2025 actual expenditures of $5,325,097, as increased personnel and operation costs are expected to continue due to general economic and inflationary pressures.

The 2026 budgeted Sanitation Fund revenue amounts to $658,000, a decrease of about $18,000 over 2025. The 2026 Sanitation Fund expenditures budget is $658,000. Any actual increase in fund balance is retained by the fund for future capital or operating expenses.

Requests for Information

This financial report is designed to provide a general overview of the City of Avondale Estates' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Manager, 21 North Avondale Plaza, City of Avondale Estates, Avondale Estates, Georgia 30002.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
ASSETS				
Cash and cash equivalents	$ 11,479,018	$ 1,614,547	$ 13,093,565	$ 4,821,201
Accounts receivable	235,293	44,545	279,838	-
Note receivable	-	-	-	4,924,999
Property taxes receivable, net	74,208	-	74,208	-
Due from other governments	1,625,498	-	1,625,498	-
Lease receivables, due in one year	43,330	-	43,330	29,726
Lease receivables, due in more than one year	395,286	-	395,286	37,188
Due from component unit	170,254	-	170,254	-
Internal balances	681,384	(681,384)	-	-
Prepaid items	83,560	1,800	85,360	-
Asset held for redevelopment	1,116,409	-	1,116,409	-
Capital assets:				
Nondepreciable	12,939,153	233,039	13,172,192	633,602
Depreciable, net of accumulated depreciation	10,715,747	1,947,162	12,662,909	855,404
Total assets	39,559,140	3,159,709	42,718,849	11,302,120
TOTAL DEFERRED OUTFLOWS OF RESOURCES				
Pensions	257,519	15,495	273,014	-
Total deferred inflows of resources	257,519	15,495	273,014	-
LIABILITIES				
Accounts payable	1,967,222	55,387	2,022,609	50,885
Due to primary government	-	-	-	170,254
Accrued liabilities	115,375	-	115,375	35,685
Compensated absences, due within one year	280,008	34,035	314,043	-
Bonds payable, due within one year	735,000	-	735,000	-
Bonds payable, due in more than one year	10,935,387	-	10,935,387	-
Net pension liability, due in more than one year	579,431	34,866	614,297	-
Subscription liability, due within one year	57,126	-	57,126	-
Subscription liability, due in more than one year	183,081	-	183,081	-
Total liabilities	14,852,630	124,288	14,976,918	256,824
DEFERRED INFLOWS OF RESOURCES				
Deferred lease revenue	420,474	-	420,474	65,678
Pensions	20,066	1,207	21,273	-
Total deferred inflows of resources	440,540	1,207	441,747	65,678
NET POSITION				
Net investment in capital assets	13,416,586	2,180,201	15,596,787	1,489,006
Restricted for law enforcement	4,437	-	4,437	-
Restricted for capital construction	4,691,380	-	4,691,380	-
Unrestricted	6,411,086	869,508	7,280,594	9,490,612
Total net position	$ 24,523,489	$ 3,049,709	$ 27,573,198	$ 10,979,618

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 2,318,151	$ 321,532	$ -	$ -
Public safety	1,819,982	310,252	-	961,252
Public works	777,350	-	-	5,389,564
Culture and recreation	1,062,760	-	-	-
Economic development	35,375	-	-	-
Interest and fiscal charges	490,347	-	-	5,288
Total governmental activities	6,503,965	631,784	-	6,356,104
Business-type activities:				
Stormwater	361,777	433,807	-	-
Sanitation	731,517	701,978	-	-
Total business-type activities	1,093,294	1,135,785	-	-
Total primary government	$ 7,597,259	$ 1,767,569	$ -	$ 6,356,104
Component unit:				
Downtown development authority	$ 518,015	$ 25,261	$ -	$ -
Total component unit	$ 518,015	$ 25,261	$ -	$ -

General revenues:
- Property taxes
- Franchise taxes
- Alcohol and excise taxes
- Insurance premium taxes
- Intangible taxes
- Unrestricted investment earnings
- Miscellaneous revenues

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Downtown Development Authority
$ (1,996,619)	$ -	$ (1,996,619)	$ -
(548,478)	-	(548,478)	-
4,612,214	-	4,612,214	-
(1,062,760)	-	(1,062,760)	-
(35,375)	-	(35,375)	-
(485,059)	-	(485,059)	-
483,923	-	483,923	-
-	72,030	72,030	-
-	(29,539)	(29,539)	-
-	42,491	42,491	-
483,923	42,491	526,414	-
-	-	-	(492,754)
$ -	$ -	$ -	$ (492,754)
$ 4,458,451	$ -	$ 4,458,451	$ -
269,871	-	269,871	-
251,946	-	251,946	-
387,818	-	387,818	-
26,560	-	26,560	-
137,570	-	137,570	243,934
132,385	16,055	148,440	269,126
5,664,601	16,055	5,680,656	513,060
6,148,524	58,546	6,207,070	20,306
18,374,965	2,991,163	21,366,128	10,959,312
$ 24,523,489	$ 3,049,709	$ 27,573,198	$ 10,979,618

CITY OF AVONDALE ESTATES, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	SPLOST II Fund	Capital Projects Fund	TAD Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 2,568,781	$ 5,976,984	$ 918,343	$ 1,682,890	$ 332,020	$ 11,479,018
Accounts receivable	235,293	-	-	-	-	235,293
Taxes receivable, net of allowance	74,208	-	-	-	-	74,208
Intergovernmental receivable	-	155,482	1,410,368	59,648	-	1,625,498
Lease receivables	438,616	-	-	-	-	438,616
Due from other funds	1,606,641	-	2,521,354	-	40,420	4,168,415
Due from component unit	170,254	-	-	-	-	170,254
Prepaid items	83,560	-	-	-	-	83,560
Asset held for redevelopment	1,116,409	-	-	-	-	1,116,409
Total assets	$ 6,293,762	$ 6,132,466	$ 4,850,065	$ 1,742,538	$ 372,440	$ 19,391,271
LIABILITIES						
Accounts payable	$ 88,089	$ 47,596	$ 1,823,610	$ -	$ 7,927	$ 1,967,222
Accrued liabilities	69,694	-	-	-	-	69,694
Due to other funds	2,562,233	-	924,798	-	-	3,487,031
Total liabilities	2,720,016	47,596	2,748,408	-	7,927	5,523,947
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	32,591	-	-	-	-	32,591
Deferred lease revenue	420,474	-	-	-	-	420,474
Total deferred inflows of resources	453,065	-	-	-	-	453,065
FUND BALANCES						
Fund balances:						
Nonspendable:						
Prepaid items	83,560	-	-	-	-	83,560
Asset held for redevelopment	1,116,409	-	-	-	-	1,116,409
Long term lease receivable	18,142	-	-	-	-	18,142
Restricted:						
Law enforcement	-	-	-	-	4,437	4,437
Capital construction	-	6,084,870	-	1,742,538	359,862	8,187,270
Assigned:						
Capital construction	-	-	2,101,657	-	214	2,101,871
Unassigned	1,902,570	-	-	-	-	1,902,570
Total fund balances	3,120,681	6,084,870	2,101,657	1,742,538	364,513	13,414,259
Total liabilities, deferred inflows of resources, and fund balances	$ 6,293,762	$ 6,132,466	$ 4,850,065	$ 1,742,538	$ 372,440	
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.						23,654,900
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.						(12,236,283)
Net pension liability along with related deferred inflows and outflows of resources is not due and payable in the current period and, therefore, is not reported in the governmental funds.						(341,978)
Some revenues are not available in the current period and, therefore, are not reported in the governmental funds.						32,591
Net position of governmental activities						$ 24,523,489

The accompanying notes are an integral part of these statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	SPLOST II Fund	Capital Projects Fund	*(Previously Nonmajor)* TAD Fund	*(Previously Major)* ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:							
Property taxes	$ 3,906,258	$ -	$ -	$ 526,524	$ -	$ -	$ 4,432,782
Franchise taxes	269,871	-	-	-	-	-	269,871
Alcohol excise taxes	65,759	-	-	-	-	-	65,759
Excise taxes	186,187	-	-	-	-	-	186,187
Insurance premium taxes	387,818	-	-	-	-	-	387,818
Intangible taxes	26,560	-	-	-	-	-	26,560
Licenses and permits	321,032	-	-	-	-	-	321,032
Intergovernmental	335,727	766,252	4,541,831	-	-	625,525	6,269,335
Charges for services	500	-	-	-	-	11,200	11,700
Fines and forfeitures	299,052	-	-	-	-	-	299,052
Contributions	21,275	-	-	-	-	-	21,275
Interest earned	42,347	81,481	69,573	21,093	-	9,845	224,339
Miscellaneous	84,117	-	26,993	-	-	-	111,110
Total revenues	5,946,503	847,733	4,638,397	547,617	-	646,570	12,626,820
Expenditures:							
Current:							
General government	2,316,515	-	-	-	-	-	2,316,515
Public safety	1,570,622	-	-	-	-	9,507	1,580,129
Public works	286,568	-	-	-	-	-	286,568
Recreation	780,887	-	-	-	-	-	780,887
Capital outlay	305,356	241,514	5,708,477	-	-	908,047	7,163,394
Debt service:							
Principal	65,149	590,000	-	-	-	140,000	795,149
Interest	-	129,559	-	-	-	381,725	511,284
Total expenditures	5,325,097	961,073	5,708,477	-	-	1,439,279	13,433,926
Excess (deficiency) of revenues over expenditures	621,406	(113,340)	(1,070,080)	547,617	-	(792,709)	(807,106)
Other financing sources (uses):							
Transfers in	-	-	2,436,037	-	-	521,725	2,957,762
Transfers out	(2,957,762)	-	-	-	-	-	(2,957,762)
Issuance of SBITA	305,356	-	-	-	-	-	305,356
Total other financing sources (uses)	(2,652,406)	-	2,436,037	-	-	521,725	305,356
Net change in fund balances	(2,031,000)	(113,340)	1,365,957	547,617	-	(270,984)	(501,750)
Fund balances, beginning of year	5,151,681	6,198,210	735,700	-	33,496	1,796,922	13,916,009
Adjustment - change within reporting entity	-	-	-	1,194,921	(33,496)	(1,161,425)	-
Fund balances, beginning of year, as adjusted	5,151,681	6,198,210	735,700	1,194,921	-	635,497	13,916,009
Fund balances, end of year	$ 3,120,681	$ 6,084,870	$ 2,101,657	$ 1,742,538	$ -	$ 364,513	$ 13,414,259

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(501,750)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		6,095,252
The effect of disposals of capital assets is to decrease net position.		(30,949)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		25,669
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the net effect of these differences in the treatment of long-term debt.		499,200
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		61,102
Change in net position - governmental activities	$	6,148,524

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 3,958,995	$ 3,958,995	$ 3,906,258	$ (52,737)
Alcohol excise taxes	50,000	50,000	65,759	15,759
Franchise taxes	248,000	248,000	269,871	21,871
Excise taxes	192,500	192,500	186,187	(6,313)
Insurance premium taxes	345,000	345,000	387,818	42,818
Intangible taxes	40,000	40,000	26,560	(13,440)
Licenses and permits	176,100	233,600	321,032	87,432
Intergovernmental	259,234	336,734	335,727	(1,007)
Charges for services	1,100	1,100	500	(600)
Fines and forfeitures	245,000	245,000	299,052	54,052
Contributions	27,750	27,750	21,275	(6,475)
Interest earned	45,000	45,000	42,347	(2,653)
Miscellaneous	59,000	2,441,596	84,117	(2,357,479)
Total revenues	5,647,679	8,165,275	5,946,503	(2,218,772)
Expenditures:				
Current:				
General government	2,396,068	2,396,068	2,316,515	79,553
Public safety	1,637,971	1,943,327	1,875,978	67,349
Public works	325,729	325,729	286,568	39,161
Recreation	647,596	782,596	780,887	1,709
Debt service:				
Debt Service	65,149	65,149	65,149	-
Total expenditures	5,072,513	5,512,869	5,325,097	187,772
Excess of revenues over expenditures	575,166	2,652,406	621,406	(2,031,000)
Other financing (sources) uses:				
Transfers out	(575,166)	(2,957,762)	(2,957,762)	-
Issuance of SBITA	-	305,356	305,356	-
Total other financing sources (uses)	(575,166)	(2,652,406)	(2,652,406)	-
Net change in fund balance	-	-	(2,031,000)	(2,031,000)
Fund balance, beginning of year	5,151,681	5,151,681	5,151,681	-
Fund balance, end of year	$ 5,151,681	$ 5,151,681	$ 3,120,681	$ (2,031,000)

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

TAD FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Property taxes	$ 490,000	$ 490,000	$ 526,524	$ 36,524
Interest	20,000	20,000	21,093	1,093
Total revenues	510,000	510,000	547,617	37,617
Net change in fund balances	510,000	510,000	547,617	37,617
Fund balances, beginning of year	1,194,921	1,194,921	1,194,921	-
Fund balances, end of year	$ 1,704,921	$ 1,704,921	$ 1,742,538	$ 37,617

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2025

ASSETS	Business-Type Activities Enterprise Funds: Stormwater Fund	Business-Type Activities Enterprise Funds: Sanitation Fund	Total Business-Type Activities
CURRENT ASSETS			
Cash	$ 920,381	$ 694,166	$ 1,614,547
Accounts receivable	23,632	20,913	44,545
Due from other funds	100,649	459	101,108
Prepaids	1,800	-	1,800
Total current assets	1,046,462	715,538	1,762,000
NONCURRENT ASSETS			
Capital assets, nondepreciable	233,039	-	233,039
Capital assets, depreciable	2,301,849	667,658	2,969,507
Accumulated depreciation	(393,809)	(628,536)	(1,022,345)
Total capital assets, net	2,141,079	39,122	2,180,201
Total assets	3,187,541	754,660	3,942,201
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	-	15,495	15,495
Total deferred outflows of resources	-	15,495	15,495
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	3,072	52,315	55,387
Due to other funds	147,288	635,204	782,492
Compensated absences	11,038	22,997	34,035
Total current liabilities	161,398	710,516	871,914
NONCURRENT LIABILITIES			
Net pension liability	-	34,866	34,866
Total noncurrent liabilities	-	34,866	34,866
Total liabilities	161,398	745,382	906,780
DEFERRED INFLOWS OF RESOURCES			
Pension related items	-	1,207	1,207
Total deferred inflows of resources	-	1,207	1,207
NET POSITION			
Investment in capital assets	2,141,079	39,122	2,180,201
Unrestricted	885,064	(15,556)	869,508
Total net position	$ 3,026,143	$ 23,566	$ 3,049,709

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities Enterprise Funds		
	Stormwater Fund	Sanitation Fund	Total Business-Type Activities
OPERATING REVENUE			
Stormwater fees	$ 433,807	$ -	$ 433,807
Sanitation fees	-	701,978	701,978
Total operating revenues	433,807	701,978	1,135,785
OPERATING EXPENSES			
Personnel services	155,249	230,132	385,381
Contracted services	119,575	455,640	575,215
Depreciation	86,953	45,745	132,698
Total operating expenses	361,777	731,517	1,093,294
Operating income (loss)	72,030	(29,539)	42,491
NONOPERATING REVENUE (EXPENSE)			
Interest income	11,758	4,627	16,385
Interest expense	-	(330)	(330)
Total nonoperating revenue (expense)	83,788	(25,242)	58,546
Change in net position	83,788	(25,242)	58,546
Net Position, beginning of year	2,942,355	48,808	2,991,163
Net Position, end of year	$ 3,026,143	$ 23,566	$ 3,049,709

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Business-Type Activities Enterprise Funds		
	Stormwater Fund	Sanitation Fund	Total Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 520,775	$ 696,676	$ 1,217,451
Payments to employees	(152,083)	(214,462)	(366,545)
Payments to suppliers	(71,422)	(462,891)	(534,313)
Net cash provided by operating activities	297,270	19,323	316,593
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest income	11,758	4,627	16,385
Net cash provided by investing activities	11,758	4,627	16,385
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Payment on financed purchases	-	(11,431)	(11,431)
Interest expense	-	(330)	(330)
Payment of retainage	(125,495)	-	(125,495)
Purchase of capital assets	(44,207)	-	(44,207)
Net cash used in capital and related financing activities	(169,702)	(11,761)	(181,463)
Net change in cash	139,326	12,189	151,515
Cash, beginning of year	781,055	681,977	1,463,032
Cash, end of year	$ 920,381	$ 694,166	$ 1,614,547
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 72,030	$ (29,539)	$ 42,491
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	86,953	45,745	132,698
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	187,618	(4,934)	182,684
Increase in prepaid expenses	(1,800)	-	(1,800)
Increase in due from other funds	(100,649)	(369)	(101,018)
Increase in deferred outflows of resources	-	(12,847)	(12,847)
Increase in compensated absences	3,166	1,317	4,483
Increase in due to other funds	63,031	3,570	66,601
Increase in net pension liability	-	24,988	24,988
Decrease in deferred inflows of resources	-	(1,358)	(1,358)
Decrease in accounts payable	(13,079)	(7,250)	(20,329)
Net cash provided by operating activities	$ 297,270	$ 19,323	$ 316,593

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2025

	Dottie Holmes Memorial Private Purpose Trust Fund
ASSETS	
Cash and cash equivalents	$ 12,529
Total assets	$ 12,529
NET POSITION	
Restricted for maintenance	$ 12,529
	$ 12,529

The accompanying notes are an integral part of these financial statements.

CITY OF AVONDALE ESTATES, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Dottie Holmes Memorial Private Purpose Trust Fund
ADDITIONS:	
Interest income	$ 59
Total additions	59
Change in net position	59
NET POSITION:	
Beginning of fiscal year	12,470
End of fiscal year	$ 12,529

The accompanying notes are an integral part of these financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The City operates under a modified Board of Commissioners/manager form of government and provides the following services as authorized by its charter to its citizens: public safety (police), public works (highways, streets and sanitation), culture and recreation, housing and development, and general and administrative services. The more significant of the City's accounting policies are described below.

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the City (the "primary government") and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

Discretely Presented Component Unit - In conformity with generally accepted accounting principles, the financial statements of the Avondale Estates Downtown Development Authority (the "DDA") are presented as a discretely presented component unit. The DDA was created in 2001 by the Board of Commissioners pursuant to the Georgia Downtown Development Authorities Law. It operates through a Board of Directors consisting of seven (7) members appointed by the Board of Commissioners and the Mayor and they may also be removed by the Mayor and Board of Commissioners. The purpose of the DDA is to promote, to preserve, and to enhance a safe and economically viable central business district by focusing both public and private resources on maximizing the potential the historic downtown. Separate financial statements for the Downtown Development Authority are not prepared.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Unit - The Urban Redevelopment Agency of the City of Avondale Estates was established as a legally separate entity. The five members of the Urban Redevelopment Agency are appointed by the Mayor and Board of Commissioners and they may also be removed by the Mayor and Board of Commissioners. The Urban Redevelopment Agency provides a means to issue revenue bonds for development within the City. Although it is legally separate from the City, the Urban Redevelopment Agency is reported as if it were a part of the primary government because its sole purpose is to finance the City's acquisition of property within the City, and the City is repaying the debt. The Urban Redevelopment Agency is reported as a capital project fund.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. The statement of net position includes noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, any interfund services provided and used are not eliminated as this process would distort the direct costs and program revenues reported in the various functions.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 City generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of expenditure-driven grants and intergovernmental revenues, which are considered available if collected within 180 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. Property taxes, alcoholic beverage taxes, franchise taxes, licenses, intergovernmental grants, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period, if the available criteria are met. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, “Accounting and Financial Reporting for Nonexchange Transactions”, the corresponding assets (receivables) in nonexchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source. In accordance with GASB Statement No. 34, major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City reports the following major governmental funds:

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

The **SPLOST II Fund** is used to account for the special purpose local option sales tax revenue collected and payments made for capital project expenditures of those funds for major capital projects.

The **Capital Projects Fund** is to account for the financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities, other capital assets, and the maintenance and upkeep of the lake.

The **Tax Allocation District (TAD) Fund** is used to account for the redevelopment of the downtown business district by means of a redevelopment plan and with restricted funding from a Tax Allocation District.

The City reports the following major proprietary funds:

The **Stormwater Fund** is used to account for the charges and expenses of maintaining the City's stormwater infrastructure.

The **Sanitation Fund** is used to account for the collection of garbage fees and related expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The City also reports the following fund type:

The **Dottie Holmes Memorial Private Purpose Trust Fund** accounts for assets held by the City under the terms of a formal trust agreement to be used for the purpose of maintaining the rhododendron plant thicket and hedge at Lake Avondale.

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

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

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

D. Budgets

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value as determined by quoted market prices.

F. Interfund Receivables and Payables

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2025, are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

H. Capital Assets

Capital assets, which include property, plant, equipment, right-of-use, and infrastructure assets (e.g., stormwater catch basins and piping, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Machinery and equipment	5-10 years
Vehicle	5 years
Land improvements	15-20 years
Infrastructure	10-20 years
Buildings and improvements	20-50 years
Subscription assets	5 years

I. Leases

Lessor

The City is a lessor for noncancellable leases of cell tower space. The City recognizes a lease receivable and a deferred inflow of resources in the governmental activities financial statements. The City recognizes lease receivables with an initial, individual value of $25,000 or more.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The lease agreements entered into by the City do not contain a stated interest rate. Therefore, the City has used its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments and purchase option prices that the City is reasonably certain to collect.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Subscription-Based Information Technology Arrangements

The City has entered into a noncancelable long-term subscription-based information technology arrangement (SBITA) for various software programs related to the Public Safety Department. The City recognizes a right-to-use subscription asset and corresponding subscription liability in the government-wide financial statements and proprietary fund financial statements.

At the commencement of the subscription term, the City measures the subscription liability at the present value of minimum payments required to be paid during the subscription term. The right-to-use subscription asset is initially measured as the sum of the initial subscription liability amount plus payments made to the vendor before commencement of the subscription term and capitalizable implementation costs, less any incentives received from the vendor at or before commencement.

The City's SBITA activities, other than making subscription payments, are accounted for as follows:

- Preliminary project stage activities include evaluating alternatives, determining the needed technology, and vendor selection are expensed as incurred.
- Initial implementation stage activities include all ancillary charges necessary to place the subscription asset into service are capitalized in addition to the subscription asset.

Operation and additional implementation stage activities such as maintenance and support are expensed as incurred.

Key estimates and judgments related to the City's subscription assets and liabilities include how the City determines: (1) the discount rate it uses to discount the expected subscription payments to present value, (2) lease term, and (3) subscription payments:

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not specified, the City generally uses its estimated incremental borrowing rate as the discount rate.
- The lease term includes the noncancellable period of the subscription term. Subscription payments included in the measurement of the subscription assets and liabilities are composed of fixed payments due to the vendor over the subscription term.

The City monitors changes in circumstances that would require a remeasurement of its subscription assets and liabilities and will remeasure them if changes occur that are expected to significantly affect the reported amount of subscription assets and liabilities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Sick pay is accumulated in accordance with GASB 101 and an estimate for the time to be used during employment has been accrued. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts (if any) are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

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

M. Deferred Inflows/Outflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City's unavailable revenue, arises under a modified accrual basis of accounting, and therefore, qualifies for reporting in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The City also reports deferred revenue on lease receivables, which is reported both at the fund level and the government-wide level.

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the City's actuary that adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members..

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Inflows/Outflows of Resources (Continued)

Changes in actuarial assumptions that adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the City to the pension plan before year-end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources.

N. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the assets, deferred inflows of resources, and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal vote of the Board of Commissioners through the adoption of a resolution. The same formal action is required to subsequently remove or modify a commitment of fund balance.

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the City's finance director to assign fund balances. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular governmental fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The City reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

- ***Flow Assumptions*** – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

O. Net Position

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources, and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City 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 as described in the Fund Equity section. All other net position is reported as unrestricted. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

P. Management Estimates

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

Q. Interfund Transactions

Interfund services provided and used in the fund financial statements are accounted for as revenue, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as a reduction of expenditures/expenses in the fund that is reimbursed.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Avondale Estates Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position has been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities is not due and payable in the current period and, therefore, are not reported in the funds." The details of this $12,236,283 difference are as follows:

Bonds payable	$	(11,515,000)
Premium		(155,387)
Accrued Interest		(45,681)
Compensated absences (i.e., vacation and sick leave)		(280,008)
Subscription liability		(240,207)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(12,236,283)

Another element of that reconciliation explains that "net pension liability is not due and payable in the current period, and therefore, are not reported in the funds, along with related deferred inflows and outflows of resources." The details of this $341,978 difference are as follows:

Net pension liability	$	(579,431)
Deferred inflows of resources - pension		(20,066)
Deferred outflows of resources - pension		257,519
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(341,978)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $6,095,252 difference are as follows:

Capital outlay	$	6,762,090
Depreciation expense		(666,838)
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	6,095,252

Another element of the reconciliation states that "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position." This amount is the net effect of these differences in the treatment of long-term debt. The details of this $499,200 difference are as follows:

Amortization of bond premium	$	9,407
Issuance of SBITA		(305,356)
Principal payments on bond payable		730,000
Principal payments on SBITA		65,149
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	499,200

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (Continued)

Another element of the reconciliation states that "some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds." The details of this $61,102 difference are as follows:

Compensated absences	$	(51,811)
Accrued Interest		11,530
Net pension liability and deferred inflow/outflows of resources		101,383
Net adjustment to increase *net change in fund balances - total governmental funds* to arrive at *change in net position - governmental activities*	$	61,102

NOTE 3. LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

The budget is officially adopted by the governing body prior to the beginning of its fiscal year, or a resolution authorizing the continuation of necessary and essential expenditures to operate the City will be adopted. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level, within the fund.

Transfers of appropriations within a department budget or within a non-departmental expenditure category require only the approval of the Finance Director. Increases in appropriations in a departmental budget or in a nondepartmental expenditure category, require approval of the governing body in the form of amendments to the budget ordinance.

NOTE 4. DEPOSITS AND INVESTMENTS

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, and City policy, require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. Government, or bonds of public authorities, counties, or municipalities. As of December 31, 2025, the City's bank balances were properly collateralized as defined by state statutes.

Credit Risk – Investments: The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard & Poor's criteria for AAAf/S1-rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on $1 per share. The City has classified the Georgia Fund 1 funds as cash equivalents; therefore, cash equivalents includes $5,606,719 in Georgia Fund 1. As of December 31, 2025, the Georgia Fund 1 had a weighted-average maturity of 51 days and a credit rating of AAAf/S1.

Interest Rate Risk: The City does not have a formal policy that addresses interest rate risk. At December 31, 2025, the above investments were subject to interest rate risk. Interest rate risk is the risk that a government may face should changes in interest rates affect the fair value of its investments.

Credit Risk Policy: State statutes authorize the City to invest in obligations of the State of Georgia or other States; obligations issued by the U.S. Government; obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States; obligations of any corporation of the U.S. Government; prime bankers' acceptances; the State of Georgia's Local Government Investment Pool (Georgia Fund 1) established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of December 31, 2025, the City's only investments were in the local government pool established by state law.

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the City does not disclose the investment in the Georgia Fund 1 within the fair value hierarchy.

NOTE 5. RECEIVABLES

Property taxes attach as an enforceable lien on property as of January 1 and are based on property values as of January 1. Property taxes were levied on July 2, 2025 and are due and payable in two installments. The first installment was due on September 30, 2025, and the second installment was due on November 17, 2025. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City.

In governmental funds, property taxes are recorded as receivables and unavailable revenues (deferred inflows of resources) when assessed. Revenues are recognized when available.

In the enterprise funds, stormwater and sanitation fees are billed annually on July 2 along with the property taxes and are due and payable in two installments. The first installment was due on September 30, 2025, and the second installment was due on November 17, 2025. After these dates, the bill becomes delinquent and penalties and interest may be assessed by the City.

Receivables at December 31, 2025 for the City's individual major funds and aggregate nonmajor funds, including the applicable allowances for uncollectible accounts are as follows:

	General	SPLOST II	TAD	Capital Projects	Sanitation	Stormwater
Receivables:						
Taxes	$ 78,386	$ -	$ -	$ -	$ -	$ -
Accounts	235,293	-	-	-	20,913	23,632
Intergovernmental	-	155,482	59,648	1,410,368	-	-
Less allowance for uncollectible	(4,178)	-	-	-	-	-
Net total receivable	$ 309,501	$ 155,482	$ 59,648	$ 1,410,368	$ 20,913	$ 23,632

NOTE 6. LEASES RECEIVABLE

The City leased parcels of land to third parties for cell towers. The City receives variable monthly payments in amounts ranging from $2,207 to $2,807 and annual payments in amounts ranging from $14,876 to $16,743 which include the principal and interest components of the payments. As the leases do not contain a specific interest rate, the City has used its incremental borrowing rate of .5% as the discount rate for the leases. For the current year, the City recognized $44,725 in lease revenue and $2,347 in interest revenue related to the leases. As of December 31, 2025, the City's receivable for lease payments was $438,616. Also, the City has a deferred inflow of resources associated with the leases that will be recognized over the lease terms which end on January 1, 2026 and November 1, 2039. The deferred inflow of resources has a balance of $420,474 as of December 31, 2025.

Additionally, the Downtown Development Authority (DDA) leased a commercial property to a third party. The DDA receives escalating monthly payments in amounts ranging from $2,600 to $2,758. As the lease does not contain a specific interest rate, the DDA used the City's incremental borrowing rate of 3.34% as the discount rate for the lease. For the current year, the DDA recognized $25,261 in lease revenue and $1,975 in interest revenue related to the lease. As of December 31, 2025, the DDA's receivable for lease payments was $66,914. Also, the DDA has a deferred inflow of resources associated with the lease that will be recognized over the lease term which ends on February 29, 2028. The deferred inflow of resources has a balance of $65,678 as of December 31, 2025.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Lease receivable - AT&T	$ 32,750	$ -	$ (16,255)	$ 16,495	$ 16,495
Lease receivable - T-Mobile	448,822	-	(26,701)	422,121	26,835
	$ 481,572	$ -	$ (42,956)	$ 438,616	$ 43,330

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Lease receivable - Peter Constructive, LLC	$ -	$ 90,938	$ (24,025)	$ 66,914	$ 29,726
	$ -	$ 90,938	$ (24,025)	$ 66,914	$ 29,726

NOTE 7. NOTE RECEIVABLE

In September 2024, the Downtown Development Authority issued a loan to ATG Partners, LLC, a Georgia limited liability company, for a maximum amount of $4,200,000 for the development and construction of the “Town Green Mixed-Use Project.” Disbursements made as of December 31, 2025 totaled $4,174,999. The Authority does not charge any interest during the draw phase of the loan. The note carries an interest rate of 3% with repayments on the loan starting June 1, 2026. The note is secured by the Town Green Mixed-Use Project.

In December 2025, the Downtown Development Authority issued a loan to The Perkatory LLC (Banjo Coffee), a Georgia limited liability company, for a maximum amount of $750,000 for the development of Banjo Coffee. Disbursements made as of December 31, 2025 totaled $750,000. The loan includes a 120-day grace period with no interest or principal due, after which a 4.5% interest rate applies. The DDA secured the debt via a Security Deed, an Assignment of All Rents, and a Commercial Security Agreement for the property at 38 N. Avondale Road.

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NOTE 8. CAPITAL ASSETS

Primary Government

Capital asset activity for the City for the year ended December 31, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated					
Land	$ 2,900,972	$ -	$ -	$ -	$ 2,900,972
Construction in progress	4,830,272	6,062,094	-	(854,185)	10,038,181
Total	7,731,244	6,062,094	-	(854,185)	12,939,153
Capital assets, being depreciated/amortized:					
Land improvements	8,947,230		-	195,686	9,142,916
Buildings and improvements	1,492,574	39,325	-	-	1,531,899
Infrastructure and improvements	790,556	16,600	-	658,499	1,465,655
Vehicles	1,329,093	154,179	(59,901)	-	1,423,371
Machinery and equipment	341,200	184,536	-	-	525,736
Subscription assets	-	305,356	-	-	305,356
Total	12,900,653	699,996	(59,901)	854,185	14,394,933
Less accumulated depreciation/amortization for:					
Land improvements	(822,674)	(318,100)	-	-	(1,140,774)
Buildings and improvements	(909,026)	(44,237)	-	-	(953,263)
Infrastructure and improvements	(313,668)	(41,363)	-	-	(355,031)
Vehicles	(809,624)	(181,798)	28,952	-	(962,470)
Machinery and equipment	(186,308)	(39,008)	-	-	(225,316)
Subscription assets	-	(42,332)	-	-	(42,332)
Total	(3,041,300)	(666,838)	28,952	-	(3,679,186)
Capital assets, net depreciation/amortization	9,859,353	33,158	(30,949)	854,185	10,715,747
Governmental activities capital assets, net	$ 17,590,597	$ 6,095,252	$ (30,949)	$ -	$ 23,654,900

NOTE 8. CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 101,505	$ -	$ -	$ -	$ 101,505
Construction in progress	727,740	44,207	-	(640,413)	131,534
Total	829,245	44,207	-	(640,413)	233,039
Capital assets, being depreciated:					
Infrastructure and improvements	1,661,436	-	-	640,413	2,301,849
Machinery and equipment	667,658	-	-	-	667,658
Total	2,329,094	-	-	640,413	2,969,507
Less accumulated depreciation for:					
Infrastructure and improvements	(306,856)	(86,953)	-	-	(393,809)
Machinery and equipment	(582,791)	(45,745)	-	-	(628,536)
Total	(889,647)	(132,698)	-	-	(1,022,345)
Capital assets, net of accumulated depreciation	1,439,447	(132,698)	-	640,413	1,947,162
Business-type activities capital assets, net	$ 2,268,692	$ (88,491)	$ -	$ -	$ 2,180,201

Depreciation/amortization expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	$ 22,523
Public safety	218,328
Public works	107,886
Culture and recreation	282,726
Housing and development	35,375
Total depreciation/amortization expense - governmental activities	$ 666,838
Business-type activities:	
Stormwater	$ 86,953
Sanitation	45,745
Total depreciation expense - business-type activities	$ 132,698

NOTE 8. CAPITAL ASSETS (CONTINUED)

Downtown Development Authority of Avondale Estates

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 633,602	$ -	$ -	$ 633,602
Total	633,602	-	-	633,602
Capital assets, being depreciated:				
Site Improvements	-	274,037	-	274,037
Buildings	766,398	-	-	766,398
Total	766,398	274,037	-	1,040,435
Less accumulated depreciation for:				
Site Improvements	-	(8,333)	-	(8,333)
Buildings	(151,151)	(25,547)	-	(176,698)
Total	(151,151)	(33,880)	-	(185,031)
Total capital assets being depreciated, net	$ 1,248,849	$ 240,157	$ -	$ 1,489,006

NOTE 9. LONG-TERM DEBT

The following is a summary of long-term debt activity of the City for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Bond payable	$ 12,245,000	$ -	$ (730,000)	$ 11,515,000	$ 735,000
Bond premium	164,794	-	(9,407)	155,387	-
Compensated absences*	228,197	51,811	-	280,008	280,008
Net pension liability	447,132	503,630	(371,331)	579,431	-
Subscription liability	-	305,356	(65,149)	240,207	57,126
Governmental activity long-term liabilities	$ 13,085,123	$ 860,797	$ (1,175,887)	$ 12,770,033	$ 1,072,134
Business-type activities:					
Financed purchase payable	$ 11,431	$ -	$ (11,431)	$ -	$ -
Compensated absences*	29,552	4,483	-	34,035	34,035
Net pension liability	9,878	30,304	(5,316)	34,866	-
Business-type activity long-term liabilities	$ 50,861	$ 34,787	$ (16,747)	$ 68,901	$ 34,035

*The change in compensated absences is presented as a net change.

NOTE 9. LONG-TERM DEBT (CONTINUED)

For governmental activities, the net pension liability is liquidated by the General Fund. The bond payable is liquidated by the URA Fund and SPLOST II Fund. For business-type activities, the net pension liability is liquidated by the Sanitation Fund.

Bonds Payable – Direct Placement On December 1, 2023, the Urban Redevelopment Agency of the City of Avondale Estates issued $8,595,000 of Revenue Bonds, Series 2023 for the purpose of refinancing the costs of the bond anticipation note, Series 2019. The refunding resulted in debt service savings of $195,000 over the life of the new bonds, and a net economic gain of approximately $64,444. The bonds were issued at a premium of $175,151 and interest rates ranging from 3.05% to 4.50%. The principal and interest payments are due annually starting December 1, 2024. The bonds are scheduled to mature on December 1, 2053. The City's debt service requirements to maturity on the bonds payable are as follows:

Year ending December 31,	Principal	Interest	Total
2026	$ 150,000	$ 374,725	$ 524,725
2027	155,000	367,225	522,225
2028	165,000	359,475	524,475
2029	170,000	351,225	521,225
2030	180,000	342,725	522,725
2031-2035	1,050,000	1,568,625	2,618,625
2036-2040	1,330,000	1,282,175	2,612,175
2041-2045	1,650,000	970,106	2,620,106
2046-2050	2,030,000	589,625	2,619,625
2051-2053	1,440,000	131,400	1,571,400
	$ 8,320,000	$ 6,337,306	$ 14,657,306

NOTE 9. LONG-TERM DEBT (CONTINUED)

Bonds Payable – Sales Tax Bond On October 24, 2024, the City issued $3,785,000 of Sales Tax Bonds, Series 2024 to finance certain capital outlay projects of the city and to pay for the costs of issuance associated with the Series 2024 Bond. Pursuant to Georgia Law, these bonds will be repaid with the proceeds of a one percent sales tax. The bonds were issued with an interest rate of 3.34%. The principal and interest payments are due annually starting June 1, 2025. The bonds are scheduled to mature on June 1, 2030. The City's debt service requirements to maturity on the bonds payable are as follows:

Year ending December 31,	Principal	Interest	Total
2026	$ 585,000	$ 96,944	$ 681,944
2027	610,000	76,987	686,987
2028	640,000	56,112	696,112
2029	665,000	34,319	699,319
2030	695,000	11,606	706,606
	$ 3,195,000	$ 275,968	$ 3,470,968

Subscription-Based Information Technology Arrangements (SBITAs) The City has entered into a SBITA with Axon Enterprises, Inc. While this contract includes tangible body and fleet camera hardware, it also bundles multi-year access to proprietary software platforms. The software component requires capitalization as a SBITA because it conveys the right to use these IT programs for a 60-month program length in exchange for recurring payments. The City utilized a discount rate of 3.34% to determine the present value of the subscription liability. The annual requirements to amortize the SBITA liability outstanding as of December 31, 2025 are as follows:

Year ending December 31,	Principal	Interest	Total
2026	$ 57,126	$ 8,023	$ 65,149
2027	59,034	6,115	65,149
2028	61,005	4,143	65,148
2029	63,042	2,106	65,148
	$ 240,207	$ 20,387	$ 260,594

NOTE 10. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2025 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Capital Projects Fund	$ 924,798
General Fund	Stormwater Fund	46,639
General Fund	Sanitation Fund	635,204
Capital Projects Fund	General Fund	2,521,354
Sanitation Fund	General Fund	459
Stormwater Fund	Stormwater Capital Fund	100,649
Nonmajor Governmental Funds	General Fund	40,420
		$ 4,269,523

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

Due to/from primary government and component unit:

Receivable Entity	Payable Entity	Amount
Primary government - General Fund	Downtown Development Authority	$ 170,254

Interfund transfers:

Transfers In	Transfers Out	Amount
Nonmajor Governmental Funds	General Fund	$ 521,725
Capital projects fund	General Fund	2,436,037
		$ 2,957,762

Transfers are used to move unrestricted General Fund revenues to fund long-term debt repayments in the URA Fund and capital purchases in the Capital Projects Fund.

NOTE 11. DEFINED BENEFIT PENSION PLAN

Plan Description

The City, as authorized by the Mayor and Board of Commissioners, has established a defined benefit pension plan (the "City of Avondale Estates Retirement Plan") covering all full-time employees. The Board of Commissioners in its role as the Plan Sponsor has the sole authority to amend the provisions, including specific benefit provisions and contribution requirements of the Plan as provided by the Plan document. The City's Pension Plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472 or on the internet at www.gmanet.com.

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by the Mayor and Board of Commissioners, the Plan provides pension benefits and death and disability benefits for Plan members and beneficiaries. All employees who work at least thirty (30) hours a week are eligible to participate. Elected officials have no waiting period for eligibility. Benefits vest after ten years of service. A City employee who retires at age 65 with five (5) years of service is entitled to benefits based on average earnings and years of credited service. An employee may elect early retirement at age 55 provided he or she has a minimum of ten (10) years total credited service to receive full benefits. All employees hired on or after January 1, 2013 are required to contribute 4% of gross income to the plan.

At July 1, 2025, the date of the most recent actuarial valuation, there were 85 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	24
Terminated vested participants not yet receiving benefits	23
Active participants - vested	38
Total	85

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Contributions

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The funding policy for the Plan is to contribute an amount equal to or greater than the recommended contribution described below. For the year ended December 31, 2025, the actuarially determined contribution rate was 3.28% of covered payroll. For the year ended December 31, 2025, the City's contribution to the Plan was $91,512.

Net Pension Liability of the City

The City's net pension liability was measured as of March 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024 with update procedures performed by the actuary to roll forward to the total pension liability measured as of March 31, 2025.

Actuarial assumptions. The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00 - 8.50%, including inflation
Investment rate of return	7.375%

Mortality rates for the July 1, 2024 valuation were based on the sex-distinct, Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25 for healthy retirees and beneficiaries and the sex-distinct, Pri-2012 Head-Count Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25 for disabled participants.

The actuarial assumptions used in the July 1, 2024 valuation were based on the results of an actuarial experience study for the period January 1, 2015–June 30, 2019.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2025 are summarized in the table below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic equity	45%	6.60%
International equity	20	7.03
Real estate	10	3.40
Global fixed income	5	3.70
Domestic fixed income	20	2.70
Cash	—	
Total	100%	

Discount rate. The discount rate used to measure the total pension liability was 7.375%, this was the same rate used in the prior year. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Changes in the net pension liability of the City. The changes in the components of the net pension liability of the City for the fiscal year ended December 31, 2025 were as follows:

Primary Government:	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2024	$ 3,620,847	$ 3,163,837	$ 457,010
Changes for the year:			
Service cost	118,745	-	118,745
Interest	265,521	-	265,521
Differences between expected and actual experience	130,797	-	130,797
Contributions—employer	-	108,186	(108,186)
Contributions—employee	-	108,218	(108,218)
Net investment income	-	160,243	(160,243)
Benefit payments	(278,607)	(278,607)	-
Administrative expense	-	(18,871)	18,871
Net changes	236,456	79,169	157,287
Balances at 12/31/2025	$ 3,857,303	$ 3,243,006	$ 614,297

The required schedule of changes in the City's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 7.375%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.375%) or 1-percentage-point higher (8.375%) than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
City's net pension liability	$ 1,034,269	$ 614,297	$ 269,341

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability of the City (Continued)

Sensitivity of the net pension liability to changes in the discount rate (continued). Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2025 and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2025, the City recognized pension expense of $7,463. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	$ 120,519	$ 21,273
Net difference between projected and actual earnings on pension plan investments	83,861	-
City contributions subsequent to the measurement date	68,634	-
Total	$ 273,014	$ 21,273

City contributions subsequent to the measurement date of $68,634 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	
2026	$ 78,143
2027	92,207
2028	(1,263)
2029	14,020
Total	$ 183,107

NOTE 12. DEFINED CONTRIBUTION PENSION PLAN

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

The Plans allow for employee contributions, and after the employee's first six months of participation, the City makes a matching contribution for each employee up to $250 per pay period. During 2025, employees contributed $90,711 to the Plans while the City contributed $88,514. As of December 31, 2025, there were 28 participants in the 457 Plan and 29 participants in the 401A Plan and the fair value was $571,687 for the 457 Plan and $495,977 for the 401A Plan.

The City of Avondale Estates has an inactive 457 deferred compensation plan that is administered by Nationwide. As of December 31, 2025, there were 7 participants in this plan.

NOTE 13. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities around the Metropolitan Atlanta Georgia area, is a member of the Atlanta Regional Commission (ARC) and is required to pay annual dues thereto, which DeKalb County has paid on behalf of the City of Avondale Estates. Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organization structure of ARC. 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 debts or obligations of the ARC. Separate financial statements may be obtained from ARC, 229 Peachtree Street NE, Suite 100, Atlanta, Georgia 30303.

NOTE 14. RISK MANAGEMENT

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

NOTE 14. RISK MANAGEMENT (CONTINUED)

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims have not exceeded the coverages in the last three years.

NOTE 15. COMMITMENTS AND CONTINGENCIES

Litigation:

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

Grant Contingencies:

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

Construction Projects:

The City has active construction projects for the construction of various roads. The remaining commitments to contractors at December 31, 2025 totaled $5,870,131.

NOTE 16. TAX ABATEMENTS

For the year ended December 31, 2025, City property tax revenues were reduced by $422,353 under agreements entered into by the Avondale Estates Downtown Development Authority. Under the agreements, taxes on both real property and personal property are reduced based on investments made by the corporation to whom the incentives were offered as long as the corporation meets certain investment targets.

NOTE 17. CONDUIT DEBT

The Downtown Development Authority (the "DDA") issues private activity tax-exempt and taxable revenue bonds to private-sector entities for projects located within the city limits of Avondale Estates. The properties financed are pledged as collateral, and the bonds are payable solely from payments received from the private-sector entities on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the private-sector entities, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the DDA for any of the bonds. As of December 31, 2025, the DDA disclosed the aggregate original issue amount to be $107,000,000. The amount outstanding at December 31, 2025 was $75,920,000.

NOTE 18. ACCOUNTING CHANGES

Change in Major Funds

As of December 31, 2025, the City's ARPA Fund meets the definition of a nonmajor fund, whereas in the prior year it was presented as a major governmental fund. Conversely, the TAD Fund meets the definition of a major governmental fund, whereas in the prior year it was presented as a nonmajor governmental fund. The effect of this change within the reporting entity is as follows:

	Reporting Units Affected by Adjustments to Beginning Balances		
	ARPA Fund	TAD Fund	Nonmajor Governmental Funds
Beginning fund balance, as previously reported	$ 33,496	$ -	$ 1,796,922
Change from major fund to nonmajor fund	(33,496)	-	33,496
Change from nonmajor fund to major fund	-	1,194,921	(1,194,921)
Beginning fund balance, as adjusted	$ -	$ 1,194,921	$ 635,497

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AVONDALE ESTATES, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2025	2024	2023	2022	2021
Total pension liability					
Service cost	$ 118,745	$ 98,747	$ 105,736	$ 95,133	$ 74,378
Interest on total pension liability	265,521	253,364	250,551	238,616	222,588
Differences between expected and actual experience	130,797	44,843	(85,093)	40,538	93,076
Changes of assumptions	-	-	-	-	-
Change in benefit terms	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(278,607)	(225,613)	(226,513)	(219,588)	(167,357)
Other	-	-	-	-	-
Net change in total pension liability	236,456	171,341	44,681	154,699	222,685
Total pension liability - beginning	3,620,847	3,449,506	3,404,825	3,250,126	3,027,441
Total pension liability - ending (a)	$ 3,857,303	$ 3,620,847	$ 3,449,506	$ 3,404,825	$ 3,250,126
Plan fiduciary net position					
Contributions - employer	$ 108,186	$ 122,351	$ 143,480	$ 112,934	$ 113,115
Contributions - employee	108,218	103,986	80,440	73,731	67,692
Net investment income	160,243	441,191	(194,481)	170,691	871,325
Benefit payments, including refunds of member contributions	(278,607)	(225,613)	(226,513)	(219,588)	(167,357)
Administrative expenses	(18,871)	(13,866)	(16,577)	(16,011)	(15,761)
Net change in plan fiduciary net position	79,169	428,049	(213,651)	121,757	869,014
Plan fiduciary net position - beginning	3,163,837	2,735,788	2,949,439	2,827,682	1,958,668
Plan fiduciary net position - ending (b)	$ 3,243,006	$ 3,163,837	$ 2,735,788	$ 2,949,439	$ 2,827,682
City's net pension liability - ending (a) - (b)	$ 614,297	$ 457,010	$ 713,718	$ 455,386	$ 422,444
Plan fiduciary net position as a percentage of the total pension liability	84.07%	87.38%	79.31%	86.63%	87.00%
Covered payroll	$ 2,936,286	$ 2,756,263	$ 2,251,847	$ 2,224,598	$ 2,207,709
City's net pension liability as a percentage of covered payroll	20.92%	16.58%	31.69%	20.47%	19.13%

(Continued)

CITY OF AVONDALE ESTATES, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

	2020	2019	2018	2017	2016
Total pension liability					
Service cost	$ 88,685	$ 64,294	$ 80,361	$ 72,663	$ 73,516
Interest on total pension liability	201,889	189,403	182,289	175,205	163,670
Differences between expected and actual experience	186,407	37,941	(98,621)	(68,950)	1,470
Changes of assumptions	-	-	-	-	-
Change in benefit terms	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(183,315)	(115,784)	(81,427)	(93,599)	(86,034)
Other	38,944	-	43,547	-	-
Net change in total pension liability	332,610	175,854	126,149	85,319	152,622
Total pension liability - beginning	2,694,831	2,518,977	2,392,828	2,307,509	2,154,887
Total pension liability - ending (a)	$ 3,027,441	$ 2,694,831	$ 2,518,977	$ 2,392,828	$ 2,307,509
Plan fiduciary net position					
Contributions - employer	$ 109,189	$ 114,558	$ 144,663	$ 154,645	$ 146,523
Contributions - employee	55,462	41,989	28,157	22,901	18,911
Net investment income	(144,793)	72,670	219,434	191,557	5,556
Benefit payments, including refunds of member contributions	(183,315)	(115,784)	(81,427)	(93,599)	(86,034)
Administrative expenses	(16,992)	(16,019)	(15,960)	(16,214)	(8,674)
Net change in plan fiduciary net position	(180,449)	97,414	294,867	259,290	76,282
Plan fiduciary net position - beginning	2,139,117	2,041,703	1,746,836	1,487,546	1,411,264
Plan fiduciary net position - ending (b)	$ 1,958,668	$ 2,139,117	$ 2,041,703	$ 1,746,836	$ 1,487,546
City's net pension liability - ending (a) - (b)	$ 1,068,773	$ 555,714	$ 477,274	$ 645,992	$ 819,963
Plan fiduciary net position as a percentage of the total pension liability	64.70%	79.38%	81.05%	73.00%	64.47%
Covered payroll	$ 1,868,807	$ 2,055,295	$ 1,681,314	$ 1,795,145	$ 1,691,563
City's net pension liability as a percentage of covered payroll	57.19%	27.04%	28.39%	35.99%	48.47%

CITY OF AVONDALE ESTATES, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS

	2025	2024	2023	2022	2021
Actuarially determined contribution	$ 91,512	$ 105,009	$ 139,889	$ 130,602	$ 125,967
Contributions in relation to the actuarially determined contribution	91,512	105,009	139,889	130,602	125,967
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 2,790,000	$ 2,277,852	$2,249,019	$ 2,232,513	$ 1,888,561
Contributions as a percentage of covered payroll	3.28%	4.61%	6.22%	5.85%	6.67%

	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 105,668	$ 103,133	$ 127,023	$ 204,600	$ 175,594
Contributions in relation to the actuarially determined contribution	105,668	103,133	125,330	204,600	175,594
Contribution deficiency (excess)	$ -	$ -	$ 1,693	$ -	$ -
Covered payroll	$ 2,039,923	$ 1,704,678	$1,825,043	$ 1,717,964	$ 1,635,036
Contributions as a percentage of covered payroll	5.18%	6.05%	6.87%	11.91%	10.74%

Notes to the Schedule of City Contributions:

(1) Actuarial Assumptions used to determine contributions:

Valuation Date	July 1, 2024
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amounts that the value exceeds or is less than the fair value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of fair value.
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service-based merit increases
Cost-of-Living Adjustment	N/A
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective amortization period of 10 years.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than capital projects.

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

Tree Fund – To account for the preservation and enhancement of the City's urban forest.

American Rescue Plan Act (ARPA) Fund – To account for the receipts of Federal ARPA funds in response to the COVID-19 pandemic and subsequent economic conditions

Capital Projects Funds

Capital projects funds are used to account for capital project expenditures not financed through proprietary or fiduciary funds.

The **SPLOST I Fund** is used to account for the special purpose local option sales tax revenue collected and payments made for capital project expenditures of those funds for major capital projects.

The **Urban Redevelopment Agency (URA) Fund** is for the activity (predominantly capital outlay in spending proceeds of URA bonds and debt service on those bonds which is paid by the City) of the City's blended component unit.

CITY OF AVONDALE ESTATES, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue Funds			Capital Projects Funds		
ASSETS	Police Seizure Fund	Tree Fund	ARPA Fund	SPLOST I Fund	URA Fund	Total Nonmajor Governmental Funds
Cash and cash equivalents	$ 12,364	$ -	$ 262	$ 319,180	$ 214	$ 332,020
Due from other funds	-	40,420	-	-	-	40,420
Total assets	$ 12,364	$ 40,420	$ 262	$ 319,180	$ 214	$ 372,440
LIABILITIES						
Accounts payable	$ 7,927	$ -	$ -	$ -	$ -	$ 7,927
Total liabilities	7,927	-	-	-	-	7,927
FUND BALANCES						
Restricted:						
Law enforcement	4,437	-	-	-	-	4,437
Capital construction	-	40,420	262	319,180	-	359,862
Assigned:						
Capital projects	-	-	-	-	214	214
Total fund balances	4,437	40,420	262	319,180	214	364,513
Total liabilities and fund balances	$ 12,364	$ 40,420	$ 262	$ 319,180	$ 214	$ 372,440

CITY OF AVONDALE ESTATES, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	Special Revenue Funds				Capital Projects Funds		
	Police Seizure Fund	Tree Fund	*Previously Nonmajor* TAD Fund	*Previously Major* ARPA Fund	SPLOST I Fund	URA Fund	Total Nonmajor Governmental Funds
Revenues							
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	625,525	-	-	625,525
Charges for services	-	11,200	-	-	-	-	11,200
Interest earned	78	-	-	4,478	5,288	1	9,845
Total revenues	78	11,200	-	630,003	5,288	1	646,570
Expenditures							
Current:							
Public safety	9,507	-	-	-	-	-	9,507
Capital outlay	-	-	-	663,237	244,810	-	908,047
Debt Service:							
Principal	-	-	-	-	-	140,000	140,000
Interest	-	-	-	-	-	381,725	381,725
Total expenditures	9,507	-	-	663,237	244,810	521,725	1,439,279
Excess (deficiency) of revenues over expenditures	(9,429)	11,200	-	(33,234)	(239,522)	(521,724)	(792,709)
Other Financing Sources							
Transfers in	-	-	-	-	-	521,725	521,725
Total other financing sources	-	-	-	-	-	521,725	521,725
Net change in fund balance	(9,429)	11,200	-	(33,234)	(239,522)	1	(270,984)
Fund balances, beginning of year	13,866	29,220	1,194,921	-	558,702	213	1,796,922
Adjustment - change within reporting entity	-	-	(1,194,921)	33,496	-	-	(1,161,425)
Fund balances, beginning of year, as adjusted	13,866	29,220	-	33,496	558,702	213	635,497
Fund balances, end of year	$ 4,437	$ 40,420	$ -	$ 262	$ 319,180	$ 214	$ 364,513

CITY OF AVONDALE ESTATES, GEORGIA

POLICE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest	$ 75	$ 75	$ 78	$ 3
Total revenues	75	75	78	3
Expenditures:				
Public safety	10,000	10,000	9,507	493
Total expenditures	10,000	10,000	9,507	493
Net change in fund balances	(9,925)	(9,925)	(9,429)	496
Fund balances, beginning of year	13,866	13,866	13,866	-
Fund balances, end of year	$ 3,941	$ 3,941	$ 4,437	$ 496

CITY OF AVONDALE ESTATES, GEORGIA

TREE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 10,000	$ 10,000	$ 11,200	$ 1,200
Total revenues	10,000	10,000	11,200	1,200
Net change in fund balances	10,000	10,000	11,200	1,200
Fund balances, beginning of year	-	-	29,220	29,220
Fund balances, end of year	$ 10,000	$ 10,000	$ 40,420	$ 30,420

CITY OF AVONDALE ESTATES, GEORGIA

ARPA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 625,525	$ 625,525	$ 625,525	$ -
Interest earned	5,479	5,479	4,478	(1,001)
Total revenues	631,004	631,004	630,003	(1,001)
Expenditures:				
Capital outlay	664,500	664,500	663,237	1,263
Total expenditures	664,500	664,500	663,237	1,263
Net change in fund balance	(33,496)	(33,496)	(33,234)	262
Fund balance, beginning of year	33,496	33,496	33,496	-
Fund balance, end of year	$ -	$ -	$ 262	$ 262

CITY OF AVONDALE ESTATES, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE YEAR ENDED DECEMBER 31, 2025

PROJECT	ORIGINAL ESTIMATED COST	REVISED ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL	ESTIMATED PERCENT COMPLETE
SPLOST I:						
Road Resurfacing/Paving	$ 2,106,616	$ 2,106,616	$ 881,710	$ -	$ 881,710	41.85 %
Transportation Improvements	2,200,000	2,200,000	582,698	244,810	827,508	37.61
Public Safety	349,435	1,603,555	1,603,555	-	1,603,555	100.00
Total SPLOST	$ 4,656,051	$ 5,910,171	$ 3,067,963	$ 244,810	$ 3,312,773	
SPLOST II:						
Transportation Improvements	$ 2,177,007	$ 2,177,007	$ -	$ -	$ -	0.00 %
Stormwater Infrastructure	2,177,007	2,177,007	114,912	961,073	1,075,985	49.42
Total SPLOST	$ 4,354,014	$ 4,354,014	$ 114,912	$ 961,073	$ 1,075,985	

DOWNTOWN DEVELOPMENT AUTHORITY

CITY OF AVONDALE ESTATES, GEORGIA

BALANCE SHEET
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
DECEMBER 31, 2025

ASSETS	
CURRENT ASSETS	
Cash	$ 4,821,201
Lease receivables, due in one year	29,726
Total current assets	4,850,927
NONCURRENT ASSETS	
Note Receivable	4,924,999
Lease receivables, due in more than one year	37,188
Total noncurrent assets	4,962,187
Total assets	$ 9,813,114
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 50,885
Accrued liabilities	6,820
Due to primary government	170,254
Total liabilities	227,959
DEFERRED INFLOWS OF RESOURCES	
Deferred lease revenue	65,678
Total deferred inflows of resources	65,678
FUND BALANCE	
Unassigned	9,519,477
Total liabilities, deferred inflows of resources and fund balance	$ 9,813,114

CITY OF AVONDALE ESTATES, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2025

REVENUES		
Rent	$	25,261
Interest		243,934
Miscellaneous		269,126
Total revenues		538,321
EXPENDITURES		
Economic development		748,899
Total expenditures		748,899
Net change in fund balance		(210,578)
FUND BALANCE, beginning of year		9,730,055
FUND BALANCE, end of year	$	9,519,477

STATISTICAL SECTION

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

Page

Financial Trends **72**

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

Revenue Capacity **79**

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

Debt Capacity **83**

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

Demographic and Economic Information **86**

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

Operating Information **88**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

CITY OF AVONDALE ESTATES, GEORGIA

NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	**$ 13,417**	$ 8,744	$ 7,096	$ 6,723	$ 5,530	$ 4,113	$ 3,231	$ 3,097	$ 2,928	$ 2,988
Restricted	**4,695**	4,465	1,369	2,010	1,248	2,181	1,930	1,500	1,288	1,405
Unrestricted	**6,411**	5,166	5,508	4,796	5,892	5,055	3,842	2,933	2,111	1,710
Total governmental activities net position	**$ 24,523**	$ 18,375	$ 13,973	$ 13,529	$ 12,670	$ 11,349	$ 9,003	$ 7,530	$ 6,327	$ 6,103
Business-type activities										
Net investment in capital assets	**$ 2,180**	$ 2,116	$ 1,857	$ 1,432	$ 875	$ 784	$ 224	$ 208	$ 219	$ 104
Unrestricted	**870**	875	606	739	1,062	826	1,363	1,209	1,064	1,060
Total business-type activities net position	**$ 3,050**	$ 2,991	$ 2,463	$ 2,171	$ 1,937	$ 1,610	$ 1,586	$ 1,417	$ 1,283	$ 1,164
Primary government										
Net investment in capital assets	**$ 15,597**	$ 10,860	$ 8,953	$ 8,155	$ 6,405	$ 4,897	$ 3,455	$ 3,305	$ 3,147	$ 3,092
Restricted	**4,695**	4,465	1,369	2,010	1,248	2,181	1,930	1,500	1,288	1,405
Unrestricted	**7,281**	6,041	6,114	5,535	6,954	5,881	5,205	4,142	3,175	2,770
Total primary government net position	**$ 27,573**	$ 21,366	$ 16,436	$ 15,700	$ 14,607	$ 12,959	$ 10,589	$ 8,947	$ 7,610	$ 7,267

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental activities:										
General government	**$ 2,318**	$ 1,799	$ 2,440	$ 1,670	$ 666	$ 1,209	$ 1,799	$ 1,241	$ 1,369	$ 1,393
Public safety	**1,820**	1,824	1,754	1,585	1,484	1,317	1,261	1,264	1,236	1,112
Public works	**777**	513	382	351	1,299	343	432	322	958	679
Recreation	**1,063**	1,373	1,073	571	550	476	472	426	384	392
Housing and development	**-**	-	-	-	42	8	15	78	180	36
Economic development	**35**	35	35	35	-	-	-	-	-	-
Interest on long-term debt	**490**	551	661	146	12	4	1	3	8	12
Total governmental activities expenses	**6,503**	6,095	6,345	4,358	4,054	3,357	3,980	3,334	4,135	3,624
Business-type activities:										
Stormwater	**361**	320	201	133	115	169	-	1	16	26
Sanitation	**732**	645	1,016	990	931	770	799	749	691	720
Total business-type activities expenses	**1,093**	965	1,217	1,123	1,045	939	799	750	707	746
Total primary government expenses	**$ 7,597**	$ 7,061	$ 7,563	$ 5,482	$ 5,099	$ 4,296	$ 4,779	$ 4,084	$ 4,842	$ 4,370
Program Revenues										
Governmental activities:										
Charges for services:										
General government	**$ 322**	$ 132	$ 196	$ 195	$ 120	$ 93	$ 779	$ 175	$ 382	$ 114
Public safety	**310**	298	243	280	412	457	648	574	455	514
Housing and development	-	-	-	37	-	-	-	-	-	-
Operating grants and contributions	-	-	-	-	173	972	58	421	52	68
Capital grants and contributions	**6,356**	5,114	1,775	621	982	606	696	154	-	-
Total governmental activities program revenues	**6,988**	5,544	2,214	1,133	2,128	2,128	2,181	1,324	889	696
Business-type activities:										
Charges for services:										
Stormwater	**434**	411	404	408	405	132	132	132	132	136
Sanitation	**702**	610	982	945	967	828	833	852	739	735
Capital grants and contributions	-	-	-	-	-	-	-	-	133	-
Total business-type activities program revenues	**1,136**	1,021	1,386	1,353	1,372	960	965	984	1,004	871
Total primary government program revenues	**$ 8,124**	$ 6,565	$ 3,600	$ 2,486	$ 3,500	$ 3,088	$ 3,146	$ 2,308	$ 1,893	$ 1,567

CITY OF AVONDALE ESTATES, GEORGIA

CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

	2024	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net (expense)/revenue										
Governmental activities	**$ 485**	$ (551)	$ (4,131)	$ (3,225)	$ (1,926)	$ (1,229)	$ (1,799)	$ (2,010)	$ (3,246)	$ (2,928)
Business-type activities	**43**	55	169	230	326	21	166	234	297	125
Total primary government net expense	**$ 528**	$ (496)	$ (3,962)	$ (2,995)	$ (1,599)	$ (1,208)	$ (1,633)	$ (1,776)	$ (2,949)	$ (2,803)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	**$ 4,458**	$ 4,019	$ 3,549	$ 3,194	$ 2,866	$ 2,653	$ 2,498	$ 2,258	$ 2,102	$ 1,986
Franchise taxes	**270**	266	248	240	247	361	228	217	192	191
Other taxes	**665**	605	585	533	522	478	450	560	931	889
Unrestricted investment earnings	**138**	101	86	36	5	18	41	9	5	5
Miscellaneous	**132**	63	107	80	49	65	56	66	60	58
Transfers	**-**	-	-	-	-	-	-	103	180	15
Total governmental activities	**5,663**	5,054	4,575	4,083	3,688	3,574	3,272	3,213	3,470	3,144
Business-type activities:										
Unrestricted investment earnings	**-**	-	-	4	1	3	3	3	3	3
Transfers	**-**	-	-	-	-	-	-	(103)	(180)	(15)
Miscellaneous	**16**	491	123	-	-	-	-	-	-	-
Total business-type activities	**16**	491	123	4	1	3	3	(100)	(177)	(12)
Total primary government	**$ 5,679**	$ 5,545	$ 4,698	$ 4,087	$ 3,689	$ 3,577	$ 3,276	$ 3,113	$ 3,293	$ 3,132
Change in Net Position										
Governmental activities	**$ 6,148**	$ 4,503	$ 444	$ 858	$ 1,762	$ 2,346	$ 1,473	$ 1,203	$ 224	$ 216
Business-type activities	**59**	546	292	234	328	23	169	134	120	113
Total primary government	**$ 6,207**	$ 5,049	$ 736	$ 1,092	$ 2,090	$ 2,369	$ 1,642	$ 1,337	$ 344	$ 329

CITY OF AVONDALE ESTATES, GEORGIA

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General fund										
Nonspendable	**$ 1,218**	$ 1,200	$ 1,146	$ 1,148	$ 1,148	$ 1,137	$ 1,129	$ 1,151	$ 1,136	$ 1,139
Restricted	**-**	-	-	-	-	-	1,071	1,133	1,258	1,375
Committed	**-**	289	2,031	-	-	-	-	-	-	-
Assigned	**-**	-	-	-	23	27	26	259	199	379
Unassigned	**1,903**	3,663	2,027	4,056	4,127	3,687	3,132	2,018	1,502	1,188
Total general fund	**$ 3,121**	$ 5,152	$ 5,204	$ 5,204	$ 5,299	$ 4,851	$ 5,358	$ 4,561	$ 4,095	$ 4,081
All other governmental funds										
Nonspendable	**$ -**	$ -	$ -	$ 184	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	**8,191**	8,028	1,285	1,822	1,248	2,181	859	367	30	30
Assigned	**2,102**	736	956	139	1,136	814	16	11	14	9
Unassigned (Deficit)	**-**	-	-	-	-	(2)	-	-	-	-
Total all other governmental funds	**$ 10,293**	$ 8,764	$ 2,241	$ 2,145	$ 2,384	$ 2,993	$ 875	$ 378	$ 44	$ 39

CITY OF AVONDALE ESTATES, GEORGIA

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	**$ 5,369**	$ 4,890	$ 4,395	$ 3,965	$ 3,636	$ 3,498	$ 3,153	$ 3,042	$ 3,218	$ 3,069
Licenses and permits	**321**	131	195	193	116	90	759	153	359	93
Intergovernmental	**6,269**	5,099	1,765	618	1,076	1,578	753	575	52	68
Fines and forfeitures	**299**	269	243	194	412	457	648	574	455	513
Charges for services	**12**	31	1	2	5	4	20	22	23	21
Interest income	**224**	117	97	40	4	18	42	9	5	5
Other revenues	**132**	61	107	203	49	65	56	66	60	58
Total revenues	**12,626**	10,598	6,803	5,215	5,297	5,709	5,431	4,441	4,172	3,827
Expenditures										
General government	**2,317**	1,764	1,785	1,643	1,723	1,519	2,039	1,542	1,449	1,474
Public safety	**1,580**	1,594	1,444	1,513	1,447	1,272	1,217	1,224	1,190	1,158
Public works	**287**	283	260	316	577	273	399	299	953	661
Recreation	**780**	1,078	788	537	639	449	448	426	383	391
Housing and development	**-**	-	-	-	10	6	15	78	180	36
Capital outlay	**7,163**	2,555	2,223	5,700	4,628	890	357	-	-	-
Debt service										
Principal retirements	**795**	135	517	34	-	-	-	169	165	160
Interest and fiscal charges	**511**	388	303	146	12	4	1	3	8	12
Issuance cost	**-**	115	325	-	-	-	-	-	-	-
Total expenditures	**13,433**	7,912	7,645	9,889	9,036	4,413	4,476	3,742	4,328	3,892
Excess of revenues over (under) expenditures	**(807)**	2,686	(842)	(4,674)	(3,739)	1,296	955	363	(155)	(64)
Other financing sources (uses)										
Transfers in	**2,958**	511	147	376	(12)	2,012	41	103	179	25
Transfers out	**(2,958)**	(511)	(147)	(376)	12	(2,012)	(41)	-	(10)	(10)
Capital Lease	**-**	-	-	-	-	-	-	-	-	-
Payment to refunding bond	-	-	(8,433)	-	-	-	-	-	-	-
Issuance of long-term debt	-	3,785	8,595	4,341	3,579	314	-	-	-	-
Issuance of bond premium	-	-	175	-	-	-	-	-	-	-
Issuance of SBITA	**305**	-	-	-	-	-	-	-	-	-
Issuance of note payable	-	-	600	-	-	-	-	-	-	-
Total other financing sources (uses)	**305**	3,785	937	4,341	3,579	314	-	103	169	15
Net change in fund balances	**$ (502)**	$ 6,471	$ 95	$ (333)	$ (161)	$ 1,610	$ 955	$ 466	$ 14	$ (49)
Debt service as a percentage of noncapital expenditures	**19.58%**	9.45%	13.10%	4.25%	0.14%	0.10%	0.02%	4.60%	4.00%	4.42%

CITY OF AVONDALE ESTATES, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN YEARS
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax (1)	Franchise Tax	Insurance Premium Tax	Occupational Tax	HOST Sales Tax (2)	SPLOST Sales Tax (2)	Other Taxes	Total
2016	$ 1,986	$ 191	$ 185	$ 119	$ 504	$ -	$ 80	$ 3,065
2017	2,102	192	196	121	536	-	78	3,225
2018	2,258	217	212	122	131	329	95	3,364
2019	2,498	228	225	138	-	453	225	3,767
2020	2,653	361	237	108	-	441	241	4,041
2021	2,866	247	245	88	-	530	189	4,166
2022	3,194	240	287	140	-	577	247	4,685
2023	3,549	248	316	152	-	583	268	5,116
2024	4,019	266	340	172	-	658	265	5,720
2025	**4,458**	**270**	**388**	**164**	**-**	**766**	**665**	**6,711**

(1) Property taxes include auto ad valorem taxes.

(2) In May 2018, the HOST was replaced by a Special Purpose Local Option Sales Tax (SPLOST). The SPLOST was renewed in 2023.

CITY OF AVONDALE ESTATES, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

LAST TEN YEARS

(modified accrual basis of accounting)

(amounts expressed in thousands)

Fiscal Year	Property Tax (1)	Franchise Tax	Insurance Premium Tax	Occupational Tax	HOST Sales Tax (2)	SPLOST Sales Tax (2)	Other Taxes	Total
2016	$ 1,990	$ 191	$ 156	$ 119	$ 504	$ -	$ 80	$ 3,040
2017	2,113	192	196	121	536	-	78	3,236
2018	2,261	217	212	122	131	329	95	3,367
2019	2,523	228	225	138	-	453	87	3,654
2020	2,647	361	237	108	-	441	133	3,927
2021	2,847	247	245	88	-	530	189	4,146
2022	3,192	240	287	140	-	577	107	4,543
2023	3,563	248	316	152	-	583	311	5,173
2024	4,019	266	340	172	-	658	380	5,835
2025	**4,433**	**270**	**388**	**164**	**-**	**766**	**665**	**6,686**

(1) Property taxes include auto ad valorem taxes

(2) In May 2018, the HOST was replaced by a Special Purpose Local Option Sales Tax (SPLOST). The SPLOST was renewed in 2023.

CITY OF AVONDALE ESTATES, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE - ALL TAXABLE PROPERTY
LAST TEN YEARS

(amounts expressed in thousands)

Fiscal Year	Assessed Value				Tax-Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Public Utility	Personal Property	Motor Vehicle					
2016	$ 186,008	$ 1,218	$ 2,210	$ 4,307	$ 489	$ 193,254	9.957	$ 483,135	40.00%
2017	198,972	1,281	2,699	3,999	513	206,438	9.957	516,095	40.00%
2018	217,074	1,401	2,653	2,436	550	223,014	9.800	557,535	40.00%
2019	253,252	1,545	2,682	1,802	11,867	247,414	9.800	618,536	40.00%
2020	274,816	1,762	2,197	1,534	694	279,615	9.800	699,038	40.00%
2021	312,214	1,688	2,019	1,243	12,007	305,156	9.800	762,889	40.00%
2022	348,916	1,783	2,223	1,054	39,918	314,059	9.800	785,147	40.00%
2023	385,448	2,062	2,577	1,024	43,306	347,805	9.550	869,512	40.00%
2024	404,090	1,883	2,837	1,026	21,398	388,437	9.550	971,093	40.00%
2025	**433,654**	**2,297**	**2,482**	**896**	**15,861**	**423,469**	**9.550**	**1,058,673**	**40.00%**

Source: Dekalb County, Georgia Board of Tax Assessors

CITY OF AVONDALE ESTATES, GEORGIA

PROPERTY TAX RATES - ALL OVERLAPPING GOVERNMENTS
(Per $1,000 of Assessed Value)
LAST TEN YEARS

Calendar Year	Operating Millage	City of Avondale Estates, Georgia			Dekalb County	State	Total Direct and Overlapping Rates
		Operating Millage	Debt Service Millage	Total City Millage			
2016	9.957	9.957	0.000	9.957	37.03	0.00	46.984
2017	9.957	9.957	0.000	9.957	36.40	0.00	46.356
2018	9.800	9.800	0.000	9.800	36.73	0.00	46.527
2019	9.800	9.800	0.000	9.800	36.14	0.00	45.943
2020	9.800	9.800	0.000	9.800	36.29	0.00	46.093
2021	9.800	9.800	0.000	9.800	36.32	0.00	46.120
2022	9.800	9.800	0.000	9.800	35.62	0.00	45.418
2023	9.550	9.550	0.000	9.550	35.482	0.00	45.032
2024	9.550	9.550	0.000	9.550	35.818	0.00	45.368
2025	**9.550**	**9.550**	**0.000**	**9.550**	**36.94**	**0.00**	**46.488**

CITY OF AVONDALE ESTATES, GEORGIA

PRINCIPAL TAXPAYERS
CURRENT AND TEN YEARS AGO

(amounts expressed in thousands)

Taxpayer	Fiscal Year 2025 Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Fiscal Year 2016 Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
MF Avondale Project	$ 12,947	1	3.06 %			
RAM Partners	11,934	2	2.82			
AHB SFR Henley	6,164	3	1.46			
6 Olive Development	3,730	4	0.88			
278 Oak Holdings LLC	1,959	5	0.46	$ 1,893	1	0.98 %
CEED Properties	1,800	6	0.43	586	5	
OCP Avondale LLC	1,695	7	0.40	513	6	0.27
Georgia Power Co.	1,595	8	0.38	685	3	0.35
S 4110 Property LLC	1,572	9	0.37			
TOSC Properties LLC	1,540	10	0.36	601	4	0.31
Gargiulo Joseph C				1,536	2	0.79
Ladet Dave				479	7	0.25
TT and G LLC				476	8	0.25
Waffle House Inc				474	9	0.25
KJA/Eckerd				464	10	0.24
All others	378,533			185,547		
	$ 423,469		10.61 %	$ 193,254		3.68 %

Source: Dekalb County Tax Commissioners Office

CITY OF AVONDALE ESTATES, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

(amounts expressed in thousands)

Tax Year*	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	$ 1,834	$ 1,799	98.1%	$ 35	$ 1,834	100.00%
2017	2,001	1,923	96.1%	77	2,000	99.92%
2018	2,155	2,066	95.9%	88	2,154	99.94%
2019	2,393	2,256	94.3%	123	2,379	99.43%
2020	2,445	2,403	98.3%	33	2,435	99.60%
2021	2,869	2,813	98.0%	21	2,834	98.77%
2022	2,960	2,889	97.6%	13	2,902	98.05%
2023	3,312	2,942	88.8%	34	2,976	89.86%
2024	3,700	3,477	94.0%	37	3,514	94.97%
2025	**4,036**	**3,813**	**94.5%**	**-**	**3,854**	**95.49%**

Source: DeKalb County Tax Commissioners Office

CITY OF AVONDALE ESTATES, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

(amounts expressed in thousands, except per capita amount)

		Governmental Activities				Business-Type Activities				
Fiscal Year	General	General Obligation Bonds	Notes Payable	SBITA Liability	Financed Purchases	Notes Payable	Financed Purchases	Total Primary Government	Percentage of Personal Income	Per Capita (1)
2016		-	-	-	334	-	-	334	0.24%	107
2017		-	-	-	169	-	-	169	0.11%	53
2018		-	-	-	-	-	-	-	0.00%	-
2019		-	117	-	117	-	-	234	0.13%	75
2020		-	432	-	432	-	-	864	0.43%	275
2021		-	4,010	-	4,010	-	110	8,130	3.97%	2,279
2022		-	7,800	-	517	-	57	8,374	3.47%	2,397
2023		8,769	-	-	-	-	34	8,803	3.21%	2,468
2024		12,410	-	-	-	-	11	12,421	5.04%	3,525
2025		**11,670**	**-**	**240**	**-**	**-**	**-**	**11,910**	**4.07%**	**3,052**

(1) See the Demographic and Economic Statistics for personal income and population data.

CITY OF AVONDALE ESTATES, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

(amounts expressed in thousands)

	Net General Obligation Bonded Debt Outstanding		Percentage Applicable to City of Avondale Estates (1)	Amount Applicable to City of Avondale Estates
Overlapping General Obligation Debt:				
Dekalb County	$ 158,558	(2)	0.800%	$ 1,268
Fulton-DeKalb Hospital Authority (DeKalb Portion)	2,040	(2)	0.800%	16
Total overlapping debt	160,598			1,284
City direct debt	11,910		100.000%	11,910
Total direct and overlapping debt	$ 172,508			$ 13,194

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

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

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

CITY OF AVONDALE ESTATES, GEORGIA

LEGAL DEBT MARGIN INFORMATION

(amounts expressed in thousands)

Assessed Value	$	423,469
Add back: exempt real property		15,861
Total assessed value		439,330
Debt limit (10% of total assessed value)		43,933
Total debt		11,670
Legal debt margin	$	32,263

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

CITY OF AVONDALE ESTATES, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population (1)	Personal Income (4) (in thousands)	Per Capita Personal Income (1)	Median Age (1)	Percentage of Population Age 25 and Older with Greater than 12 Years of Formal Schooling (1)	School Enrollment (3)	Unemployment Rate (2)
2016	3,129	$ 155,488	$ 50	44.6	75%	912	4.1%
2017	3,159	166,452	53	46.8	75%	962	4.1%
2018	3,173	177,204	56	47.7	76%	1,028	3.6%
2019	3,135	202,339	65	48.4	78%	988	3.2%
2020	3,144	204,593	65	48.5	78%	995	3.3%
2021	3,567	237,562	67	49.1	81%	960	4.8%
2022	3,494	241,086	69	47.7	86%	1,010	4.8%
2023	3,567	274,659	77	48.1	89%	979	4.8%
2024	3,524	246,680	70	49.0	89%	978	4.8%
2025	**3,902**	**292,650**	**75**	**48.8**	**89%**	**1,157**	**4.8%**

(1) Source: U.S. Census Bureau estimates

(2) Source: Georgia Department of Labor

CITY OF AVONDALE ESTATES, GEORGIA

PRINCIPAL EMPLOYERS
LAST TEN YEARS

2025 Employers	2024 Employers	2023 Employers	2022 Employers	2021 Employers
Banjo Coffee	Ace & A Heating and Air Conditioning	Banjo Coffee	Davey Tree, dba Arborguard	5 Star Office Furniture
Davey Tree, dba Arborguard	Banjo Coffee	Davey Tree, dba Arborguard	DeKalb Collission Center	Bonnie Carter Fine Art
Easter Seals North Georgia Inc.	Davey Tree, dba Arborguard	Donatos Pizza	Easter Seals North Georgia Inc.	Davey Tree, dba Arborguard
Gill Tree Care	Easter Seals North Georgia Inc.	Easter Seals North Georgia Inc.	Financial Control Group	DeKalb Collission Center
Home Forge Remodeling	Gill Tree Care	Jollay Masonry	Harley Collision Centers	Easter Seals North Georgia Inc.
Jollay Masonry	Home Forge Remodeling	My Parents' Basement	Home Forge Remodeling LLC	Financial Control Group
My Parents' Basement	Jollay Masonry	Savage Pizza	Jollay Masonry	Finders Keepers Consignment
Shade of Green Permaculture	My Parents' Basement	Second Life Thrift Store	Jordon Construction Company	Home Forge Remodeling LLC
Switchyards Inc	Shade of Green Permaculture	Shade of Green Permaculture	Waffle House # 1000	Jollay Masonry
Waffle House # 1000	Waffle House # 1000	Waffle House # 1000	Wild Heaven Craft Beers	Waffle House # 1000

2020 Employers	2019 Employers	2018 Employers	2017 Employers	2016 Employers
Community Development Institute	Clarendon Group, Inc.	Community Development Institute	Ace & A Heating and Air	Arborguard Tree
Davey Tree, dba Arborguard	Community Development Institute	Davey Tree, dba Arborguard	Arborguard Tree Service	Globe Chemical
Family Dollar Stores #30491	Davey Tree, dba Arborguard	Globe Chemical	Globe Chemical	Jollay Masonry
Home Forge Remodeling	Jollay Masonry	Jollay Masonry	Jollay Masonry	Lanier Jones Mechanical
Jollay Masonry	Lanier-Jones	Lanier-Jones	LifeLine Animal Project	LifeLine Animal Project
My Parents' Basement	LifeLine Animal Project	LifeLine Animal Project	Mann Mechanical	Mann Mechanical
Savage Pizza	Mann Mechanical	Mann Mechanical	PCA Head Start	PCA Head Start
Second Life Thrift Store	My Parents' Basement	Rite Aid # 11690	Rite Aid # 11690	Rite Aid # 11690
Waffle House # 1000	Savage Pizza	Savage Pizza	Savage Pizza	Savage Pizza
Zest Atlanta	Waffle House # 1000	Waffle House # 1000	Waffle House # 1000	Waffle House # 1000

Source: City of Avondale Estates Occupational Tax Department

Notes: Employers are listed in alphabetical order only and not ranked in any way.
Number of employees cannot be listed due to privacy issues.

CITY OF AVONDALE ESTATES, GEORGIA

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function										
General government	**12**	13	11	9	9	9	8	8	8	8
Public safety										
Police										
Officers	**13**	14	13	12	12	15	14	14	14	14
Public Works	**1**	1	1	1	1	1	2	2	2	2
Sanitation	**3**	3	8	9	9	10	11	11	11	11
Culture & Recreation	**6**	7	8	7	6	8	7	7	7	6
Total	**35**	38	41	38	37	43	42	42	42	41

Source: City of Avondale Estates department records

CITY OF AVONDALE ESTATES, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023 (1)	2022 (1)	2021	2020	2019	2018	2017	2016
Function										
Police										
Robbery	**-**	4	1	3	2	2	2	2	2	4
Aggravated Assault	**5**	3	2	3	1	1	1	-	3	1
Auto Theft	**9**	10	11	5	7	5	3	4	5	3
Burglary	**3**	12	14	9	11	10	4	13	14	18
Larceny	**51**	41	71	81	116	26	55	58	44	48
Municipal Court										
Traffic Citations Issued	**1,695**	1,958	1,061	1,206	1,881	1,558	3,866	3,104	2,870	2,580

Source: City of Avondale Estates Departments

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

(1) - Decrease in traffic citations was due to community minded policing efforts which resulted in fewer citations.

CITY OF AVONDALE ESTATES, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function										
Public safety										
Police										
Stations	**1**	1	1	1	1	1	1	1	1	1
Patrol units	**19**	19	18	19	12	12	8	8	8	7
Public Works										
Streets (miles)	**19**	19	19	19	19	19	19	19	19	19
Number of Street Lights	**387**	387	387	387	387	387	387	387	387 (1)	385
Collection Trucks	**5**	4	4	4	4	3	3	3	3	-
Dump Trucks	**1**	1	1	1	-	-	-	-	-	-

Source: Various City departments

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

(1) Increase due to Maple Street installation