

Photo Credit: Michael Valentine

Villa Rica

CITY OF VILLA RICA, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended September 30, 2025

CITY OF VILLA RICA, GEORGIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2025

Prepared by:
Department of Finance

CITY OF VILLA RICA, GEORGIA
TABLE OF CONTENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal 2
Certificate of Achievement for Excellence in Financial Reporting 10
Organizational Chart 11
List of Principal Officials 12

FINANCIAL SECTION

Independent Auditor's Report 14
Management's Discussion and Analysis 18
Basic Financial Statements
Government-wide Financial Statements
Statement of Net Position 32
Statement of Activities 33
Fund Financial Statements
Balance Sheet – Governmental Funds 34
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 35
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 36
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 37
Statement of Net Position – Proprietary Funds 38
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds 39
Statement of Cash Flows – Proprietary Funds 40
Notes to the Financial Statements 42

Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund 70
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Eastside TAD Project Fund 72
Schedule of Changes in the City's Net Pension Liability and Related Ratios 73
Schedule of City Contributions – Pension Plan 74
Notes to the Required Supplementary Information 75

Supplementary Information
Combining and Individual Fund Statements and Schedules
Combining Balance Sheet – Nonmajor Governmental Funds 79
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 81
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Federal Seizures Fund 83
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Narcotics Enforcement Fund 84
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Fund 85
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Villa Rica Public Facilities Fund 86
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Cemetery Fund 87
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Technology Fund 88

CITY OF VILLA RICA, GEORGIA
TABLE OF CONTENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund 89
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Debt Service Fund 90
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds 91
Balance Sheet – Villa Rica Industrial Development Authority 94
Statement of Revenues, Expenditures and Changes in Fund Balance – Villa Rica Industrial Development Authority 95
Balance Sheet – Villa Rica Downtown Development Authority 96
Statement of Revenues, Expenditures and Changes in Fund Balance – Villa Rica Downtown Development Authority 97

STATISTICAL SECTION (Unaudited)

Net Position by Component 100
Changes in Net Position 101
Fund Balances of Governmental Funds 103
Changes in Fund Balances of Governmental Funds 104
Governmental Funds - Tax Revenues by Source 105
Direct and Overlapping Sales Taxes Rates 106
Assessed Value and Estimated Actual Value of Taxable Property 107
Property Tax Rates – Direct and Overlapping Governments 109
Principal Property Taxpayers 110
Property Tax Levies and Collections 111
Ratios of Outstanding Debt by Type 112
Direct and Overlapping Governmental Activities Debt 113
Ratios of Net General Bonded Debt Outstanding 114
Legal Debt Margin Information 115
Demographic and Economic Statistics 116
Principal Employers 117
Full-time Equivalent Employees by Function 118
Capital Asset Statistics by Function 119

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 122
Schedule of Findings and Questioned Costs 124

INTRODUCTORY SECTION

(Unaudited)

The introductory section includes a transmittal letter from the City Manger and Finance Director, a list of principal officers and organizational chart.

March 30, 2026

To the Honorable Mayor, Members of the City Council, City Manager,
Citizens, Businesses, and Stakeholders of the City of Villa Rica:

It is my pleasure to present the City of Villa Rica's (the City) Annual Comprehensive Financial Report (ACFR) for the fiscal year-ended September 30, 2025. These financial statements were prepared by the City's Finance Department and audited by the public accounting firm of Nichols, Cauley & Associates, LLC. As reflected in the Independent Auditor's Report, the City's financial statements are presented fairly in all material respects in accordance with Generally Accepted Accounting Principles (GAAP) in the United States.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable rather than absolute assurance that the financial statements are free of any material misstatements. 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 City of Villa Rica, Georgia.

State law and local ordinances require that every general-purpose local government publish a complete set of audited financial statements each fiscal year. This report is published to fulfill that requirement for the year ending September 30, 2025. This report has been prepared in accordance with State statutes set forth in an Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved March 28, 1968 (p. 464), and as amended by an Act approved April 21, 1968 (GA Laws 1997, p. 883).

Management's Discussion and Analysis (MD&A) follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This transmittal letter complements the MD&A and should be read in conjunction with it.

OUR HISTORY

The location that eventually became Villa Rica was originally settled in 1826 along what is now Dallas Highway. Shortly after the arrival of the wagons in 1826, gold was discovered. Although it did not develop into the large gold rush that would strike Georgia a few years later, there was a small gold rush in Villa Rica in the late 1820s. When the Georgia Gold Rush took hold in 1829, most of the Villa Rica miners moved northeast to the Dahlonega area. Nevertheless, some mining continued in the area, with several hundred men employed in nearby mines.

The City of Villa Rica was incorporated on December 24, 1842. Two small communities in the Villa Rica area, Hixtown and Cheevestown, had been formed between 1826 and 1882. When the railroad was built in 1882, Hixtown and Cheevestown moved to Villa Rica's present location. Many of the original structures were physically moved to the new site by rolling them on logs pulled by horses. Another act was passed by the State on September 13, 1883, to incorporate Villa Rica in its new location.

GOVERNMENT PROFILE

The City Charter provides for a Council-Manager form of government, subject only to the limitations imposed by the State of Georgia and the City Charter. All powers of the City are vested in an elective Council (the City Council), which enacts legislation, adopts budgets, and determines policy. The City Council is comprised of six members, with five members elected from single-member wards, and the Mayor elected at-large. The Mayor and Council members have four-year terms. The Mayor appoints a City Manager and the Council have the power to override that appointment with a supermajority vote. The City Manager is charged with executing the laws and administering the government of the City, additionally the Manager serves as the City's Chief Operating Officer.

The City provides a vast array of municipal services. The full range of services provided to its constituents includes ongoing programs to provide public safety; maintenance and construction of streets and drainage; cultural and recreational services; and community development. The City also considers the promotion of convention and tourism and participation in economic development programs as high priorities. The funding sources from which these various services are provided include property, sales, and hotel tax receipts; grants; user fees; and other sources.

The City has two component units that are considered part of the City's operations and, therefore, included in its annual financial statements. The two units are the Downtown Development Authority and the Industrial Development Authority. For additional details on all of the City's component units and the basis for their respective presentation in our financial report, please refer to the Financial Section, Note 1 Summary of Significant Accounting Policies.

ECONOMY

The City is located in West Georgia, approximately 35 miles west of downtown Atlanta and 24 miles east of the Alabama border. Interstate 20, Highway 78, Highway 101, and Highway 61 run through Villa Rica, providing easy access to and from the City. Residents of Villa Rica enjoy first-rate medical services, various industrial employment opportunities, historical attractions, including the Pine Mountain Gold Museum, a variety of dining establishments, and lively performing arts at the Mill Amphitheatre in downtown. Geographically, the City of Villa Rica covers more than 14 square miles in two counties. Roughly 57% of the population is located in the northeastern corner of Carroll County, while the other 43% is located in the northwestern corner of Douglas County. The City is estimated to be the 70th most populated city in the State of Georgia with roughly 20,405 citizens. Since 2010, the City's population has grown over 21% and is projected to grow by an additional 9,000 people through the year 2030.

The City's commercial and industrial properties comprise more than 47% of the total tax digest by property value, ensuring a strong economic environment. Major employers in and around the Villa Rica area include Tanner Medical Center, Printpack, Flowers Baking Company, Southwire, Sugar Foods, Carroll County Board of Education, Turano Bread Company, Walmart, and the City of Villa Rica.

MAJOR CAPITAL INITIATIVES

North Loop Bypass Plans for a North Loop Bypass have been underway for over half a century. The Georgia Department of Transportation is creating a bypass on the northside of Villa Rica stemming from the 3-way stop at Industrial Blvd and Highway 61 near Stockmar Road. GDOT began clearing the path for the North Loop Bypass late in 2021. Both intersections are being designed as roundabouts and currently you can see much of the curbing and what the future final project will look like. The bypass will remove much of the truck traffic that clogs downtown and non-truck routes. The project will open a new commercial corridor on the east side of town. The contractor has completed approximately 50% of the utility relocations to date. We approved adding new water lines along this new corridor in FY25 budget and have since secured funding so that it can be completed before the road project. The bypass is slated for completion at the end of 2025.

Conners Rd/Hwy 78 Roundabout The Georgia Department of Transportation also plans to install a roundabout at the intersection of Highway 78 and Conners Road. This installation will also require the City to relocate some water and sewer infrastructure. Work on this project began in May 2024 and the schedule has had to be extended due to permitting with the Railroad. The City is hopeful that this project will be completed in 2026.

Villa Rica Parkway/Mirror Lake Connector Since 2013 there have been discussions of a road that would link the downtown Carroll County portion of Villa Rica with the Douglas County/Mirror Lake portion. This road would better unite the City and make it easier for residents on the eastern side of the city to get to the Downtown district that houses many of our small unique owner operated businesses. In 2017, the City began spending money to develop a plan for what was then deemed as the Mirror Lake Connector, however at that time funding for the project couldn't be established. The use of tax allocation districts was voted favorably by the citizens of Villa Rica in November 2018. In 2019, more specific discussions began on using a tax allocation district (TAD) to fund the Mirror Lake Connector and attempt to further develop the area around what would become the connector. In October 2021, the Mayor and Council approved rezoning for the Fuqua development that would be the anchor development for the Eastside TAD that would also fund the connecting road. The first portion of the road (now known as Villa Rica

Parkway) was completed in 2024. The second phase of the Parkway was temporarily paused to evaluate the least impactful routes and then the Council voted to move forward. The City is currently negotiating acquisition with property owners along the proposed route for the second phase of the connector parkway. Construction should start on the second phase in 2026.

Fortune Parkway In addition to the Fuqua Development, Mayor and Council approved another development with Inline Communities to develop along the northern side of the Eastside Tax Allocation District. With this development another road, Fortune Parkway, would be created to navigate from Old Stone Road to what is currently Anderson Road. This road would give the new communities access to the business portion of the Fuqua Development. The first portion of this road was completed in FY2024 and the second phase was placed on hold due to stream and wetland mitigation credits. In 2025, the Council approved wetland credit funding obtained from the US Army Corps of Engineers. This second phase of the Parkway should be completed in late 2025 and the City should adopt the road from the developer in 2026.

Downtown Development The City was awarded a $1.4 million grant from the Atlanta Regional Commission as part of their Livable Cities Initiative (LCI). This grant will pay for engineering designs for making our downtown area more livable and easier to navigate for pedestrians and motorists. The City is currently working with Georgia Department of Transportation and other engineers on the Downtown Streetscapes project. In FY2025, the City hosted stakeholder meetings to transform the conceptual designs from 2021 into updated designs and will transition this to construction drawings. The City is currently reviewing potential grant funding options to complete the Downtown Streetscapes project.

In 2025, the City relocated the WIC services building that was located off of Anderson Road to the downtown area behind the police station. The relocation allowed us to add needed parking to the downtown district that could be utilized by patrons of the Mill and businesses along Main Street.

Utilities Fiscal Year 2025 has been a year of continued improvements to infrastructure, including the replacement of aged water mains and upgrading existing wastewater pump stations. Staff continued with the implementation of updated lead and copper rule improvements, replacing old service lines, and performing maintenance on the water storage tanks. Staff produced 442 million gallons of drinking water through the operation of the water treatment facility. Our daily production decreased from 1.35 million gallons to 1.21 million gallons, primarily due to drought conditions in the second half of the year. The City purchased the additional water needed through the mid-term intergovernmental agreements with Carroll and Douglas counties.

Staff appropriately treated and returned to the environment 586 million gallons of wastewater, while maintaining compliance throughout the year at both wastewater facilities. The City was again recognized by the Georgia Association of Water Professionals for its successful operation of both the North Wastewater Plant and the West WRF throughout the year without violations in 2025. Significant improvements to the wastewater system include the replacement of Weatherstone lift station, replacement of treatment system pumps, and replacement of pumps and controls at the River Trace pump station. Teams also repaired or replaced 45 service lines, cleared 70 miles of water and sewer easements, and maintained over 230 miles of underground utility infrastructure.

ECONOMIC DEVELOPMENT

New Development Our City is growing fast, and we can expect to continue to add new residences and developments over the next few years. Villa Rica has what we believe to be a healthy mix of residential development underway and some additional commercial developments that are showing in process. Additionally, there have been a few new development for light Industrial facilities that will create additional Villa Rica jobs. Many of these new interests, are due to our increased population. We believe that the addition of new restaurants, retail and job opportunities will improve our quality of life within the city.

On the east side of town, Fuqua's mixed-use development is underway along Mirror Lake Boulevard and Shoreline. This development, along with the Inline Development, also located within the Eastside Tax Allocation District, holds the promise of improving our City just as the Mirror Lake Community did 20 years ago. The commercial portion of the Fuqua Development was significantly completed in fiscal year 2024 with some additional businesses to come. Additionally, the residential portion of the development will add over 400 new places to live. Inline Communities have planned a mix of apartments, town homes, and single family that will add another 400 homes that will target seniors and young adults to avoid overwhelming our school systems. The Carroll County Board of Education, Carroll County, and City officials (also known as the TAD Joint Committee) meet regularly to discuss updates about developments and their impact to all three entities.

Also, in the Mirror Lake neighborhood, there are several additional pods currently being developed on the Douglas County side of Villa Rica. South Harbour 2A was approved for 31 units and they are nearly halfway built out. Liberty Point phase 5 has not started construction yet, but is approved for 37 units. Fairway 16 is approximately 33% complete and was approved for 61 units. Fairway 17 was approved for 112 units and approximately 20 are completed. Northwoods II and III were approved for 105 and 154 units respectively. Conner's Landing was approved for 249 units and is about 50% complete.

Walton Communities with the Villa Rica Housing Authority completed construction on Phase I of their project located across from Tanner Medical Center in Villa Rica in 2022 and on Phase II of Legacy at Walton late in 2025. Phase I consisted of 131 units and phase II will be 139 units.

Arbour Valley Communities broke ground on Cleghorn Street for its development in 2022 and the first phase of the development was completed in summer of 2024. The 192-unit workforce housing campus is leasing on Cleghorn Street. Phase II of this development will be primarily for seniors in our community and will include 64 units. It is scheduled to start construction later.

Alta Villa Rica, an upscale 280-unit development by Wood Partners is being built in the area between Hardee's on Highway 61 and the Villa Rica High School. It was fully completed in 2025. Council also approved to re-open Meadowlark Drive which eased congestion from both the development and the high school. Additionally in this area, the county opened the replacement Fire Station 9 in 2024 and City added Louis Harris Drive that connects Commerce Drive and South Street. The road name honors the bravery and lifelong service of Louis Harris, a local hero of the 1957 gas explosion, the City's first Black police officer, and a dedicated public servant in the Water and Fire Departments.

Rivershire Place, being developed behind the old fire station at Leggett Drive, just before the Industrial Park, is a 186-townhome development. Close by, Emery Townhomes are being constructed along Highway 78, behind the Dairy Queen. Further down Highway 78 leaving the City on the west side, before

the First Baptist Church, construction has begun on Cottages that will be 191 units marketed to seniors.

On the south side of the City there is also significant construction happening. Charleston Place Phase III is adding single family homes to the existing Charleston Place subdivision. The Residences, 110 town homes located on Hickory Level Road, just beyond the Holiday Inn Express, was completed in 2024. Also, on the south side, additional single-family units are being added adjacent to the existing Twin Oaks neighborhood as a Phase II. Inline is also constructing 194 townhomes off of Tolbert Drive in the same area.

On the I-20 corridor at Liberty Road, there has also been significant development. Peach State Truck center completed construction of their sales and maintenance facility on the corner of Edge and Liberty Road. With that development, there was an additional traffic light installed and it has also spurred some additional development in the area that has the potential to bring additional jobs to Villa Rica.

The Industrial Park in Villa Rica is also seeing some growth with Commercial and light Industrial. There are plans to add an asphalt producing facility, a car dealership, and a 478,000 square foot docking facility that should add approximately 70 additional jobs.

Altogether, there are thousands of residential units in the pipeline through 2026; the full buildout of these developments should generate 9,000 new residents, most of them in Carroll County, however there is also significant growth in Douglas County too. When that cycle is complete, over $1 billion in new market value will be added to the City's gross tax digest. By relying on tax revenues generated solely through new growth, the city can continue to provide quality services to existing property owners without significant increases to the millage rate.

FINANCIAL INFORMATION

The management of the City is responsible for establishing a system of internal controls that is designed to provide reasonable assurance that assets are protected from loss, theft, or misuse. The City's accounting system supports the internal controls and procedures, which provide reliable financial records for preparing financial statements in conformity with GAAP. The internal control structure provides reasonable assurance that the City's assets are safeguarded as well as the reliability of financial records for preparing financial statements. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondarily, the evaluation of costs and benefits require estimates and judgments by management.

BUDGET Budgetary compliance is a significant tool for managing and controlling governmental activities, as well as ensuring conformance with the City's budgetary limits and specifications. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by City Council. Levels of budgetary control, that is the levels at which expenditures cannot legally exceed appropriated amounts, are established at the department level within individual funds. The City utilizes an encumbrance system of accounting as one mechanism to accomplish effective budgetary control. Another budgetary control is the generation of a monthly revenue and expenditure report summarizing by department budget and actual balances with variances which are reviewed by the City's Finance Department.

The Finance Department meets with department managers regularly to assess departments' revenues

and expenditures based on actual to date and projected revenue and expenditures for the remainder of the fiscal year. The projected revenue and expenditures are compared against the legally adopted budget for analysis. A financial summary is presented to the Finance Committee, comprised of three council members, quarterly, and to the City Council on a bi-monthly basis in the form of a financial update. The accounting software requires a password for any requisitions that exceed the budget for any line time. Therefore, the departments are not able to request funds for line items that have met or exceeded the budget. Budget transfers within departments are processed by the Finance Department, while budget amendments that impact the overall budget go to Council for approval.

Annual Budget Process The annual budget serves as the foundation for the City's financial planning and control. The development of the City's annual budget begins in April. It is a comprehensive effort that involves input from the Mayor and City Council, City Manager, all City departments, and citizens. There are several major components to the process, including gathering input on priorities, the annual goal setting session with the Mayor and City Council, presentation of the proposed budget, public comment on the proposed budget, City Council budget work sessions, and budget adoption.

Goal Setting At the beginning of the budget process, the City Manager, Deputy City Manager and Department Heads, including the Finance Department, meet with the City Council to discuss upcoming priorities and set goals for the budget. This is an open dialogue between the Department Heads and the Council. Department Heads bring their wish lists, and the Council brings theirs.

Budget Proposal After obtaining the priorities of the City Council, the City Manager reviews department budgets to ensure they are in line with priorities and funding availability. The City Manager and Finance department then presents the proposed budget to the City Council for review in early August. The proposed budget represents the City staff's recommendation of utilizing revenues and expenditures in order to achieve a balanced budget, while optimizing City service deliveries and addressing priorities of the City Council and residents.

City Council Work Sessions The City Manager, Deputy City Manager and Finance Director meet with the City Council to discuss capital projects and personnel requests before the budget is proposed. Once the budget is proposed, the City Council hold additional work sessions to review the proposed budget. The budget work sessions provide a forum for public comments on significant policy issues as well as an opportunity to review departmental programs, service enhancement, and revenue changes.

Budget Adoption On September 10, 2024, City Council adopted the fiscal year 2025 Operating and Capital Budget. City Council must adopt a final budget each year no later than September 30th, or the prior year budget rolls forward into the new fiscal year. The appropriated budget is prepared by fund (e.g., General Fund) and department (e.g., Finance Department). The legal level of budgetary control is approved by City Council at the individual fund and departmental level. Expenditures by department and major category (personnel, non-personnel, and capital outlay) are further defined in the budget document.

FINANCIAL RESERVE As a means of managing the City's financial standing, the City established and maintains a financial reserve within the General Fund and Water & Sewer Fund. The financial reserve provides budgetary flexibility for unexpected events, financial emergencies, or the unusual fluctuation in revenue-expenditure patterns that impact the ability of the City in the short-term to meet its obligations. In the Water & Sewer Fund, the reserve also allows for pay-as-you-go capital purchases.

AWARDS

As demonstrated by the statements and schedules included in the financial and required supplemental information sections of this report, the City continues meeting its responsibility for sound financial management.

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Finance Reporting to City of Villa Rica, Georgia for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the fifth year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGEMENTS

This is the sixth Annual Comprehensive Financial Report that the City has prepared. The preparation of this report is possible because of the dedicated services of the Finance Department and the cooperation of all City departments. We would like to express our appreciation to all who assisted in this effort. In closing, please accept our sincere gratitude to the Mayor and City Council for their continued support.

Respectfully submitted,



Jennifer Hallman, CPFO
Interim City Manager, CFO



Amanda Long
Interim Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Villa Rica
Georgia

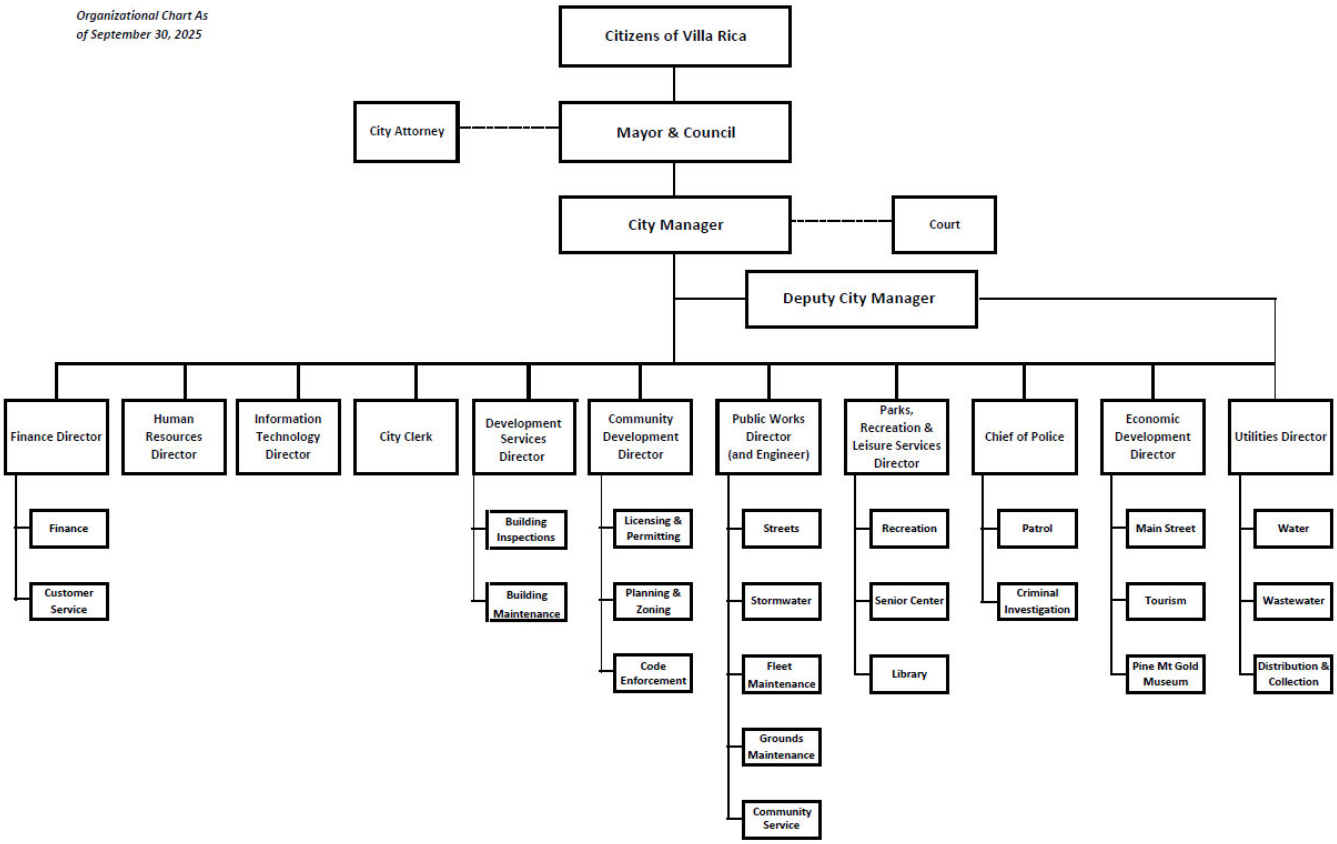
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

CITY OF VILLA RICA, GEORGIA
ORGANIZATIONAL CHART
FOR THE YEAR ENDED SEPTEMBER 30, 2025



CITY OF VILLA RICA, GEORGIA
ELECTED OFFICIALS
AS OF SEPTEMBER 30, 2025



Leslie McPherson, Mayor
Shirley Marchman, Ward 1
Matthew Momtahan, Ward 2
Stephanie Warmoth, Ward 3
Anna McCoy, Ward 4
Danny Carter, Ward 5

FINANCIAL SECTION

The financial section includes the independent auditor's report on the financial statement audit, the Management's Discussion and Analysis (MD&A), which provides a narrative introduction, overview and analysis of the financial statements, and the basic financial statements including notes, required supplementary information, and supplementary information.

Nichols, Cauley & Associates, LLC
nicholscauley.com
800-823-0117

Independent Auditor's Report

To the Mayor and City Council
City of Villa Rica, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Villa Rica, Georgia (the "City"), as of and for the year ended September 30, 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, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof 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* (GAS), issued by the Comptroller General of the United States. 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

The City's 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.

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 *GAS* 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 *GAS*, 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, budgetary comparison information, the Schedule of Changes in the City's Net Pension Liability and Related Ratios and the Schedule of City Contributions – Pension Plan on pages 18-30 and 70-74 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

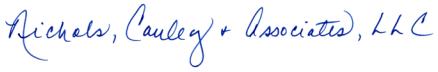
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of special purpose local sales tax proceeds, as required by the Official Code of Georgia ("O.C.G.A.") § 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 supplementary information is 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 comprehensive financial report (ACFR). 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 March 30, 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 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.



Dublin, Georgia
March 30, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the basic financial statements prepared by the Finance Director.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the City of Villa Rica, Georgia (the "City") provides an introduction to the basic financial statements for the fiscal period ended September 30, 2025. Management prepared this discussion that should be read in conjunction with the basic financial statements, footnotes, and supplementary information found in this report. This information taken collectively is designed to provide readers with an understanding of the City's finances.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Villa Rica exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by $100,843,166 (net position). Of this amount, the unrestricted portion is $4,638,526.

- The City's total net position increased by $7,742,199 compared to the prior year. The City's operations increased the governmental activities by $5,488,513 and increased the business-type activities by $2,253,686.

- At the close of fiscal year 2025, the City of Villa Rica's governmental funds reported combined ending fund balances of $37,057,234.

- At the end of fiscal year 2025, the unassigned fund balance for the General Fund was $11,646,846 or 58% of the total General Fund expenditures.

- At the end of fiscal year 2025, unrestricted net position for the Enterprise Funds was $9,869,513 or 111% of the total Proprietary Fund expenditures, excluding the transfer for the bond payment.

- Overall, the City continues to maintain a strong financial position.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements
The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. They are designed to provide the readers with a broad overview of the City's finances, in a manner similar to private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and liabilities, and deferred inflows, with the difference reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the current 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 of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from 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 and administration, public safety, development services, and cultural and recreation. The business-type activities of the City include water, sewer, sanitation/solid waste, and stormwater.

The government-wide financial statements are presented on pages 32-33 of this report.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance- related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 current sources and uses 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 the 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 statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains seventeen (17) governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Eastside TAD Project Fund, 2021 SPLOST Fund, and 2022 SPLOST Fund, which are considered major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 34-37 of this report.

Proprietary Funds – The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, stormwater and solid waste operations. Internal Service Funds are used to report departments that provide services for other city departments. The City uses an internal service fund to account for its partially self-funded insurance fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 38-40 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 42-68 of this report.

Required Supplementary Information – In addition to the basic financial statements and accompanying notes, this section presents required supplementary information concerning the City's retirement plan. This information can be found on pages 73-75 of this report.

Component Units – The City's two discretely presented component units are the Villa Rica Industrial Development Authority and Villa Rica Downtown Development Authority. Financial information about these component units can be found on pages 94-97 of this report.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The City's net position at the close of fiscal year 2025 increased 8% from $93,100,967 at September 30, 2024 to $100,843,166 at September 30, 2025.

The largest portion of the City's net position at September 30, 2025 ($88,120,574) reflects its investment in capital assets (e.g., land, buildings machinery and equipment, less any outstanding debt used to acquire those assets). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that revenue sources needed to pay this debt must be provided from other sources, since capital assets themselves are not planned to be used to liquidate these liabilities.

An additional portion of the City's net position ($8,084,066) represents resources that are subject to external restrictions on how they may be used. The unrestricted portion of net position is ($4,638,526).

Following are summaries of the City's Statement of Net Position and Changes in Net Position.

(This page is continued on the subsequent page)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 42,199,743	$ 41,417,435	$ 11,825,045	$ 10,803,083	$ 54,024,788	$ 52,220,518
Capital assets	45,739,381	42,239,290	63,121,335	59,290,091	108,860,716	101,529,381
Total Assets	87,939,124	83,656,725	74,946,380	70,093,174	162,885,504	153,749,899
Deferred outflows of resources	1,719,136	2,045,276	146,751	208,779	1,865,887	2,254,055
Total deferred outflows of resources	1,719,136	2,045,276	146,751	208,779	1,865,887	2,254,055
Current liabilities	6,503,064	3,311,524	1,530,206	1,571,765	8,033,270	4,883,289
Long-term liabilities	47,641,305	52,971,076	7,444,956	5,004,938	55,086,261	57,976,014
Total Liabilities	54,144,369	56,282,600	8,975,162	6,576,703	63,119,531	62,859,303
Deferred inflows of resources	640,765	34,788	147,929	8,896	788,694	43,684
Total deferred inflows of resources	640,765	34,788	147,929	8,896	788,694	43,684
Net Position:						
Net investment in capital assets	32,020,047	30,287,189	56,100,527	54,920,599	88,120,574	85,207,788
Restricted	15,644,692	16,983,624	-	-	15,644,692	16,983,624
Unrestricted	(12,791,613)	(17,886,200)	9,869,513	8,795,755	(2,922,100)	(9,090,445)
Total Net Position	$ 34,873,126	$ 29,384,613	$ 65,970,040	$ 63,716,354	$ 100,843,166	$ 93,100,967

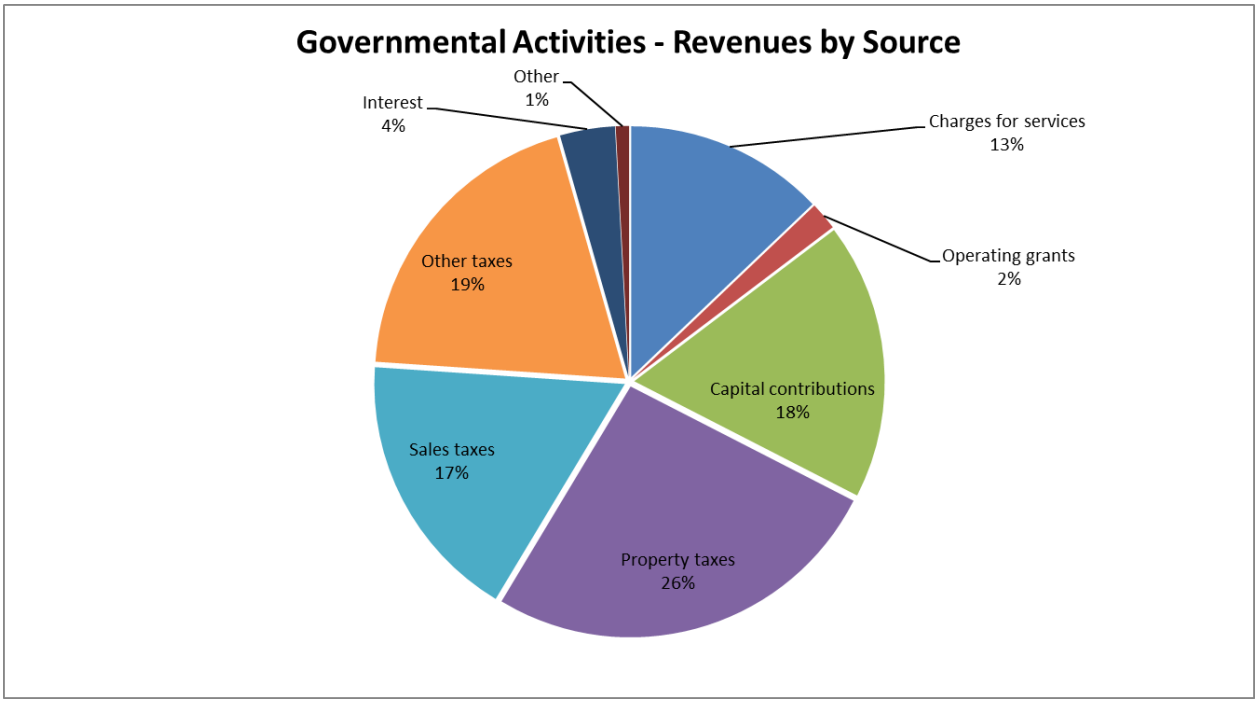
(This page is continued on the subsequent page)

Changes in Net Position

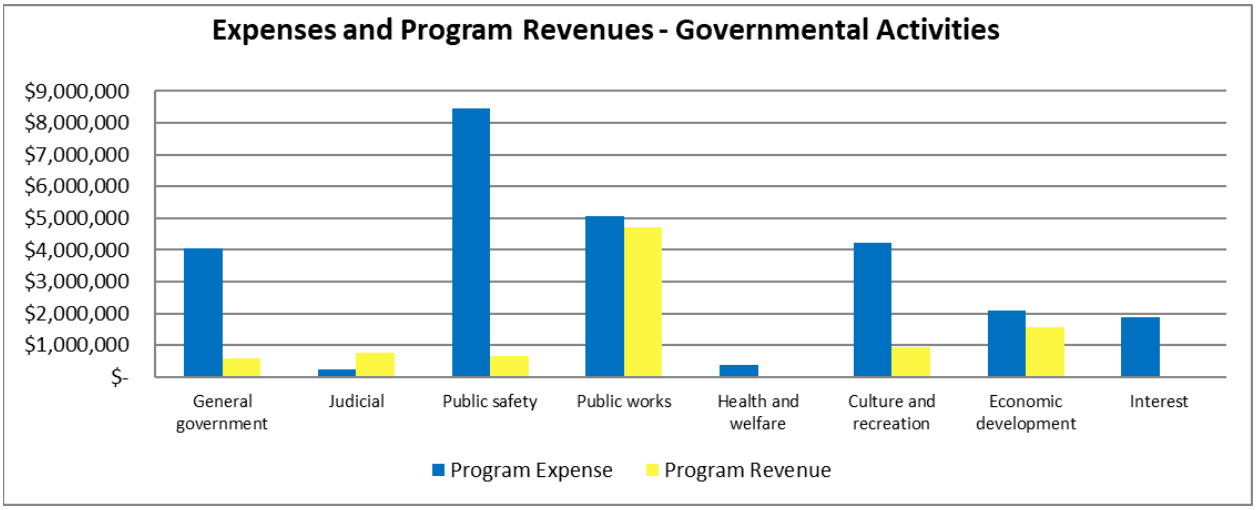
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Program revenues:						
Charges for services	$3,658,344	$ 2,262,473	$15,829,705	$ 13,605,229	$ 19,488,049	$ 15,867,702
Operating grants	511,855	786,801	-	-	511,855	786,801
Capital contributions	5,060,075	5,276,163	975,505	-	6,035,580	5,276,163
General revenues:						
Property taxes	7,403,792	6,710,240	-	-	7,403,792	6,710,240
Sales taxes	4,950,621	4,746,774	-	-	4,950,621	4,746,774
Other taxes	5,540,722	4,970,027	-	-	5,540,722	4,970,027
Interest	1,007,258	870,844	304,926	298,237	1,312,184	1,169,081
Other	243,015	871,026	8,427	78,654	251,442	949,680
Total revenues	28,375,682	26,494,348	17,118,563	13,982,120	45,494,245	40,476,468
Expenses:						
General government	4,038,265	4,277,240	-	-	4,038,265	4,277,240
Judicial	238,113	239,519	-	-	238,113	239,519
Public safety	8,439,799	7,332,680	-	-	8,439,799	7,332,680
Public works	5,054,705	5,147,783	-	-	5,054,705	5,147,783
Health and welfare	396,836	294,893	-	-	396,836	294,893
Culture and recreation	4,214,712	3,310,118	-	-	4,214,712	3,310,118
Housing / Economic Developm.	2,089,489	1,904,008	-	-	2,089,489	1,904,008
Interest	1,896,996	2,122,290	-	-	1,896,996	2,122,290
Water and sewer	-	-	8,922,807	7,869,008	8,922,807	7,869,008
Solid waste	-	-	1,756,561	1,616,710	1,756,561	1,616,710
Stormwater	-	-	380,047	270,996	380,047	270,996
Total expenses	26,368,915	24,628,531	11,059,415	9,756,714	37,428,330	34,114,249
Increase (decrease) in net position before transfers	2,006,767	1,865,817	6,059,148	4,225,406	8,065,915	6,362,219
Transfers	3,767,415	3,438,102	(3,767,415)	(3,438,102)	-	-
Increase (decrease) in net position	5,774,182	5,303,919	2,291,733	787,304	8,065,915	9,745,126
Net Position, October 1 - as restated*	29,098,944	24,080,694	63,678,307	62,929,050	92,777,251	87,009,744
Net Position, September 30	$ 34,873,126	$ 29,384,613	$ 65,970,040	$ 63,716,354	$ 100,843,166	$ 96,754,870

Governmental Activities

The City's governmental activities are heavily reliant on property taxes, sales taxes and other taxes to support operations. Property taxes provided 26% of revenues, sales taxes provided 17% and other taxes provided 19%. As a result, the general economy and the local businesses have a major impact on the City's revenue streams. Program revenues cover 35% of governmental expenses with capital contributions being the largest revenue in this category at 55%.



The table below presents the cost of each of the City's programs and the related program revenues. The difference between the expenses and the program revenues show the financial burden placed on the City's taxpayers by each of these functions.



The most significant governmental expense for the City is providing Public Safety services such as the police department. This comprises $8,439,799 (32%) of the total governmental expense. The next two significant governmental expenses are Public Works totaling $5,045,705 (19%) and Culture and Recreation totaling $4,214,712 (16%) of governmental expenses.

- The cost for all governmental activity for the year was $26,368,915 compared to $24,628,531 in the previous year.
- The revenue amount paid for most of these activities came from the general revenues of the City such as property taxes, sales taxes and business taxes ($17,138,641).

- Some of the costs were paid by those benefiting directly from the programs ($3,658,344) and subsidies from other governments and organizations through grants and/or contributions ($5,571,930).

Business-Type Activities
The cost of all Business-Type activities in 2025 was $11,059,415. The amounts paid by the users of the systems were $15,829,705 and additionally the business-type activities earned $975,505 from other revenues.

With the activity from the year, the net position at September 30, 2025 for business-type activities was $65,970,040.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. The information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental Funds
Governmental funds reported ending fund balance of $37,057,234. Of this year-end total, $11,646,846 is unassigned indicating availability for continuing service requirements.

Major Governmental Funds
The general fund is the City's primary operating fund and the largest source of day-to-day service delivery. At the end of the current fiscal year, fund balance of the general fund was $13,647,024. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance ($11,646,846) to total fund expenditures. Unassigned fund balance represents 58% total general fund expenditures.

Total general fund revenues for the period ending September 30th were $21,826,090 which is an increase of $2,076,912 (10%) compared to 2024. General property taxes increased $693,552 (9%) compared to 2024 due to digest growth. Local Option Sales Tax (LOST) increased $203,847 (4%) due to the economy. In 2013, the State of Georgia implemented a title ad valorem tax (TAVT) which replaced sales tax on vehicle purchases and became a one-time tax as an alternative to the "birthday" tax for vehicle tag purchases. TAVT experienced an increase of $60,651 (6.6%) compared to 2024.

License and permit fees increased in 2025 compared to 2024 by $180,351 (21%). This was due to an increase in development. Intergovernmental revenue experienced a $63,782 (8%) increase due to state and federal grants. Charges for services realized an increase because of permitting, expanded park programs, and library programs.

Total expenditures increased by $1,672,415 (9%). General government experienced a decrease of $190,397 (5%). This was primarily due to professional services and changes in personnel. Public Works increased $528,333 (19%) due to a higher volume of projects.

General Fund's Net Change in Fund Balance

	2025	2024	Increase (Decrease)	Percent Increase (Decrease)
Revenues:				
Taxes	$17,007,979	$ 15,944,835	$ 1,063,144	6.7%
Licenses and permits	1,055,510	875,159	180,351	20.6%
Intergovernmental	820,907	757,125	63,782	8.4%
Fines and fees	1,446,295	420,440	1,025,855	244.0%
Charges for services	681,835	900,553	(218,718)	-24.3%
Interest income	560,564	611,886	(51,322)	-8.4%
Other revenue	253,000	239,180	13,820	5.8%
Total revenues	21,826,090	19,749,178	2,076,912	10.5%
Expenses:				
General government	3,596,809	3,787,206	(190,397)	-5.0%
Judicial	244,114	235,261	8,853	3.8%
Public safety	7,383,324	6,681,130	702,194	10.5%
Public works	3,823,639	3,295,306	528,333	16.0%
Health and welfare	372,220	286,778	85,442	29.8%
Culture and recreation	3,124,804	2,719,961	404,843	14.9%
Economic development	1,686,288	1,553,141	133,147	8.6%
Debt service	-	-	-	0.0%
Capital outlay	-	-	-	0.0%
Total expenditures	20,231,198	18,558,783	1,672,415	9.0%
Other financing sources (uses)				
Proceeds from sale of capital assets	20,770	175,180	(154,410)	0.0%
Transfers in	2,452,620	1,817,881	634,739	34.9%
Transfers out	(1,312,369)	(3,175,592)	1,863,223	-58.7%
Total Other Financing Sources	1,161,021	(1,182,531)	2,343,552	-198%
Net change in fund balance	2,755,913	7,864	5,091,601	64745.7%
Fund Balance, beginning of year - restated	10,891,111	10,883,247	7,864	0.1%
Fund Balance, end of year	13,647,024	10,891,111	2,755,913	25.3%

In 2023, the Eastside Tax Allocation District (TAD) Project Fund was created. The Villa Rica Urban Redevelopment Agency issued bonds totaling $20,985,000 for road and utility construction projects within the special district. We are anticipating that these large developments, once fully developed, within the district, will generate enough property tax to cover the annual debt service payments as well as generate other revenue for the City.

2021 Carroll SPLOST Fund was created in May 2021. The City entered into an intergovernmental agreement with Carroll County to participate in the issuance of General Obligation Sales Tax Bonds, Series 2021 in the amount of $40,000,000. The City's portion of the debt was $4,000,000 which will be paid first

from the City's share of special purpose local option sales tax proceeds. The City received $4.5 million in bond proceeds (including bond premium). Additional sales tax proceeds are received after the annual debt service is fully funded. In FY25, the additional taxes were $1,567,318. The City continues to collect the sales tax dollars from the County and is building the fund balance to pay for future road, park and economic development capital projects. These funds now totaling ($7,292,859) are in restricted fund balance as of September 30, 2025.

The 2022 Douglas SPLOST fund, is used to record special purpose local option sales taxes received by Douglas County and then distributed to the City through an Intergovernmental agreement. Tax revenue for the fund totaled $2,118,746 with an additional $180,590 being earned as interest. All the fund balance in 2022 Douglas SPLOST ($4,809,818) is also restricted for capital projects such as roads, parks, and public safety.

Proprietary Funds

The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Operating revenues were 16% higher than the prior year due to two water volume and sewer rate increases. Rate increases were necessary due to renegotiated contracts for water purchases from both Douglas and Carroll County water authorities. Operating expenses were 13% higher due to an increase in both the cost and the volume of water purchased and maintenance expenses on both infrastructure and equipment.

BUDGETARY HIGHLIGHTS

The General Fund's 2025 final approved revenue budget was $21,254,465. The City collected $571,625 more than the approved revenue budget. Actual tax revenue was $490,538 more than budgeted. Local option sales tax and property tax revenues were the main contributor to this increase.

The General Fund's final approved expenditure budget was $22,170,216. The city expended 91.2% of the final approved expenditure budget. The General Fund actual expenditures were $1,939,018 less than budgeted. Public Safety was under budget by $208,786 primarily due to some vacancies as well as timing of equipment purchases/payments because of delayed shipping. Public Works was under budget by $486,223 due to some projects not completed and paid by end of the fiscal year. See page 19 for more information about the General Fund budget.

(This page is continued on the subsequent page)

General Fund's Budget & Actual Comparison

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Taxes	$16,405,984	$16,517,441	$17,007,979	$ 490,538
Licenses and permits	1,403,617	1,403,617	1,055,510	(348,107)
Intergovernmental	502,740	920,016	820,907	(99,109)
Fines and fees	1,173,023	1,208,023	1,446,295	238,272
Charges for services	377,000	377,000	681,835	304,835
Interest income	656,160	656,160	560,564	(95,596)
Other revenue	132,114	172,208	253,000	80,792
Total revenues	20,650,638	21,254,465	21,826,090	571,625
Expenses:				
General government	4,178,614	4,278,969	3,596,809	$ 682,160
Judicial	274,002	274,002	244,114	29,888
Public safety	7,420,745	7,592,110	7,383,324	208,786
Public works	3,750,794	4,309,862	3,823,639	486,223
Health and welfare	484,604	484,604	372,220	112,384
Culture and recreation	3,302,858	3,370,349	3,124,804	245,545
Economic development	1,855,922	1,860,320	1,686,288	174,032
Total expenditures	21,267,539	22,170,216	20,231,198	1,939,018
Other financing sources (uses)				
Transfers in	1,848,381	2,452,620	2,452,620	-
Transfers out	(1,357,187)	(1,600,401)	(1,312,369)	(288,032)
Proceeds from sale of assets	15,000	15,000	20,770	(5,770)
Net change in fund balance	$ (110,707)	$ (48,532)	$ 2,755,913	$ (1,661,195)
Fund Balance, beginning of year*	10,891,111	10,891,111	10,891,111	-
Fund Balance, end of year	10,780,404	10,842,579	13,647,024	(1,661,195)

* Restated

(This page is continued on the subsequent page)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation and related debt, for governmental and business-type activities as September 30, 2025, was $45,739,381 and $63,121,335 respectively. The major changes to capital for 2025 were:

Governmental Activities:

- $919,508 was spent on the Villa Rica Parkway and Mirror Lake Connector. This project is currently in progress and not complete.
- $1,308,069 was spent on Fortune Parkway and an additional $704,486 was spent for stream mitigation credits required to build the road over wet-lands and streams. This project is currently in progress and not complete.
- The City added downtown parking for the WIC building and Mill at a cost of $268,344.
- $77,320 was spent to connect South Street with Commerce Drive. The road was named Louis Harris Drive in honor of a local hero.
- The North Avenue basketball gym flooring was replaced for $78,272.
- The scoreboards at the VPLEX were replaced for $85,710.
- $233,000 was spent for land in the down-town district.
- $166,324 was spent upfitting vehicles for the Police Department purchased in the prior year.
- $30,584 was spent for a Criminal Investigations Division vehicle.
- A vehicle was purchased for the Customer Service department for $41,490.
- A maintenance vehicle was purchased for $55,399.
- The downtown North Avenue gym parking lot was expanded for $79,657.

Business-Type Activities:

- New meters were purchased for $168,792. These meters were for both replacements and new installations.
- Weatherstone Lift Station was refurbished for $990,716.
- A 2025 Ford F-450 was added to the Distribution fleet for $75,298.
- A 2025 Ford F-150 was added to the fleet to replace a wrecked vehicle for $46,154.
- 2026 Vactor/Kenworth combination Vacuum truck was added to the Wastewater fleet for $533,097. This vehicle can be used across multiple departments.
- Cowan's Lake dam was repaired/renovated for $228,100.
- A generator was added at the North plant to ensure continuous operations for $112,119.
- $1,036,384 was spent on the Shoreline lift station/force main modification to re-route waste from the North Plant to the West Plant and re-distribute waste load allocations.
- The City spent $2,266,976 to add waterlines to the North Bypass during construction of the road.

At September 30, 2025, the depreciable capital assets for governmental activities were 50% depreciated. The business-type activities are 37% depreciated.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 4,645,744	$ 3,968,744	$ 2,157,452	$ 2,157,452	$ 6,803,196	$ 6,126,196
Construction in progress	16,619,047	13,432,483	4,014,911	4,974,716	20,633,958	18,407,199
Site Improvements	5,574,784	5,254,315	176,175	188,381	5,750,959	5,442,696
Infrastructure	10,065,033	10,227,165	30,299,204	25,003,389	40,364,237	35,230,554
Buildings	6,804,094	7,065,176	24,825,586	25,581,651	31,629,680	32,646,827
Machinery and equipment	2,030,679	2,291,407	1,648,007	1,384,502	3,678,686	3,675,909
Total	$ 45,739,381	$ 42,239,290	$ 63,121,335	$ 59,290,091	$ 108,860,716	$ 101,529,381

For more information on the changes in capital assets, see Note 5.

Debt Administration

At the end of the fiscal year, the City had total bonded debt outstanding of $48,740,000. In 2022, the Public Facilities Authority issued $31,880,000 in bonds for the purpose of refunding the Series 2015 bonds. These bonds had an outstanding balance of $27,755,000 as of the end of fiscal year 2025. These are revenue bonds but are backed by the ad valorem tax revenues of the General Fund. Also, the Urban Redevelopment Agency issued $20,985,000 in bonds for road and utility construction projects in September 2023. The principal balance of those bonds have not yet changed.

The water and sewer fund has used Georgia Environmental Finance Authority to finance several water and sewer improvements with low interest financing options. These loans have a balance of $7,020,808 as of September 30, 2025.

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Bonds Payable	$ 48,740,000	$ 50,330,000	$ -	$ -	$ 48,740,000	$ 50,330,000
Plus: Premiums	-	-	-	-	-	-
Compensated absences *	682,316	645,651	106,932	52,139	789,248	697,790
Net Pension Liability *	1,374,037	2,281,094	317,216	583,307	1,691,253	2,864,401
Capital lease agreement	-	-	-	-	-	-
Notes payable	-	-	7,020,808	4,369,492	7,020,808	4,369,492
Total Outstanding Debt	$ 50,796,353	$ 53,256,745	$ 7,444,956	$ 5,004,938	$ 58,241,309	$ 58,261,683

* Restated

For more information on the long-term debt, see Note 6 to the financial statements.

(This page is continued on the subsequent page)

ECONOMIC FACTORS

The City's elected and appointed officials considered many factors when adopting the 2025 budget, tax rates and fees that will be charged for the business-type activities. One of those factors is the economy. The trends for the City of Villa Rica have shown growth in the economy as the City is seeing a steady flow of new residential, commercial, and light Industrial permit applications. There are several companies contacting the City about relocating or expanding their footprint in Villa Rica.

REQUEST FOR INFORMATION

The financial report is designed to provide a general overview of the City of Villa Rica's finances for all those with an interest in the City's finances. If you have any questions about this report or need any additional information, contact the Finance Department at 571 W. Bankhead Highway, Villa Rica, Georgia 30180, or call 770-459-7000. A copy of this document is available on the City's website at www.villarica.gov.



BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide statement of net position and government-wide statement of activities which include all the primary government's governmental activities, business-type activities and component units. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements

.

CITY OF VILLA RICA, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority	Downtown Development Authority
Assets					
Cash and cash equivalents	$ 37,993,759	$ 9,716,847	$ 47,710,606	$ 802,514	$ 35,861
Investments	-	-	-	250,000	-
Receivables, net	2,691,107	1,908,915	4,600,022	-	-
Intergovernmental receivables	690,882	-	690,882	-	-
Due from component units	206,961	-	206,961	-	-
Inventories	63,124	182,456	245,580	-	-
Prepaid items	553,910	16,827	570,737	-	-
Capital assets					
Nondepreciable	21,264,791	6,172,363	27,437,154	50,000	-
Depreciable, net	24,474,590	56,948,972	81,423,562	209,505	-
Total assets	87,939,124	74,946,380	162,885,504	1,312,019	35,861
Deferred Outflows of Resources					
Deferred charges	1,083,484	-	1,083,484	-	-
Related to pension	635,652	146,751	782,403	-	-
Total deferred outflows of resources	1,719,136	146,751	1,865,887	-	-
Liabilities					
Accounts payable	2,133,272	625,069	2,758,341	37,769	25
Accrued expenses	354,652	61,423	416,075	-	-
Accrued interest	301,141	-	301,141	-	-
Deposits payable	-	825,868	825,868	-	-
Claims payable	142,054	-	142,054	-	-
Unearned revenue	-	17,846	17,846	-	-
Due to primary governments	-	-	-	157,961	49,000
Due to other governments	416,897	-	416,897	-	-
Noncurrent liabilities					
Due within one year					
Long-term obligations	3,155,048	263,710	3,418,758	-	-
Due in more than one year					
Long-term obligations	46,267,268	6,864,030	53,131,298	-	-
Net pension liability	1,374,037	317,216	1,691,253	-	-
Total liabilities	54,144,369	8,975,162	63,119,531	195,730	49,025
Deferred Inflows of Resources					
Related to pension	640,765	147,929	788,694	-	-
Total deferred inflows of resources	640,765	147,929	788,694	-	-
Net Position					
Net investment in capital assets	32,020,047	56,100,527	88,120,574	259,505	-
Restricted for					
Capital projects	14,925,412	-	14,925,412	-	-
Public safety programs	548,170	-	548,170	-	-
Tourism programs	171,110	-	171,110	-	-
Unrestricted	(12,791,613)	9,869,513	(2,922,100)	856,784	(13,164)
Total net position	$ 34,873,126	$ 65,970,040	$ 100,843,166	$ 1,116,289	$ (13,164)

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Industrial Development Authority	Component Units: Downtown Development Authority
Primary government									
Governmental activities									
General government	$ 4,038,265	$ 259,358	$ 330,477	$ -	$ (3,448,430)	$ -	$ (3,448,430)	$ -	$ -
Judicial	238,113	758,801	-	-	520,688	-	520,688	-	-
Public safety	8,439,799	303,353	47,325	298,914	(7,790,207)	-	(7,790,207)	-	-
Public works	5,054,705	376,488	-	4,340,826	(337,391)	-	(337,391)	-	-
Health and welfare	396,836	-	9,314	-	(387,522)	-	(387,522)	-	-
Culture and recreation	4,214,712	596,348	124,739	210,855	(3,282,770)	-	(3,282,770)	-	-
Housing and economic development	2,089,489	1,363,996	-	209,480	(516,013)	-	(516,013)	-	-
Interest	1,896,996	-	-	-	(1,896,996)	-	(1,896,996)	-	-
Total governmental activities	26,368,915	3,658,344	511,855	5,060,075	(17,138,641)	-	(17,138,641)	-	-
Business-type activities									
Sewer and Water	8,922,807	13,947,524	-	975,505	-	6,000,222	6,000,222	-	-
Waste	1,756,561	1,882,181	-	-	-	125,620	125,620	-	-
Stormwater	380,047	-	-	-	-	(380,047)	(380,047)	-	-
Total business-type activities	11,059,415	15,829,705	-	975,505	-	5,745,795	5,745,795	-	-
Total primary government	37,428,330	19,488,049	511,855	6,035,580	(17,138,641)	5,745,795	(11,392,846)	-	-
Component units									
Industrial Development Authority	$ 53,769	$ -	$ -	$ -				$ (53,769)	$ -
Downtown Development Authority	2,745	2,363	-	-				-	(382)
	$ 56,514	$ 2,363	$ -	$ -				(53,769)	(382)
General revenues and transfers									
General revenues									
Property taxes					7,403,792	-	7,403,792	-	-
Sales taxes					4,950,621	-	4,950,621	-	-
Franchise taxes					1,760,128	-	1,760,128	-	-
Insurance premium taxes					1,857,066	-	1,857,066	-	-
Hotel/Motel taxes					525,834	-	525,834	-	-
Alcoholic beverage taxes					266,964	-	266,964	-	-
Other taxes					1,130,730	-	1,130,730	-	-
Unrestricted investment earnings					1,007,258	304,926	1,312,184	36,245	125
Gain on sale of capital assets					20,770	-	20,770	-	-
Miscellaneous					222,245	8,427	230,672	-	-
Transfers					3,767,415	(3,767,415)	-	-	-
Total general revenues and transfers					22,912,823	(3,454,062)	19,458,761	36,245	125
Change in net position					5,774,182	2,291,733	8,065,915	(17,524)	(257)
Net position - beginning - as previously reported					29,384,613	63,716,354	93,100,967	1,133,813	(12,907)
Change in accounting principle (GASB 101)					(285,669)	(38,047)	(323,716)	-	-
Net position - beginning - as restated					29,098,944	63,678,307	92,777,251	1,133,813	(12,907)
Net position - ending					$ 34,873,126	$ 65,970,040	$ 100,843,166	$ 1,116,289	$ (13,164)

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

CITY OF VILLA RICA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	Eastside TAD Project	2021 SPLOST	2022 SPLOST	Total Nonmajor Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 12,105,191	$ 7,747,276	$ 7,451,396	$ 4,760,482	$ 3,728,186	$ 35,792,531
Receivables, net	2,532,566	29,542	-	-	128,999	2,691,107
Intergovernmental receivables	368,198	-	-	322,684	-	690,882
Due from component units	206,961	-	-	-	-	206,961
Inventories	63,124	-	-	-	-	63,124
Prepaid items	553,910	-	-	-	-	553,910
Total assets	$ 15,829,950	$ 7,776,818	$ 7,451,396	$ 5,083,166	$ 3,857,185	$ 39,998,515
Liabilities						
Accounts payable	$ 1,528,214	$ 1,900	$ 158,537	$ 70,623	$ 324,394	$ 2,083,668
Accrued expenses	354,652	-	-	-	-	354,652
Due to other governments	214,172	-	-	202,725	-	416,897
Total liabilities	2,097,038	1,900	158,537	273,348	324,394	2,855,217
Deferred Inflows of Resources						
Unavailable revenues	85,888	-	-	-	176	86,064
Total deferred inflows of resources	85,888	-	-	-	176	86,064
Fund Balances						
Nonspendable	617,034	-	-	-	-	617,034
Restricted	-	7,774,918	7,292,859	4,809,818	3,514,373	23,391,968
Committed	500,000	-	-	-	18,242	518,242
Assigned	883,144	-	-	-	-	883,144
Unassigned	11,646,846	-	-	-	-	11,646,846
Total fund balances	13,647,024	7,774,918	7,292,859	4,809,818	3,532,615	37,057,234
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 15,829,950	$ 7,776,818	$ 7,451,396	$ 5,083,166	$ 3,857,185	$ 39,998,515

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

CITY OF VILLA RICA, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds		$ 37,057,234
Capital assets used in governmental activities are not current financial resources, and therefore are not reported in the funds.		
Cost of capital assets	$ 70,104,027	
Less accumulated depreciation	(24,364,646)	45,739,381
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds		
Property taxes		86,064
The Internal service fund is used by management to charge the costs of the group health insurance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities column on the government-wide statement of net position.		2,009,570
Differences between expected and actual experiences, actuarial changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for postretirement benefits (pension) are recognized as deferred outflows of resources and deferred inflows of resources on the statement of net position.		
Deferred outflows related to pension	635,652	
Deferred inflows related to pension	(640,765)	(5,113)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		
Accrued interest payable	(301,141)	
Deferred charges on refunding	1,083,484	
Compensated absences	(682,316)	
Bonds payable	(48,740,000)	
Net pension liability	(1,374,037)	(50,014,010)
Net position of governmental activities		$ 34,873,126

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General	Eastside TAD Project	2021 SPLOST	2022 SPLOST	Total Nonmajor Funds	Total Governmental Funds
Revenues						
Taxes	$ 17,007,979	$ -	$ -	$ -	$ 825,390	$ 17,833,369
Licenses and permits	1,055,510	-	-	-	-	1,055,510
Intergovernmental	820,907	-	1,567,318	2,118,746	489,266	4,996,237
Charges for services	1,446,295	-	-	-	244,877	1,691,172
Fines and forfeitures	681,835	-	-	-	118,882	800,717
Investment earnings	560,564	435,086	319,890	180,590	167,011	1,663,141
Contributions and donations	30,755	-	-	-	-	30,755
Miscellaneous	222,245	-	-	-	-	222,245
Total revenues	21,826,090	435,086	1,887,208	2,299,336	1,845,426	28,293,146
Expenditures						
Current						
General government	3,596,809	-	-	-	-	3,596,809
Judicial	244,114	-	-	-	-	244,114
Public safety	7,383,324	-	-	-	16,776	7,400,100
Public works	3,823,639	-	-	-	270,985	4,094,624
Health and welfare	372,220	-	-	-	-	372,220
Culture and recreation	3,124,804	-	-	-	-	3,124,804
Housing and economic development	1,686,288	-	-	-	386,392	2,072,680
Debt service						
Principal	-	-	-	-	1,590,000	1,590,000
Interest	-	-	-	-	1,750,948	1,750,948
Capital outlay	-	2,197,354	1,746,676	617,216	3,120,992	7,682,238
Intergovernmental	-	-	-	-	29,227	29,227
Total expenditures	20,231,198	2,197,354	1,746,676	617,216	7,165,320	31,957,764
Excess (deficiency) of revenues over (under) expenditures	1,594,892	(1,762,268)	140,532	1,682,120	(5,319,894)	(3,664,618)
Other Financing Sources (Uses)						
Transfers in	2,452,620	-	-	-	3,392,278	5,844,898
Transfers out	(1,312,369)	-	-	-	(765,114)	(2,077,483)
Sale of capital assets	20,770	-	-	-	-	20,770
Total other financing sources (uses)	1,161,021	-	-	-	2,627,164	3,788,185
Net change in fund balances	2,755,913	(1,762,268)	140,532	1,682,120	(2,692,730)	123,567
Fund balances - beginning - as previously reported	10,891,111	9,537,186	7,152,327	-	9,353,043	36,933,667
Changes within the financial reporting entity						
(major to nonmajor)	-	-	-	-	-	-
(nonmajor to major)	-	-	-	3,127,698	(3,127,698)	-
Fund balances - beginning - as restated	10,891,111	9,537,186	7,152,327	3,127,698	6,225,345	36,933,667
Fund balances - ending	$ 13,647,024	$ 7,774,918	$ 7,292,859	$ 4,809,818	$ 3,532,615	$ 37,057,234

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

CITY OF VILLA RICA, 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 SEPTEMBER 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:

Total changes in fund balances - total governmental funds		$ 123,567
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	$ (1,867,592)	
Capital outlay	5,369,948	3,502,356
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to decrease net position		(2,265)
Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.		
Property taxes		61,766
Internal service funds are used by management to charge the costs of certain employee insurance coverages and vehicle/equipment expenses to the individual funds. The net revenue of certain activities of Internal Service Funds is reported with governmental activities.		557,142
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.		
Principal payments on bonds		1,590,000
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.		
Change in accrued interest payable	3,341	
Change in compensated absences	(36,665)	
Amortization of deferred amounts of refunding	(149,389)	
Pension expense	124,329	(58,384)
Change in net position of governmental activities		$ 5,774,182

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	Business-Type Activities				Governmental Activities Internal Service Fund
		Non-Major			
	Water and Sewer	Solid Waste	Storm Water	Total Enterprise Funds	Self-Insurance Fund
Assets					
Current assets					
Cash and cash equivalents	$ 8,659,369	$ 528,936	$ 528,542	$ 9,716,847	$ 2,201,228
Receivables, net	1,669,653	239,262	-	1,908,915	-
Inventories	182,456	-	-	182,456	-
Prepaid items	16,827	-	-	16,827	-
Total current assets	10,528,305	768,198	528,542	11,825,045	2,201,228
Noncurrent Assets					
Capital assets					
Land	2,157,452	-	-	2,157,452	-
Construction in progress	3,985,890	-	29,021	4,014,911	-
Infrastructure	47,504,462	-	1,304,751	48,809,213	-
Buildings	34,127,052	-	-	34,127,052	-
Improvements	229,115	-	-	229,115	-
Machinery and equipment	5,888,931	699,495	38,814	6,627,240	-
Less accumulated depreciation	(32,125,095)	(535,174)	(183,379)	(32,843,648)	-
Total capital assets	61,767,807	164,321	1,189,207	63,121,335	-
Total assets	72,296,112	932,519	1,717,749	74,946,380	2,201,228
Deferred Outflows of Resources					
Related to pensions	123,494	15,551	7,706	146,751	-
Total deferred outflows of resources	123,494	15,551	7,706	146,751	-
Liabilities					
Current liabilities					
Accounts payable	494,494	126,928	3,647	625,069	49,604
Accrued expenses	50,704	7,131	3,588	61,423	-
Deposits payable	825,868	-	-	825,868	-
Claims payable	-	-	-	-	142,054
Unearned revenue	17,846	-	-	17,846	-
Notes payable	192,550	-	-	192,550	-
Compensated absences	71,160	-	-	71,160	-
Total current liabilities	1,652,622	134,059	7,235	1,793,916	191,658
Noncurrent liabilities					
Compensated absences	17,789	10,964	7,019	35,772	-
Notes payable	6,828,258	-	-	6,828,258	-
Net pension liability	266,945	33,614	16,657	317,216	-
Total noncurrent liabilities	7,112,992	44,578	23,676	7,181,246	-
Total liabilities	8,765,614	178,637	30,911	8,975,162	191,658
Deferred Inflows of Resources					
Related to pensions	124,486	15,675	7,768	147,929	-
Total deferred inflows of resources	124,486	15,675	7,768	147,929	-
Net Position					
Net investment in capital assets	54,746,999	164,321	1,189,207	56,100,527	-
Unrestricted	8,782,507	589,437	497,569	9,869,513	2,009,570
Total net position	$ 63,529,506	$ 753,758	$ 1,686,776	$ 65,970,040	$ 2,009,570

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities				Governmental Activities Internal Service Fund
		Non-Major			
	Water and Sewer	Solid Waste	Storm Water	Total Enterprise Funds	Self-Insurance Fund
Operating revenues					
Charges for services	$ 13,686,576	$ 1,882,181	$ -	$ 15,568,757	$ 2,607,528
Other fees	260,948	-	-	260,948	-
Miscellaneous	340	8,087	-	8,427	-
Total operating revenues	13,947,864	1,890,268	-	15,838,132	2,607,528
Operating expenses					
Personal services	2,285,866	301,481	165,113	2,752,460	-
Claims and excess premiums	-	-	-	-	1,385,893
Contractual services	993,039	1,344,508	127,225	2,464,772	642,136
Supplies	3,188,196	46,109	15,508	3,249,813	-
Depreciation	2,347,923	64,463	72,201	2,484,587	-
Other	-	-	-	-	22,357
Total operating expenses	8,815,024	1,756,561	380,047	10,951,632	2,050,386
Operating income (loss)	5,132,840	133,707	(380,047)	4,886,500	557,142
Nonoperating Revenues (Expenses)					
Interest income	285,599	19,327	-	304,926	-
Interest expense	(107,783)	-	-	(107,783)	-
Total nonoperating revenues (expenses), net	177,816	19,327	-	197,143	-
Income (loss) before transfers	5,310,656	153,034	(380,047)	5,083,643	557,142
Capital contributions	975,505	-	-	975,505	-
Transfers in	-	-	320,911	320,911	-
Transfers out	(4,024,999)	(63,327)	-	(4,088,326)	-
Change in net position	2,261,162	89,707	(59,136)	2,291,733	557,142
Net position - beginning - as previously reported	61,302,443	666,105	1,747,806	63,716,354	1,452,428
Change in accounting principle (GASB 101)	(34,099)	(2,054)	(1,894)	(38,047)	-
Net position - beginning - as restated	61,268,344	664,051	1,745,912	63,678,307	1,452,428
Net position - ending	$ 63,529,506	$ 753,758	$ 1,686,776	$ 65,970,040	$ 2,009,570

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

CITY OF VILLA RICA, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities				Governmental Activities Internal Service Fund
		Non-Major			
	Water and Sewer	Solid Waste	Storm Water	Total Enterprise Funds	Self-Insurance Fund
Cash Flows from Operating Activities					
Receipts from customers	$ 13,427,716	$ 1,858,408	$ -	$ 15,286,124	$ 2,613,805
Payments to suppliers and service providers	(3,922,869)	(1,367,914)	(511,946)	(5,802,729)	(22,357)
Payments to employees for salaries and benefits	(2,332,070)	(302,570)	(166,104)	(2,800,744)	(1,976,444)
Net cash provided (used) by operating activities	7,172,777	187,924	(678,050)	6,682,651	615,004
Cash Flows from Noncapital Financing Activities					
Transfers from other funds	-	-	320,911	320,911	-
Transfers to other funds	(4,024,999)	(63,327)	-	(4,088,326)	-
Net cash provided (used) by noncapital financing activities	(4,024,999)	(63,327)	320,911	(3,767,415)	-
Cash Flows from Capital and Related Financing Activities					
Principal paid on notes payable	(81,380)	-	-	(81,380)	-
Interest paid on capital debt	(107,783)	-	-	(107,783)	-
Proceeds from notes payable	2,732,696	-	-	2,732,696	-
Acquisition and construction of capital assets	(5,266,064)	-	(74,262)	(5,340,326)	-
Net cash used for capital and related financing activities	(2,722,531)	-	(74,262)	(2,796,793)	-
Cash Flows from Investing Activities					
Interest income on investments	285,599	19,327	-	304,926	-
Net cash provided (used) by investing activities	285,599	19,327	-	304,926	-
Net change in cash and cash equivalents	710,846	143,924	(431,401)	423,369	615,004
Cash and cash equivalents beginning of year	7,948,523	385,012	959,943	9,293,478	1,586,224
Cash and cash equivalents end of year	$ 8,659,369	$ 528,936	$ 528,542	$ 9,716,847	$ 2,201,228
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	$ 5,132,840	$ 133,707	$ (380,047)	$ 4,886,500	$ 557,142
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	$ 2,347,923	$ 64,463	$ 72,201	$ 2,484,587	$ -
Net change in receivables, net	(572,949)	(31,860)	-	(604,809)	6,277
Net change in inventories	1,347	-	-	1,347	-
Net change in prepaid items	4,869	-	-	4,869	-
Net change in deferred outflows of resources	53,188	5,217	3,623	62,028	-
Net change in accounts payable	247,372	19,787	-	267,159	47,254
Net change in accrued expenses	4,778	2,916	(325,959)	(318,265)	-
Net change in deposits payable	34,955	-	-	34,955	-
Net change in claims payable	-	-	3,096	3,096	4,331
Net change in due to other funds	-	-	(43,406)	(43,406)	-
Net change in retainage payable	-	-	152	152	-
Net change in unearned revenue	17,846	-	-	17,846	-
Net change in compensated absences	10,338	3,312	-	13,650	-
Net change in net pension liability	(226,688)	(24,408)	(14,995)	(266,091)	-
Net change in deferred inflows of resources	116,958	14,790	7,285	139,033	-
Total adjustments	2,039,937	54,217	(298,003)	1,796,151	57,862
Net cash provided (used) by operating activities	$ 7,172,777	$ 187,924	$ (678,050)	$ 6,682,651	$ 615,004
Schedule of non-cash capital and related financing activities:					
Contributions of capital assets	$ 975,505	$ -	$ -	$ 975,505	$ -

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



NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The City was chartered by an act of the General Assembly of the State of Georgia. The City operates under a council - manager form of government and provides the following services to its citizens: public safety (police and fire), judicial, public works (highways and streets), planning and zoning and general administrative services.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

Discretely Presented Component Units

The ***Villa Rica Industrial Development Authority*** (the "Industrial Development Authority") is a public body, corporate and politic and was created upon the adoption and approval of the Development Authority Law of the State of Georgia. The Mayor and City Council appoint all members of the Villa Rica Industrial Development Authority. Management has determined that due to the nature and significance of the relationship with the City and the Industrial Development Authority, to report the Industrial Development Authority as a component unit. The Industrial Development Authority has purchased land and built industrial buildings that were leased to such companies as Lowe's, Flowers Bakery, and Print Pack. The Industrial Development Authority does not issue separate financial statements.

The ***Downtown Development Authority of the City of Villa Rica*** (the "Downtown Development Authority") was created to promote the improvement and revitalization of the downtown development area. The Downtown Development Authority is governed by seven members who are appointed by the Mayor and City Council. The City provides support to the Downtown Development Authority relative to the yearly operating budget requirements. Separate financial statements for the Downtown Development Authority are not prepared.

Blended Component Units

The ***Villa Rica Public Facilities Authority*** (the "Public Facilities Authority") is a public body which was created upon the adoption and approval of the Development Authority Law of the State of Georgia. The Mayor and City Council serve as members of the Public Facilities Authority Board and appoint three additional members. The Public Facilities Authority provides services entirely to the City of Villa Rica and the debt of the Public Facilities Authority is secured by the City's ad valorem levy. The Public Facilities Authority is therefore reported as a blended component unit of the City. There are no separately issued financial statements for the Public Facilities Authority.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The ***Urban Redevelopment Agency of the City of Villa Rica, Georgia*** (the "Urban Redevelopment Agency") is a public body which was created to implement redevelopment plans within the City. The Mayor and City Council serve as members of the Urban Redevelopment Agency. The Urban Redevelopment Agency provides services entirely to the City of Villa Rica. The City has pledged the positive tax allocation increments from the Eastside Tax Allocation District to pay principal and interest on the Series 2023, Revenue Bonds. The Urban Redevelopment Agency is therefore a blended component unit of the City. There are no separately issued financial statements for the Urban Redevelopment Agency.

Joint Venture

Under Georgia law, the City, in conjunction with other cities and counties in the Atlanta, Georgia area, is a member of the ***Three Rivers Regional Commission*** (TRRC) and the ***Atlanta Regional Commission*** (ARC). Dues to the ARC are assessed at the County level and are, accordingly, paid by Douglas County. Membership in the TRRC and ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the TRRC and ARC in Georgia. The TRRC and ARC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of the TRRC and ARC.

Related Organizations

The City of Villa Rica officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability of the organizations does not extend beyond making appointments. The Mayor and Council appoint the board members for the Villa Rica Housing Authority, the Planning and Zoning Commission, Cemetery Commission, Historic Preservation Commission, the Main Street Advisory Board, the Library Board, and the Recreation Advisory Board.

Government-wide 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. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The statement of net position will include noncurrent assets and noncurrent liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise fund. Separate financial statements are provided for governmental funds and proprietary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the City has two discretely presented component units. None are considered to be major component unit.
As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its blended component units. Separate statements for each fund category – governmental and proprietary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the primary operating fund of the City. It is used to account for all financial resources of the general government, except those accounted for in another fund.

The *Eastside TAD Project Fund* accounts for the positive tax increment revenues attributable to the Eastside Tax Allocation District. These revenues are restricted and used to pay for the redevelopment costs that provide substantial public benefit in accordance with the Eastside Tax Allocation District Redevelopment Plan.

The *2021 SPLOST Fund* accounts for the Carroll County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

The *2022 SPLOST Fund* accounts for the Douglas County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the activities of the City's water and sewer system.

Additionally, the City reports the following fund types:

The *Special Revenue Funds* account for revenue sources that are restricted or committed to expenditure for specific purposes.

The *Capital Project Funds* account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of facilities and other capital assets.

The *Debt Service Fund* accounts for revenues restricted, committed, or assigned to expenditures for principal and interest.

The *Enterprise Funds* account for the revenues and maintenance of the City's solid waste and stormwater infrastructure.

The *Internal Service Fund* is used to finance and account for the City's partial self-funded Health Insurance Plan provided to other departments and agencies of the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, and claims and judgments, postemployment benefits and environmental obligations are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, other taxes, licenses and permits, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The City's cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Receivables

All trade and property tax receivables have been reduced to their estimated net realizable value, and are shown net of an allowance for uncollectible accounts. Estimated uncollectible accounts are based upon historical experience rates.

"Intergovernmental receivables" represents funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds consists of expendable supplies held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets are tangible and intangible assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years.

As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, and infrastructure of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	20 years
Buildings and improvements	40 years
Machinery and equipment	5 - 30 years
Vehicles	8 years
Infrastructure	10-65 years

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 are deferred and amortized over the life of the bonds using the straight-line method, which is not materially different than the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums, and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation benefits. All vacation pay is accrued when earned in the government-wide and propriety fund financial statements. Vacation is accrued as a liability for leave that is attributable (1) to services already rendered, (2) accumulates and (3) is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The deferred amounts related to the City’s pension plan is reported in the government-wide and proprietary fund statement of net position. The deferred amounts related to pension plan relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension related changes. The deferred charge on refunding is reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is referred and amortized over the shorter of the life of the refunded debt or the refunding debt.

In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide and proprietary fund financial statements the City reports deferred amounts related to the City’s pension plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Net Position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted* net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called “fund balance.” The City’s governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- *Nonspendable* fund balance represents amounts that are either not in a spendable form or are legally or contractually required to remain intact.
- *Restricted* fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- *Committed* fund balance represents amounts that can be used only for the specific purposes determined by formal action (i.e. resolution) of the City Council through adoption of a resolution committing fund balance for a specified purpose. Once adopted, the limitation imposed by the ordinance remains in place until the resources have been spent for the specified purpose or the City Council adopts another resolution to remove or revise the limitation.
- *Assigned* fund balance represents amounts that are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Through resolution, the Mayor and Council has authorized the City Manager to assign fund balances. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- *Unassigned* fund balance represents the residual amount for the general fund that is not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As previously mentioned, sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. 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.

Use of 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 amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pension Plan

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 Villa Rica Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have 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.

Program Revenues

Amounts reported as program revenues include (1) charges to customers or others who purchase, use, or directly benefit from goods or services 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

State law requires that property taxes be based on an assessed value, which is 40% of market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be returned for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Douglas and Carroll County.

Exemptions are permitted for certain inventories. A homestead exemption is allowed for each taxpayer that is a homeowner and resides in the household as of January 1. There are other exemptions provided by state and local laws.

Upon completion of all assessments and tax returns, the information is turned over to the Douglas and Carroll County Tax Commissioners for compilation of the tax digest. A completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that the real property on the tax digest has been assessed at the state mandated 40% of fair market value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Douglas and Carroll County Property taxes for the 2025 fiscal year were levied in September 2024, with property values assessed as of January 1, 2024. Bills are payable on or before December 4, 2024 (Douglas) and December 1, 2024 (Carroll), after which the applicable property is subject to lien and penalties and interest are assessed. Property taxes attached as an enforceable lien on property as of January 1.

All property taxes levied for the current and any previous years, but not received as of September 30, 2025, are shown as property taxes receivable at that date. These receivables have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a reduction of the related revenue amount at the end of the period. Any of those taxes, which are determined to be unavailable to pay liabilities of the current period, are classified as "Unavailable Revenue" on the Governmental Fund Statements.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Budget

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, special revenue funds, the Capital Projects Fund, and the Debt Service Fund. The City's other capital projects funds are adopted on a project-length basis. All appropriations lapse at fiscal period-end. Encumbered appropriations are carried forward to the subsequent fiscal period automatically with no formal action required by the City Council. 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 employed by the City.

GASB Statements Adopted in 2025

The City adopted GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. See Note 18.

NOTE 2 – LEGAL COMPLIANCE – BUDGETS

Budgets and Budgetary Accounting

1. Prior to October 1, the City Manager submits the proposed budget to the City Council. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the City.
3. The budget is then legally enacted through passage of a resolution by the City Council at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the City Council in a regular meeting.

Budgeted amounts are as originally adopted, or as amended by the City Council. The supplementary budgetary appropriations made are reflected in the final budget amounts.

NOTE 3 – CASH AND CASH EQUIVALENTS

Credit risk. State statutes authorize the City to invest in U.S. Government obligations; U.S. Government agency (or other corporation of the U.S. Government) obligations; obligations fully insured or guaranteed by the U.S. Government or a U.S. Government agency; obligations of the State of Georgia or other states; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia; negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America; prime bankers' acceptances; repurchase agreements; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

Interest rate risk. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial credit risk. State statutes require all deposits and investments (other than federal or state government instruments) to be covered by depository insurance or pledged securities. Amounts that exceed standard depository insurance limits are required to be collateralized either: (1) individually by the financial institutions through pledged obligations of the U.S. Government, obligations backed by the full faith and credit of the U.S. Government, obligations of the State of Georgia or other states, or obligations of counties, municipalities, or public authorities of the State of Georgia, or (2) participation in the State of Georgia Secure Deposit Program. As of September 30, 2025, the financial institution holding all of the City's deposits is a participant of the State of Georgia Secure Deposit Program, which is administered by the Office of the State Treasurer, requires participating banks holding deposits of public funds to pledge collateral at varying rates depending on tier assigned by the State. As of September 30, 2025, all of the City's bank balances were insured and/or collateralized as defined by GASB and required by State Statutes.

The carrying amount of the deposits as of September 30, 2025 was $47,710,606 and is reported in the financial statements as follows:

Government-wide Statement of Net Position	
Governmental activities - cash and cash equivalents	$ 37,993,759
Business-type activities - cash and cash equivalents	9,716,847
Total	$ 47,710,606

NOTE 4 - RECEIVABLES

Amounts other than leases receivable are aggregated into a single receivables (net of allowance for uncollectible accounts) line for certain funds and aggregated columns. Below is the detail of receivables for receivables as of September 30, 2025, including applicable allowances for uncollectible accounts:

	General	Eastside TAD Project	Nonmajor Funds
Receivables:			
Taxes	$ 64,711	$ -	$ 116,297
Accounts	3,011,342	29,542	13,704
Gross receivables	3,076,053	29,542	130,001
Less allowance for uncollectible	(543,487)	-	(1,002)
Net receivables	$ 2,532,566	$ 29,542	$ 128,999

	Water and Sewer	Solid Waste	Total
Receivables:			
Taxes	$ -	$ -	$ 181,008
Accounts	1,750,800	252,976	5,058,364
Gross receivables	1,750,800	252,976	5,239,372
Less allowance for uncollectible	(81,147)	(13,714)	(639,350)
Net receivables	$ 1,669,653	$ 239,262	$ 4,600,022

NOTE 5 - CAPITAL ASSETS

Governmental activities capital asset activity for the year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	$ 3,968,744	$ 677,000	$ -	$ 4,645,744
Construction in progress	13,432,483	3,322,700	(136,136)	16,619,047
Total capital assets not being depreciated	17,401,227	3,999,700	(136,136)	21,264,791
Capital assets, being depreciated:				
Buildings and improvements	13,652,924	185,509	-	13,838,433
Other improvements	9,059,585	574,135	-	9,633,720
Machinery and equipment	9,752,359	551,037	(66,729)	10,236,667
Infrastructure	14,934,713	195,703	-	15,130,416
Total capital assets being depreciated	47,399,581	1,506,384	(66,729)	48,839,236
Less accumulated depreciation for:				
Buildings and improvements	6,587,748	446,591	-	7,034,339
Other improvements	3,805,270	253,666	-	4,058,936
Machinery and equipment	7,460,952	809,500	(64,464)	8,205,988
Infrastructure	4,707,548	357,835	-	5,065,383
Total accumulated depreciation	22,561,518	1,867,592	(64,464)	24,364,646
Total capital assets being depreciated, net	24,838,063	(361,208)	(2,265)	24,474,590
Governmental activities capital assets, net	$ 42,239,290	$ 3,638,492	$ (138,401)	$ 45,739,381

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

Governmental activities:	
General government	$ 230,241
Public safety	551,149
Public works	540,662
Culture and recreation	517,324
Housing and economic development	28,216
Total depreciation expense - governmental activities	$ 1,867,592

NOTE 5 - CAPITAL ASSETS

Business-type activities capital asset activity for the year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Business-type Activities				
Capital assets, not being depreciated:				
Land	$ 2,157,452	$ -	$ -	$ 2,157,452
Construction in progress	4,974,716	115,540	(1,075,345)	4,014,911
Total capital assets not being depreciated	7,132,168	115,540	(1,075,345)	6,172,363
Capital assets, being depreciated:				
Improvements	229,115	-	-	229,115
Infrastructure	42,173,720	6,601,087	34,406	48,809,213
Buildings	34,161,458	-	(34,406)	34,127,052
Machinery and equipment	5,952,691	674,549	-	6,627,240
Total capital assets being depreciated	82,516,984	7,275,636	-	89,792,620
Less accumulated depreciation for:				
Improvements	40,734	12,206	-	52,940
Infrastructure	17,170,331	1,339,678	-	18,510,009
Buildings	8,579,807	721,659	-	9,301,466
Machinery and equipment	4,568,189	411,044	-	4,979,233
Total accumulated depreciation	30,359,061	2,484,587	-	32,843,648
Total capital assets being depreciated, net	52,157,923	4,791,049	-	56,948,972
Business-type activities capital assets, net	$ 59,290,091	$ 4,906,589	$ (1,075,345)	$ 63,121,335

Depreciation expense was charged to the functions/programs of the business -type activities of the primary government as follows:

Business-type activities	
Water and Sewer Fund	$ 2,347,923
Solid Waste Fund	64,463
Stormwater Fund	72,201
Total depreciation expense - business type activities	$ 2,484,587

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of long-term obligations activity for the year ended September 30, 2025:

	Beginning Balances (As restated)	Additions		Reductions	Ending Balances	Due Within One Year
Governmental Activities						
Bonds payable						
Direct placement	$ 29,345,000	$ -		$ (1,590,000)	$ 27,755,000	$ 1,635,000
Private placement	20,985,000	-		-	20,985,000	1,050,000
Total bonds payable	50,330,000	-		(1,590,000)	48,740,000	2,685,000
Compensated absences	645,651	36,665	*	-	682,316	470,048
Net pension liability	2,281,094	-		(907,057)	1,374,037	-
Total	$ 53,256,745	$ 36,665		$ (2,497,057)	$ 50,796,353	$ 3,155,048

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

Business-type Activities						
Note payable	$ 4,369,492	$ 2,732,696		$ (81,380)	$ 7,020,808	$ 192,550
Compensated absences	90,186	16,746	*	-	106,932	71,160
Net pension liability	583,307	-		(266,091)	317,216	-
Total	$ 5,042,985	$ 2,749,442		$ (347,471)	$ 7,444,956	$ 263,710

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

For governmental and business-type activities, compensated absences are liquidated in the funds from which the employees' salaries are paid, which include the General Fund, Nonmajor Governmental Funds, Water and Sewer Fund, and Nonmajor Enterprise Funds, as applicable. The net pension liability is primarily liquidated by the General Fund for governmental activities. For business-type activities, the net pension liability will be liquidated by all enterprise funds.

Long-Term Debt

Direct Placement - Revenue Bonds, Series 2008. During the fiscal period 2008, the Public Facilities Authority (PFA) issued $10,000,000 of revenue bonds for the purpose of construction of a new 2.15 million gallon wastewater treatment plant including: (a) a portion of the financing costs for the acquisition of land, construction and equipping the wastewater treatment plant on the west side of the City, (b) paying capitalized interest on the bonds, and (c) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.4% – 4.9% per annum and mature March 1, 2028. During 2015 these bonds were defeased through the issuance of the 2015 Series Revenue Bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2025, the outstanding amount of Series 2008 General Obligation Bonds considered legally defeased is $3,855,000.

NOTE 6 - LONG-TERM OBLIGATIONS

Direct Placement - Revenue Bonds, Series 2009. During the fiscal period 2009, the Public Facilities Authority issued $24,905,000 of revenue bonds for the purpose of construction of a new 2.15 million gallon wastewater treatment plant including: (a) a portion of the financing costs for the acquisition of land, construction and equipping the wastewater treatment plant on the west side of the City, (b) paying capitalized interest on the bonds, and (c) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 4.625% - 4.875% per annum and mature March 1, 2039. During 2015 these bonds were defeased through the issuance of the 2015 Series Revenue Bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2025, the outstanding amount of Series 2009 General Obligation Bonds considered legally defeased is $24,905,000.

The total cash flow savings of the refunding of the Series 2008 and 2009 Bonds is $6,370,734 with a present value, or economic gain of $4,525,794.

Direct Placement - Revenue Bonds, Series 2015. During the fiscal period 2015, the PFA issued $33,860,000 City of Villa Rica Public Facilities Authority (Georgia) Revenue Bonds (City of Villa Rica Water and Sewerage Project), Series 2015 Revenue Bonds for the purpose of: (a) refunding all of Series 2008 and Series 2009 Bonds of the Authority, and (b) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 2.0% – 5.0% per annum and mature March 1, 2039. During 2022, these bonds were defeased through the issuance of the 2022 Series Revenue Bonds. As part of the refunding, the City defeased certain outstanding general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. As of September 30, 2025, the outstanding amount of Series 2015 General Obligation Bonds considered legally defeased is $33,860,000.

Direct Placement - Revenue Bonds, Series 2022. During the fiscal period 2022, the PFA issued $31,880,000 City of Villa Rica Public Facilities Authority (Georgia) Revenue Bonds (City of Villa Rica Water and Sewerage Project), Series 2022 Revenue Bonds for the purpose of: (a) refunding all of the Series 2015 Bond of the Authority, and (b) paying the costs of issuance incident thereto. The bonds carry a rate of interest ranging from 2.84% – 3.82% per annum and mature March 1, 2039. The bonds are payable solely from the City through a lease agreement with the Authority, whereby the City agrees to make rental payments in an amount sufficient to enable the Authority to make the semiannual principal and interest payments. The City has unconditionally agreed to levy ad valorem property tax, without limitation as to rate or amount, as necessary to meet its obligation under this agreement.

The total cash flow savings of the refunding of the Series 2015 Bonds is $2,839,689 with a present value, or economic gain, of $1,979,436.

The City's debt service requirements to maturity on the revenue bonds are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	$ 1,635,000	$ 765,025	$ 2,400,025
2027	1,685,000	717,881	2,402,881
2028	1,735,000	669,317	2,404,317
2029	1,785,000	619,333	2,404,333
2030	1,835,000	567,929	2,402,929
2031-2035	9,995,000	2,016,045	12,011,045
2036-2040	9,085,000	525,187	9,610,187
Total	$ 27,755,000	$ 5,880,717	$ 33,635,717

NOTE 6 - LONG-TERM OBLIGATIONS

Private Placement - Revenue Bond, Series 2023. During the fiscal period 2023, the Urban Redevelopment Agency (URA) issued $20,985,000 City of Villa Rica Urban Redevelopment Agency Revenue Bond, Series 2023 for the purpose of: (a) financing all or a portion of the costs of the urban redevelopment project, (b) paying capitalized interest through July 1, 2025, and (c) paying the costs of the issuance of the bond. The bond carries an interest rate of 4.48% and matures January 1, 2041. The Series 2023 Bond is secured by an Intergovernmental Contract, between the URA and the City of Villa Rica, pursuant to which the City of Villa Rica will agree to: (a) pay to the Agency amounts sufficient to enable the Agency to pay the principal and interest on the Series 2023 Bond as the same become due (contract payments), and (b) levy an ad valorem tax, unlimited as to rate or amount, on all property in the City of Villa Rica subject to such tax in order to make such contract payments.

The City anticipates making the contract payments from revenues (positive tax allocation increment) collected from the City's Eastside Tax Allocation District by the City, Carroll County, Georgia and the Carroll County School Board. The City has not pledged these revenues to the repayment of the Series 2023 Bond and may make the contract payments from any lawfully available funds.

The City's debt service requirements to maturity on the revenue bonds are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	$ 1,050,000	$ 916,608	$ 1,966,608
2027	1,090,000	868,672	1,958,672
2028	1,140,000	818,720	1,958,720
2029	1,190,000	766,528	1,956,528
2030	1,245,000	711,984	1,956,984
2031-2035	7,145,000	2,648,688	9,793,688
2036-2040	7,055,000	982,352	8,037,352
2041	1,070,000	23,968	1,093,968
Total	$ 20,985,000	$ 7,737,520	$ 28,722,520

Notes Payable

In August 2021, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for the construction of a new water main, hydrant and valve installations, and related appurtenances. The agreement for construction of the water main has been executed for $2,500,000 with an interest rate of 0.13%. As of September 30, 2025, the City had made draws totaling $1,029,229 on the note payable to GEFA. Currently there is no payment schedule for the debt as the project is in the construction phase, thus the entire payable is reported as due in more than one year.

In August 2023, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for upgrades to the pump station and related appurtenances. The agreement for upgrades to the pump station has been executed for $1,707,900 with an interest rate of 1.63%. As of September 30, 2025, the City has completed the construction phase, at which time the note automatically converted to permanent amortization. Beginning on April 2025, the note requires principal and interest payments, over 20 years at the fixed rate of 1.63%.

In February 2023, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA) for the relocation of utilities for the north Bypass and Hwy 78 and Conners Road roundabout. The agreement for construction of the water main has been executed for $3,000,000 with an interest rate of 2.42%. As of September 30, 2025, the City has completed the construction phase, at which time the note automatically converted to permanent amortization. Beginning on July 2025, the note requires principal and interest payments, over 20 years at the fixed rate of 2.42%.

NOTE 6 - LONG-TERM OBLIGATIONS

Notes Payable

In July 2025, the City executed an agreement with the Georgia Environmental Finance Authority (GEFA), for the installation of a water main and related appurtenances. The agreement for the construction of the water main has been executed for $2,250,000 with an interest rate of 4.35%. As of September 30, 2025, the City had made draws totaling $1,365,059 on the note payable to GEFA. Currently there is no payment schedule for the debt as the project is in construction phase, thus the entire payable is reported as due in more than one year.

The City's debt service requirements to maturity on the note payables are as follows:

Fiscal Year Ending September 30,	Principal	Interest	Total
2026	$ 192,550	$ 96,942	$ 289,492
2027	196,670	92,822	289,492
2028	200,881	88,611	289,492
2029	205,186	84,306	289,492
2030	209,585	79,907	289,492
2031-2035	1,117,409	330,050	1,447,459
2036-2040	1,242,999	204,461	1,447,460
2041-2045	1,261,240	64,690	1,325,930
Total	$ 4,626,520	$ 1,041,789	$ 5,668,309

NOTE 7 - PENSION PLANS

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Villa Rica Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multipleemployer 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 at www.gmanet.com or by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established and amended by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. All employees, excluding elected officials who are immediately eligible, who work forty hours per week are eligible to participate after one fiscal period. Benefits vest after five fiscal periods of service. A City employee who retires at age 65 with five fiscal periods of service is entitled to benefits of 2% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 fiscal periods total credited service to receive full benefits, otherwise early retirement may be elected after only 10 fiscal periods of service for reduced benefits.

Elected officials are entitled to $14 for each fiscal period of service after reaching normal retirement age.

NOTE 7 - PENSION PLANS

Employees Covered by Benefit Terms

As of January 1, 2025, the date of the most recent actuarial valuation, the Plan's membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	80
Inactive employees entitled to but not yet receiving benefits	77
Active employees	198
Total membership in the plan	355

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, as adopted by the City Council, is to contribute an amount equal to or greater than the recommended contribution described below. The City makes all contributions to the Plan. The City contributions to the Plan were $569,801 for the year ended September 30, 2025.

Net Pension Liability

The City's net pension liability was measured as of September 30, 2024, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2025. An expected total pension liability at September 30, 2025 was determined using standard roll-forward techniques.

Actuarial Assumptions

The total pension liability in the January 1, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3%-8.5% including inflation adjustment
Investment rate of return	7.375%, On-going basis, based on long-term expected rate of return of pension plan investments
Mortality Rates:	
Healthy retirees and beneficiaries	Sex-distinct Pri-2012 head-count weighted healthy retiree mortality table with rates multiplied by 1.25
Disabled participants	Sex-distinct Pri-2012 head-count weighted disabled retiree mortality table with rates multiplied by 1.25
Active participants, terminated vested participants, and deferred beneficiaries	Sex-distinct Pri-2012 head-count weighted employee mortality table

NOTE 7 - PENSION PLANS

The mortality tables (other than the one used for the plan termination basis) are projected generationally from 2012 to future years using 60% of the sex-distinct improvement rates under the 2019 OASDI Trustees Report used for the immediate alternative.

The actuarial assumptions used in the January 1, 2025 valuation were based on the results of an actuarial study for the period of January 1, 2015 to June 30, 2019.

The long term expected rate of return on pension plan assets is 7.375%, which 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. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liability was 7.375%. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution levels and that future employer contributions will be based on the projected annual normal costs plus a 15-year amortization of the unfunded liability. The long term expected rate of return on pension plan assets was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the net pension liability has not changed since the prior measurement date.

NOTE 7 - PENSION PLANS

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, 2019 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 September 30, 2025, the City recognized pension expense of $380,422. At September 30, 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 Inflow of Resources
Difference between expected and actual experience	$ 212,602	$ 15,149
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	773,545
Contributions made subsequent to measurement date	569,801	-
Total	$ 782,403	$ 788,694

The City's contributions subsequent to the measurement date of $569,801 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended September 30:	
2026	$ (135,982)
2027	115,035
2028	(322,276)
2029	(232,869)
2030	-
Thereafter	-

NOTE 7 - PENSION PLANS

Changes in the Net Pension Liability (Asset) of the City

The changes in the components of the net pension liability (asset) of the City for the year ended September 30, 2025, were as follows:

	Schedule of Changes in Net Pension Liability		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at September 30, 2024	$ 11,219,086	$ 8,354,685	$ 2,864,401
Changes for the year:			
Service cost	291,552	-	291,552
Interest	829,184	-	829,184
Different between expected and actual experience	216,546	-	216,546
Assumption change	-		-
Contributions-employer	-	538,303	(538,303)
Contributions-employee	-	-	-
Net investment income	-	1,996,283	(1,996,283)
Benefit payments, including refunds of employee contributions	(534,921)	(534,921)	-
Administrative expense	-	(24,156)	24,156
Other changes	-	-	-
Net changes	802,361	1,975,509	(1,173,148)
Balance at September 30, 2025	$ 12,021,447	$ 10,330,194	$ 1,691,253

The required schedule of changes in the City's net pension liability (asset) 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 total pension liability.

Sensitivity of the City's Proportional Share of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.375 percent, 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%
Net Pension Liability	$ 3,301,810	$ 1,691,253	$ 361,058

NOTE 8 – DEFINED CONTRIBUTION PLAN

The City's Internal Revenue Code Section 457 Plan (the "Plan") is a deferred compensation plan and qualifies as defined contribution pension plan. The plan is administered by John Hancock. Employees may elect to contribute a portion of their pay, not to exceed Internal Revenue Service (IRS) guidelines, into the plan. The Plan is funded through employer and employee contributions. Plan provisions and contribution requirement are established and may be amended by the City's Mayor and Council. At September 30, 2025, there were 157 plan members.

Employees are not required to contribute to the Plan. Employees may contribute a portion of their gross salary up to the maximum allowed by the IRS. The Plan allows employees to increase, decrease, stop and restart deferrals as often as they wish without penalties or fees. The City's Mayor and Council have established the plan to make matching contributions to all employees who elect to contribute to the Plan. Total employer and employee contributions for the year ended September 30, 2025, were $474,376.

NOTE 9 - INTERFUND BALANCES AND TRANSFERS

The City had no Interfund receivable and payable balances as of September 30, 2025.

Interfund transfers for the year ended September 30, 2025 consisted of the following:

Transfer In	Transfer Out	Amount
General Fund	Nonmajor Governmental Funds	$ 765,114
General Fund	Water and Sewer Fund	1,624,179
General Fund	Nonmajor Proprietary Funds	63,327
Nonmajor Governmental Funds	Water and Sewer Fund	2,400,820
Nonmajor Governmental Funds	General Fund	991,458
Nonmajor Proprietary Funds	General Fund	320,911

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them. Transfers from the General Fund to nonmajor governmental funds were used to cover costs for various capital projects and operating costs for the cemetery. Transfers from the Water and Sewer Fund to the General Fund were used to provide additional funds for operations.

NOTE 10 - FUND BALANCE

The composition of the City's fund balances as of September 30, 2025 is as follows:

	General	Eastside TAD Project	2021 SPLOST	2022 SPLOST	Total Nonmajor Funds	Total Governmental Funds
Nonspendable:						
Notes receivable	$ -	$ -	$ -	$ -	$ -	$ -
Inventories	63,124	-	-	-	-	63,124
Prepaid items	553,910	-	-	-	-	553,910
Restricted for:						
Capital projects	-	7,774,918	7,292,859	4,809,818	2,795,093	22,672,688
Public safety	-	-	-	-	548,170	548,170
Economic development	-	-	-	-	171,110	171,110
Committed for:						
Cemetery improvements	-	-	-	-	18,242	18,242
Promissory note	500,000	-	-	-	-	500,000
Assigned						
Rise-N-Shine	3,493	-	-	-	-	3,493
Project improvement fees	272,340	-	-	-	-	272,340
Sidewalk fees	224,733	-	-	-	-	224,733
NFS Thriving Community Grant	50,000	-	-	-	-	50,000
School zone cameras	147,611	-	-	-	-	147,611
General government	85,479	-	-	-	-	85,479
Public safety	16,187	-	-	-	-	16,187
Culture and recreation	83,301	-	-	-	-	83,301
Unassigned	11,646,846	-	-	-	-	11,646,846
	$ 13,647,024	$ 7,774,918	$ 7,292,859	$ 4,809,818	$ 3,532,615	$ 37,057,234

NOTE 11 - NET INVESTMENT IN CAPITAL ASSETS

The "net investment in capital assets" reported in the government-wide financial statement of net position as of September 30, 2025 are as follows:

	Governmental Activities	Business-type Activities	Total
Cost of capital assets	$ 70,104,027	$ 95,964,983	$ 166,069,010
Less accumulated depreciation	(24,364,646)	(32,843,648)	(57,208,294)
Book value	45,739,381	63,121,335	108,860,716
Plus debt proceeds	7,747,276	-	7,747,276
Less accounts/retainage payable	(481,610)	-	(481,610)
Less capital-related bonds payable	(20,985,000)	-	(20,985,000)
Less notes payable	-	(7,020,808)	(7,020,808)
Net investment in capital assets	$ 32,020,047	$ 56,100,527	$ 88,120,574

NOTE 12 - HOTEL/MOTEL LODGING TAX

The City levied an occupancy tax of 8% beginning August 1, 2018 for the rent of a guest room at a hotel or motel in the City as authorized by the Official Code of Georgia Annotated (O.C.G.A.) §48-13-51(b). Local governments imposing a tax under this code section are required to expend, in each fiscal period, an amount equal to but not less than 50% of the total amount of taxes collected that exceed the amount of taxes that would have been collected at the rate of 5% for promoting tourism, conventions, and trade shows by the destination marketing organization designated by the municipality levying the tax (for the City, the Downtown Development Authority or Industrial Development Authority). The remaining amount of taxes collected that exceed the amount of taxes that would be collected at the rate of 5% which are not otherwise expended above shall be expended for tourism product development. For the year ended September 30, 2025, the City collected $525,834 in hotel/motel tax revenues of which $197,188 was transferred to the City's General Fund and $323,185 was disbursed to the Villa Rica Convention and Visitors Bureau.

NOTE 13 – TAX ABATEMENTS

For the year ended September 30, 2025, City property tax revenues were reduced by $57,326 under agreements entered into by Carroll County and Douglas County. Under the agreements, assessed values 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 14 – NONEXCHANGE FINANCIAL GUARANTEES

In May 2021, the City entered into an intergovernmental agreement with Carroll County to participate in the issuance of General Obligation Sales Tax Bonds, Series 2021 in the amount of $40,000,000 at an interest rate of 4%. The City's portion of the debt is $4,000,000 which shall be paid first from the borrowing entity's (i.e., the "City") share of sales and use tax proceeds. The City has a guarantee in the intergovernmental agreement that requires the City to cover any debt service in which annual sales and use tax proceeds do not cover debt service, however, the likelihood of that occurring is remote, and therefore, the City has no liability to report.

NOTE 15 – OTHER COMMITMENTS

As discussed in Note 1, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At September 30, 2025, the amounts of encumbrances expected to be honored under performance by the vendor in the next year were as follows:

Fund	Amount
General Fund	$ 311,383
Nonmajor Governmental Funds	184,967
Water and Sewer Fund	104,533
Stormwater Fund	92,689
	$ 693,572

NOTE 16 - CONTINGENCIES

The City participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

In addition to the liabilities enumerated in the balance sheet, at September 30, 2025, the City has contractual commitments on uncompleted contracts of approximately $4,826,360.

NOTE 17 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, personal property (i.e., theft, damage, and destruction), and injury to employees. The City has joined together with other municipalities in the state as part of the Georgia Inter-Local Risk Management Agency (GRMA) Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers' Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments. During the past three years, settlements have not exceeded the coverages.

The City has joined together with other municipalities in the state as part of GIRMA and the Workers' Compensation Self-Insurance Fund, a public entity risk pool operating as a common risk management and insurance program for member local governments. As part of the risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with the any coverage descriptions issued, all incidents, which could result in the funds being required to pay any claim or loss. The City is also to allow the pool's agents and attorneys to represent the City in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the City within the scope of loss protections furnished by the funds. The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's 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.

Effective September 1, 2017, the City created a high deductible self-insurance program for the City's employees. Under the program the City will pay for the first $50,000 of medical and pharmacy claims on an individual basis up to $1,530,848 in aggregate based on enrollment of 145 employees. The stop-loss insurance coverage does not include fixed costs such as third party administrator (TPA) fees, stop-loss premiums, network rental, etc. The City pays annual premiums for stop-loss insurance coverage. The City's policies cover individual medical and pharmacy claims in excess of $50,000; additionally, the City's aggregate annual claims exposure for medical and pharmacy claims is limited to $1,530,848. The following describes the claims activity for the year ended September 30, 2025 and the fiscal year ended September 30, 2024:

September 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2024	$ 161,501	$ 1,889,846	$ 1,913,624	$ 137,723
2025	137,723	1,390,224	1,385,893	$ 142,054

NOTE 18 – RESTATEMENT OF BEGINNING BALANCES

Changes Within the Financial Reporting Entity

During the current year, the City reassessed the classification of its governmental funds in accordance established by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. As a result of this reassessment, the Villa Rica Public Facilities Authority Fund no longer meets the criteria for major fund reporting based on its financial activity relative to total governmental funds. Accordingly, the Villa Rica Public Facilities Authority Fund is presented as a nonmajor governmental fund in the fund financial statements for the fiscal year ended September 30, 2025. SPLOST 2022 fund met the criteria to be reported as a major fund based on its financial activity relative to total governmental funds and as fund financial statements for the fiscal year ended September 30, 2025.

The changes in fund classification had no effect on the total fund balance or net position of the City, nor did they affect the results of operations.

Changes in Accounting Principle

In conjunction with the implementation of Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, the City is required to reevaluate the accounting treatment of compensated absences. Therefore, in conjunction with the implementation of GASB Statements No. 101, the following adjustment was required to the beginning net position of the governmental activities, the Water System Fund, the Waste Fund, non-major proprietary funds and the business-type activities.

Restatement of Beginning Balances

During fiscal year 2025, changes to or within the financial reporting entity and changes in accounting principle resulted in restatements of beginning net position and fund balances as follows:

	9/30/2024 As Previously Reported	Change within the Financial Reporting Entity	Change in Accounting Principle	9/30/2025 As Restated
Government-Wide				
Governmental Activities	$ 29,384,613	$ -	$ (285,669)	$ 29,098,944
Business-Type Activities	63,716,354	-	(38,047)	63,678,307
Total Primary Government	$ 93,100,967	$ -	$ (323,716)	$ 92,777,251
Governmental Funds				
Major Funds				
2022 SPLOST Fund	$ -	$ 3,127,698	$ -	$ 3,127,698
Villa Rica Public Facilities Authority Fund	-	-	-	-
Nonmajor Funds	9,353,043	(3,127,698)	-	6,225,345
Total Governmental Funds	$ 9,353,043	$ -	$ -	$ 9,353,043
Proprietary Funds				
Major Funds				
Water and sewer Fund	$ 61,302,443	$ -	$ (34,099)	$ 61,268,344
Nonmajor Funds	2,413,911	-	(3,948)	2,409,963
Total Proprietary Funds	$ 63,716,354	$ -	$ (38,047)	$ 63,678,307

NOTE 19 – DISCRETELY PRESENTED COMPONENT UNITS

The Villa Rica industrial Development Authority

Investments

Credit Risk. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Industrial Development Authority does not have a formal policy that addresses credit risk aside from adherence to State statutes of investments. State statutes authorize the Industrial Development Authority to invest in obligations of the U.S. Government and agencies of corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loans which have deposits insured by the Federal Deposit Insurance Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC); prime bankers' acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia ("Georgia Fund 1").

Investments

As of September 30, 2025, the Industrial Development Authority had the following investments:

		Investment Maturity		
Investment Type	Fair Value	Less than 1	1-5 years	6-10 years
Certificate of deposit	$ 250,000	$ 250,000	$ -	$ -
	$ 250,000	$ 250,000	$ -	$ -

Capital Assets

Capital asset activity for the Industrial Development Authority for the year ended September 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 50,000	$ -	$ -	$ 50,000
Construction in progress	-	-	-	-
Total capital assets not being depreciated	50,000	-	-	50,000
Capital assets, being depreciated:				
Infrastructure	157,000	-	-	157,000
Improvements	110,263	-	-	110,263
Total capital assets being depreciated	267,263	-	-	267,263
Less accumulated depreciation for:				
Infrastructure	37,823	5,233	-	43,056
Improvements	7,351	7,351	-	14,702
Total accumulated depreciation	45,174	12,584	-	57,758
Total capital assets being depreciated, net	222,089	(12,584)	-	209,505
Total capital assets, net	$ 272,089	$ (12,584)	$ -	$ 259,505



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes				
Property	$ 6,970,369	$ 6,970,369	$ 7,042,470	$ 72,101
Franchise	1,570,980	1,570,980	1,760,128	189,148
Sales	4,922,730	4,922,730	4,950,621	27,891
Insurance premium	1,596,655	1,708,112	1,857,066	148,954
Other	1,345,250	1,345,250	1,397,694	52,444
Licenses and permits	1,403,617	1,403,617	1,055,510	(348,107)
Intergovernmental	502,740	920,016	820,907	(99,109)
Charges for services	1,173,023	1,208,023	1,446,295	238,272
Fines and forfeitures	377,000	377,000	681,835	304,835
Investment earnings	656,160	656,160	560,564	(95,596)
Contributions and donations	26,500	26,500	30,755	4,255
Miscellaneous	105,614	145,708	222,245	76,537
Total revenues	20,650,638	21,254,465	21,826,090	571,625
Expenditures				
Current				
General government				
General adminstration	612,960	586,736	406,059	180,677
City manager	948,324	1,026,942	657,744	369,198
City adminstration	276,287	323,620	281,676	41,944
Finance	648,457	608,608	588,967	19,641
Legal	220,000	220,000	202,616	17,384
Information technology	486,833	486,833	464,527	22,306
Human Resources	403,116	403,156	374,386	28,770
Customer service	582,637	623,074	620,834	2,240
Total general government	4,178,614	4,278,969	3,596,809	682,160
Judicial				
Municipal court	274,002	274,002	244,114	29,888
Total juidical	274,002	274,002	244,114	29,888
Public safety				
Police	7,420,745	7,592,110	7,383,324	208,786
Total public safety	7,420,745	7,592,110	7,383,324	208,786
Public works				
Public works department	1,689,807	2,201,607	1,812,562	389,045
Garage	1,028,636	1,057,136	1,030,056	27,080
Adminstrative Community Services	1,032,351	1,051,119	981,021	70,098
Total public works	3,750,794	4,309,862	3,823,639	486,223

(continued on the following page)

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Health and welfare				
Health and welfare	484,604	484,604	372,220	112,384
Total health and welfare	484,604	484,604	372,220	112,384
Cultrue and Recreation				
Recreation	2,102,677	2,164,474	1,982,952	181,522
Business development and special events	543,993	545,915	521,142	24,773
Library	656,188	659,960	620,710	39,250
Total culture and recreatioin	3,302,858	3,370,349	3,124,804	245,545
Economic development				
Protective inspection	484,604	484,604	484,582	22
Planning and Zoning	630,469	630,607	548,096	82,511
Code enforcement	261,103	261,103	224,966	36,137
Economic development	75,000	75,000	75,000	-
Main street	404,746	409,006	353,644	55,362
Total economic development	1,855,922	1,860,320	1,686,288	174,032
Total expenditures	21,267,539	22,170,216	20,231,198	1,939,018
Excess of revenues over (under) expenditures	(616,901)	(915,751)	1,594,892	(1,367,393)
Other Financing Sources (Uses)				
Transfers in	1,848,381	2,452,620	2,452,620	-
Transfers out	(1,357,187)	(1,600,401)	(1,312,369)	(288,032)
Sale of capital assets	15,000	15,000	20,770	(5,770)
Total other financing sources (uses)	506,194	867,219	1,161,021	(293,802)
Net change in fund balances	(110,707)	(48,532)	2,755,913	(1,661,195)
Fund balance - beginning	10,891,111	10,891,111	10,891,111	-
Fund balance - ending	$ 10,780,404	$ 10,842,579	$ 13,647,024	$ (1,661,195)

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EASTSIDE TAD PROJECT
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Investment earnings	-	-	435,086	435,086
Total revenues	-	-	435,086	435,086
Expenditures				
Current				
Capital Outlay	8,108,485	8,881,266	2,197,354	6,683,912
Total expenditures	8,108,485	8,881,266	2,197,354	6,683,912
Excess of revenues over (under) expenditures	(8,108,485)	(8,881,266)	(1,762,268)	7,118,998
Net change in fund balances	(8,108,485)	(8,881,266)	(1,762,268)	7,118,998
Fund balance - beginning	9,537,186	9,537,186	9,537,186	-
Fund balance - ending	$ 1,428,701	$ 655,920	$ 7,774,918	$ 7,118,998

CITY OF VILLA RICA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost	$ 291,552	$ 294,135	$ 301,671	$ 276,900	$ 252,306	$ 237,027	$ 118,425	$ 221,290	$ 200,256	$ 213,374
Interest	829,184	782,597	745,451	706,213	655,468	571,853	279,114	505,365	488,754	433,897
Differences between expected and actual experience	216,546	78,730	(60,595)	(53,543)	148,918	396,883	(69,314)	220,211	(145,396)	361,719
Changes of assumptions	-	-	-	-	-	-	-	-	-	-
Benefit payments, including refund of employee contributions	(534,921)	(507,465)	(443,154)	(401,457)	(384,981)	(362,066)	(168,273)	(340,694)	(317,883)	(284,415)
Other changes	-	-	-	-	-	415,484	-	111,406	-	-
Net change in total pension liability	802,361	647,997	543,373	528,113	671,711	1,259,181	159,952	717,578	225,731	724,575
Total pension liability-beginning	11,219,086	10,571,089	10,027,716	9,499,603	8,827,892	7,568,711	7,408,759	6,691,181	6,465,450	5,740,875
Total pension liability-ending (a)	$ 12,021,447	$ 11,219,086	$ 10,571,089	$ 10,027,716	$ 9,499,603	$ 8,827,892	$ 7,568,711	$ 7,408,759	$ 6,691,181	$ 6,465,450
Plan fiduciary net position										
Contributions-employer	$ 538,303	$ 542,355	$ 532,331	$ 470,367	$ 355,973	$ 278,227	$ 138,539	$ 277,095	$ 256,886	$ 229,947
Contributions-employee	-	-	-	-	-	-	-	-	-	-
Net investment income	1,996,283	989,889	(1,441,560)	1,696,968	619,722	186,708	304,455	680,462	620,185	13,608
Employee contribution refunds	-	-	-	-	-	-	-	-	-	-
Benefit payments	(534,921)	(507,465)	(443,154)	(401,457)	(384,981)	(362,066)	(168,273)	(340,694)	(317,883)	(284,415)
Administrative expense	(24,156)	(26,728)	(27,218)	(27,797)	(23,613)	(23,725)	(12,538)	(22,997)	(23,126)	(15,103)
Other	-	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	1,975,509	998,051	(1,379,601)	1,738,081	567,101	79,144	262,183	593,866	536,062	(55,963)
Plan fiduciary net position-beginning	8,354,685	7,356,634	8,736,235	6,998,154	6,431,053	6,351,909	6,089,726	5,495,860	4,959,798	5,015,761
Plan fiduciary net position-ending (b)	$ 10,330,194	$ 8,354,685	$ 7,356,634	$ 8,736,235	$ 6,998,154	$ 6,431,053	$ 6,351,909	$ 6,089,726	$ 5,495,860	$ 4,959,798
City's net pension liability (assets) - ending (a) - (b)	$ 1,691,253	$ 2,864,401	$ 3,214,455	$ 1,291,481	$ 2,501,449	$ 2,396,839	$ 1,216,802	$ 1,319,033	$ 1,195,321	$ 725,114
Plan fiduciary net position as a percentage of the total pension liability (asset)	85.93%	74.47%	69.59%	87.12%	73.67%	72.85%	83.92%	82.20%	82.14%	76.71%
Covered payroll	$ 7,374,014	$ 7,378,980	$ 6,765,682	$ 5,999,579	$ 4,984,730	$ 6,077,554	$ 4,670,988	$ 4,595,373	$ 4,619,244	$ 4,525,595
City's net pension liability (asset) as a percentage of covered payroll	22.94%	38.82%	47.51%	21.53%	50.18%	39.44%	26.05%	28.70%	25.88%	16.02%

CITY OF VILLA RICA, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS - PENSION PLAN
FOR THE YEAR ENDED SEPTEMBER 30

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 569,801	$ 538,303	$ 532,331	$ 470,367	$ 363,520	$ 334,362	$ 353,457	$ 207,808	$ 277,101	$ 250,148
Contributions in relation to the actuarially determined contribution	569,801	538,303	542,355	531,106	470,367	335,973	277,077	138,539	277,095	245,098
Contribution deficiency (excess)	$ -	$ -	$ (10,024)	$ (60,739)	$ (106,847)	$ (1,611)	$ 76,380	$ 69,269	$ 6	$ 5,050
Covered payroll	$ 10,257,257	$ 7,374,014	$ 7,378,980	$ 6,765,682	$ 5,999,579	$ 4,984,730	$ 5,197,012	$ 3,522,169	$ 4,595,274	$ 3,966,501
Contributions as a percentage of covered payroll	5.56%	7.30%	7.35%	7.85%	7.84%	6.74%	5.33%	3.93%	6.03%	6.18%

Georgia Municipal Employee Benefit System

Changes in Benefit Terms: There have been no changes in benefit terms.

Changes of Assumptions: There have been no changes in assumptions.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Remaining amortization period varies for the bases, with a net effective period of 13 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.



SUPPLEMENTARY INFORMATION



COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditures for a particular purpose.

Federal Seizures Fund – to account for funds awarded to the City of Villa Rica from joint seizures with various Federal agencies.

Narcotics Enforcement Fund – accounts for the City's local seizure activity. Revenues are restricted by State law to be used for drug prevention and trafficking.

Hotel/Motel Tax Fund – to account for the collection of hotel/motel taxes within the City which are restricted for the promotion of tourism via a contract with the Villa Rica Tourism Board.

The Villa Rica Public Facilities Authority Fund - accounts for the financing and construction of capital projects determined by the Authority to promote the public good or general welfare of the citizens of Villa Rica including the acquisition, construction, renovation, improvement, extension, addition, or equipping of utility systems, emergency facilities, recreational facilities, public safety facilities, healthcare facilities, educational, cultural, or historical facilities, and administrative facilities.

Cemetery Fund – accounts for the committed resources provided for the operation and maintenance of the cemeteries.

Technology Fund – accounts for the restricted revenues generated from court fines which are to be used for expenditures related to technology needs in the municipal court of the City and any ancillary financial technology needs of the municipal court of the City.

Capital Projects Funds

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

2015 SPLOST Fund – accounts for the Carroll County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

2016 SPLOST Fund – accounts for the Douglas County sales tax proceeds received by the City and the related project expenditures associated with the approved referendum.

Public Roads Fund – to account for capital projects which are funded through State grants that are used specifically for road resurfacing.

Capital Grants Fund – accounts for the acquisition and construction of major capital projects funded by capital grants.

Capital Projects Fund – to account for the acquisition and construction of major capital projects.

Debt Service Fund

Debt Service Fund – accounts for revenues restricted, committed, or assigned to expenditures for principal and interest.

CITY OF VILLA RICA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	Federal Seizures	Narcotics Enforcement	Hotel/Motel Tax	Villa Rica Public Facilities Authority	Cemetery	Technology
Assets						
Cash and cash equivalents	$ 123,918	$ 288,267	$ 126,124	$ -	$ 18,641	$ 139,519
Receivables, net	-	-	114,467	-	-	430
Total assets	$ 123,918	$ 288,267	$ 240,591	$ -	$ 18,641	$ 139,949
Liabilities						
Accounts payable	$ -	$ 3,964	$ 69,481	$ -	$ 399	$ -
Total liabilities	-	3,964	69,481	-	399	-
Deferred Inflows of Resources						
Unavailable revenues	-		-	-	-	-
Fund Balances						
Restricted	123,918	284,303	171,110	-	-	139,949
Committed	-	-	-	-	18,242	-
Total fund balances	123,918	284,303	171,110	-	18,242	139,949
Total Liabilities and Fund Balances	$ 123,918	$ 288,267	$ 240,591	$ -	$ 18,641	$ 139,949

CITY OF VILLA RICA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Capital Projects Funds						
	2015 SPLOST	2016 SPLOST	Public Roads	Capital Grants	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets							
Cash and cash equivalents	$ 27,039	$ 1,805,634	$ 540,055	$ 184,993	$ 54,318	$ 419,678	$ 3,728,186
Receivables, net	-	-	-	12,423	-	1,679	128,999
Total assets	$ 27,039	$ 1,805,634	$ 540,055	$ 197,416	$ 54,318	$ 421,357	$ 3,857,185
Liabilities							
Accounts payable	$ -	$ 114,119	$ 58,699	$ 23,414	$ 54,318	$ -	$ 324,394
Total liabilities	-	114,119	58,699	23,414	54,318	-	324,394
Deferred Inflows of Resources							
Unavailable revenues	-	-	-	-	-	176	176
Fund Balances							
Restricted	27,039	1,691,515	481,356	174,002	-	421,181	3,514,373
Committed	-	-	-	-	-	-	18,242
Total fund balances	27,039	1,691,515	481,356	174,002	-	421,181	3,532,615
Total Liabilities and Fund Balances	$ 27,039	$ 1,805,634	$ 540,055	$ 197,416	$ 54,318	$ 421,357	$ 3,857,185

CITY OF VILLA RICA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	Federal Seizures	Narcotics Enforcement	Hotel/Motel Tax	Villa Rica Public Facilities Authority	Cemetery	Technology
Revenues						
Taxes	$ -	$ -	$ 525,834	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-	-
Charges for services	-	-	-	-	3,025	37,205
Fines and forfeitures	-	118,882	-	-	-	-
Investment earnings	-	-	5,907	-	6	5,695
Total revenues	-	118,882	531,741	-	3,031	42,900
Expenditures						
Current						
Public safety	-	16,776	-	-	-	-
Public works	-	-	-	-	-	-
Housing and economic development	-	-	323,185	-	28,122	35,085
Debt service						
Principal	-	-	-	1,590,000	-	-
Interest	-	-	-	810,820	-	-
Capital outlay	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Total expenditures	-	16,776	323,185	2,400,820	28,122	35,085
Excess (deficiency) of revenues over (under) expenditures	-	102,106	208,556	(2,400,820)	(25,091)	7,815
Other Financing Sources (Uses)						
Transfers in	-	-	-	2,400,820	17,300	-
Transfers out	-	-	(197,188)	-	-	-
Total other financing sources (uses)	-	-	(197,188)	2,400,820	17,300	-
Net change in fund balances	-	102,106	11,368	-	(7,791)	7,815
Fund balances - beginning - as previously reported	123,918	182,197	159,742	-	26,033	132,134
Changes within the financial reporting entity						
(major to nonmajor)	-	-	-	-	-	-
(nonmajor to major)	-	-	-	-	-	-
Fund balances - beginning - as restated	123,918	182,197	159,742	-	26,033	132,134
Fund balances - ending	$ 123,918	$ 284,303	$ 171,110	$ -	$ 18,242	$ 139,949

CITY OF VILLA RICA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Capital Projects Funds							
	2015 SPLOST	2016 SPLOST	2022 SPLOST	Public Roads	Capital Grants	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 299,556	$ 825,390
Intergovernmental	-	-	-	489,266	-	-	-	489,266
Charges for services	-	-	-	-	204,647	-	-	244,877
Fines and forfeitures	-	-	-	-	-	-	-	118,882
Investment earnings	2,663	110,726	-	-	-	-	42,014	167,011
Total revenues	2,663	110,726	-	489,266	204,647	-	341,570	1,845,426
Expenditures								
Current								
Public safety	-	-	-	-	-	-	-	16,776
Public works	-	-	-	270,985	-	-	-	270,985
Housing and economic development	-	-	-	-	-	-	-	386,392
Debt service								
Principal	-	-	-	-	-	-	-	1,590,000
Interest	-	-	-	-	-	-	940,128	1,750,948
Capital outlay	91,125	1,786,072	-	-	269,637	974,158	-	3,120,992
Intergovernmental	-	-	-	-	-	-	29,227	29,227
Total expenditures	91,125	1,786,072	-	270,985	269,637	974,158	969,355	7,165,320
Excess (deficiency) of revenues over (under) expenditures	(88,462)	(1,675,346)	-	218,281	(64,990)	(974,158)	(627,785)	(5,319,894)
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	-	974,158	-	3,392,278
Transfers out	-	-	-	-	(567,926)	-	-	(765,114)
Total other financing sources (uses)	-	-	-	-	(567,926)	974,158	-	2,627,164
Net change in fund balances	(88,462)	(1,675,346)	-	218,281	(632,916)	-	(627,785)	(2,692,730)
Fund balances - beginning - as previously reported	115,501	3,366,861	3,127,698	263,075	806,918	-	1,048,966	9,353,043
Changes within the financial reporting entity								
(major to nonmajor)	-	-	-	-	-	-	-	-
(nonmajor to major)	-	-	(3,127,698)	-	-	-	-	(3,127,698)
Fund balances - beginning - as restated	115,501	3,366,861	-	263,075	806,918	-	1,048,966	6,225,345
Fund balances - ending	$ 27,039	$ 1,691,515	$ -	$ 481,356	$ 174,002	$ -	$ 421,181	$ 3,532,615

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL SEIZURES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Fines and forfeitures	$ 1,000	$ 1,000	$ -	$ (1,000)
Expenditures				
Current				
Public safety	1,000	1,000	-	1,000
Net change in fund balances	-	-	-	-
Fund balance - beginning	123,918	123,918	123,918	-
Fund balance - ending	$ 123,918	$ 123,918	$ 123,918	$ -

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NARCOTICS ENFORCEMENT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Fines and forfeitures	$ 1,000	$ 1,000	$ 118,882	$ 117,882
Expenditures				
Current				
Public safety	1,000	21,670	16,776	4,894
Net change in fund balances	-	(20,670)	102,106	117,882
Fund balance - beginning	182,197	182,197	182,197	-
Fund balance - ending	$ 182,197	$ 161,527	$ 284,303	$ 117,882

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
HOTEL/MOTEL TAX FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 429,001	$ 525,836	$ 525,834	$ (2)
Investment earnings	-	-	5,907	5,907
Total revenues	429,001	525,836	531,741	5,907
Expenditures				
Current				
Housing and economic development	268,126	413,414	323,185	90,229
Excess (deficiency) of revenues over (under) expenditures	160,875	112,422	208,556	96,136
Other Financing Sources (Uses)				
Transfers out	(160,875)	(197,188)	(197,188)	-
Net change in fund balances	-	(84,766)	11,368	96,136
Fund balance - beginning	159,742	159,742	159,742	-
Fund balance - ending	$ 159,742	$ 74,976	$ 171,110	$ 96,136

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
VILLA RICA PUBLIC FACILITIES AUTHORITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Expenditures				
Current				
Debt service				
Principal	$ 1,590,000	$ 1,590,000	$ 1,590,000	$ -
Interest	810,820	810,820	810,820	-
Total expenditures	2,400,820	2,400,820	2,400,820	-
Excess (deficiency) of revenues over (under) expenditures	(2,400,820)	(2,400,820)	(2,400,820)	-
Other Financing Sources (Uses)				
Transfers in	2,400,820	2,400,820	2,400,820	-
Net change in fund balances	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CEMETERY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	$ 1,500	$ 1,500	$ 3,025	$ 1,525
Investment earnings	-	-	6	6
Total revenues	1,500	1,500	3,031	1,531
Expenditures				
Current				
Housing and economic development	18,800	30,700	28,122	2,578
Total expenditures	18,800	30,700	28,122	2,578
Excess (deficiencies) of revenues over (under) expenditures	(17,300)	(29,200)	(25,091)	4,109
Other Financing Sources (Uses)				
Transfers in	17,300	17,300	17,300	-
Net change in fund balances	-	(11,900)	(7,791)	4,109
Fund balance - beginning	26,033	26,033	26,033	-
Fund balance - ending	$ 26,033	$ 14,133	$ 18,242	$ 4,109

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Charges for services	$ 35,600	$ 35,600	$ 37,205	$ 1,605
Investments earnings	-	-	5,695	5,695
Total revenues	35,600	35,600	42,900	7,300
Expenditures				
Current				
Community development	35,600	35,600	35,085	515
Net change in fund balances	-	-	7,815	7,815
Fund balance - beginning	132,134	132,134	132,134	-
Fund balance - ending	$ 132,134	$ 132,134	$ 139,949	$ 7,815

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Expenditures				
Current				
Capital outlay	$ 1,018,976	$ 1,262,190	$ 974,158	$ 288,032
Total expenditures	1,018,976	1,262,190	974,158	288,032
Excess (deficiency) of revenues over (under) expenditures	(1,018,976)	(1,262,190)	(974,158)	288,032
Other Financing Sources (Uses)				
Transfers in	1,018,976	1,262,190	974,158	(288,032)
Net change in fund balances	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ -	$ -	$ 299,556	$ 299,556
Investments earnings	-	-	42,014	42,014
Total revenues	-	-	341,570	341,570
Expenditures				
Current				
Debt Service				
Interest	940,128	940,128	940,128	-
Intergovernmental	-	-	29,227	29,227
Total expenditures	940,128	940,128	969,355	29,227
Net change in fund balances	(940,128)	(940,128)	(627,785)	400,024
Fund balance - beginning	1,048,966	1,048,966	1,048,966	-
Fund balance - ending	$ 108,838	$ 108,838	$ 421,181	$ 400,024

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Estimated Cost		Expenditures		
Project	Original	Current	Prior Years	Current Year	Total
2015 Issue					
Water and sewer facilities and equipment including debt service for WWRF capital improvements	$ 1,644,000	$ 888,862	$ 888,862	$ -	$ 888,862
Library	1,375,999	1,375,999	1,375,999	-	1,375,999
Public safety	643,725	410,707	410,707	-	410,707
Streets and sidewalks	2,224,401	3,115,771	3,024,468	77,320	3,101,788
Recreation	1,379,075	2,095,264	2,071,067	13,805	2,084,872
Administration	-	338,747	338,747	-	338,747
Housing and economic development	-	129,029	129,029	-	129,029
Total	$ 7,267,200	$ 8,354,379	$ 8,238,879	$ 91,125	$ 8,330,004

	Estimated Cost		Expenditures		
Project	Original	Current	Prior Years	Current Year	Total
2016 Issue					
Transportation and streets	$ 2,179,408	$ 2,524,371	$ 1,347,546	$ 1,161,072	$ 2,508,618
Water and sewerage	1,851,472	2,144,530	1,278,244	625,000	1,903,244
Public safety	804,810	1,181,243	1,158,968	-	1,158,968
Fire and EMS	944,182	844,585	327,907	-	327,907
Parks and recreation	1,052,128	1,218,663	433,868	-	433,868
Total	$ 6,832,000	$ 7,913,392	$ 4,546,533	$ 1,786,072	$ 6,332,605

	Estimated Cost		Expenditures		
Project	Original	Current	Prior Years	Current Year	Total
2021 Issue					
Punkintown Road	$ 4,008,300	$ 4,008,300	$ 1,671,826	$ 45,286	$ 1,717,112
Transportation and streets	3,000,000	3,000,000	954,317	1,497,787	2,452,104
Parks and recreation	1,000,000	1,000,000	70,750	203,603	274,353
Housing and economic development	1,000,000	1,000,000	49,534	-	49,534
Total	$ 9,008,300	$ 9,008,300	$ 2,746,427	$ 1,746,676	$ 4,493,103

	Estimated Cost		Expenditures		
Project	Original	Current	Prior Years	Current Year	Total
2022 Issue					
Transportation and streets	$ 2,999,808	$ 2,999,808	$ 5,300	$ 266,711	$ 272,011
Public safety	1,048,320	1,048,320	-	-	-
Infrastructure	4,015,872	4,015,872	-	350,505	350,505
Total	$ 8,064,000	$ 8,064,000	$ 5,300	$ 617,216	$ 622,516



COMPONENT UNITS

DISCRETELY PRESENTED COMPONENT UNITS

Component units are legally separate organizations for which the elected officials of the primary government are financial accountable.

This section provides information only for those component units that do NOT prepare separate financial statements.

Villa Rica Industrial Development Authority – to account for the industrial development authority located in the City of Villa Rica.

Villa Rica Downtown Development Authority – to account for the activity of the Villa Rica Downtown Development.

CITY OF VILLA RICA, GEORGIA
BALANCE SHEET
INDUSTRIAL DEVELOPMENT AUTHORITY
SEPTEMBER 30, 2025

Assets		
Cash and cash equivalents		$ 802,514
Investments		250,000
Total assets		$ 1,052,514
Liabilities		
Accounts payable		37,769
Due to primary government		157,961
Total liabilities		195,730
Fund Balance		
Unassigned		856,784
Total fund balance		856,784
Total liabilities and fund balance		$ 1,052,514
Total Fund Balance per Balance Sheet of Governmental Fund		$ 856,784
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 funds.		
Cost of capital assets	$ 317,263	
Less accumulated depreciation	(57,758)	259,505
Net position of governmental activities		$ 1,116,289

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
INDUSTRIAL DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Revenues		
Investment earnings	$	36,245
Total revenues		36,245
Expenditures		
Current		
Housing and economic development		41,185
Net change in fund balance		(4,940)
Fund balances - beginning		861,724
Fund balances - ending	$	856,784
Net change in fund balance - governmental fund	$	(4,940)
Amounts reported for governmental activities in the statement of activities are different because:		
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Depreciation expense		(12,584)
Change in net position of governmental activities	$	(17,524)

CITY OF VILLA RICA, GEORGIA
BALANCE SHEET
DOWNTOWN DEVELOPMENT AUTHORITY
SEPTEMBER 30, 2025

Assets		
Cash and cash equivalents	$	35,861
Total assets	$	35,861
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	25
Due to primary government		49,000
Total liabilities		49,025
Fund Balance		
Unassigned		(13,164)
Total fund balance		(13,164)
Total liabilities and fund balance	$	35,861

CITY OF VILLA RICA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Revenues		
Investment earnings	$	125
Miscellaneous		2,363
Total revenues		2,488
Expenditures		
Housing and economic development		2,745
Total expenditures		2,745
Net change in fund balance		(257)
Fund balance - beginning		(12,907)
Fund balance - ending	$	(13,164)



STATISTICAL SECTION

(Unaudited)

The statistical section includes selected financial and general information presented on a multiyear comparative basis. The statistics are used to provide detail data on the physical, economic social and political characteristics of the City government. They are intended to provide the financial report user with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements.

STATISTICAL SECTION
(Unaudited)

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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 comprehensive annual financial reports for the relevant year.

City of Villa Rica, Georgia
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	12/2016	12/2017	9/2018 (2)	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Governmental Activities										
Net Investment in capital assets	$ 24,631,631	$ 25,581,609	$ 27,495,408	$ 27,150,274	$ 27,271,385	$ 27,571,991	$ 27,007,898	$ 26,104,306	$ 30,253,836	$ 32,020,047
Restricted	1,796,702	2,263,462	820,694	2,369,296	3,733,813	9,000,419	11,082,384	16,431,198	17,016,977	15,644,692
Unrestricted	(27,862,880)	(27,531,954)	(27,407,528)	(25,385,896)	(22,938,191)	(22,972,052)	(20,720,090)	(18,454,810)	(17,886,200)	(12,791,613)
Total governmental activities net position	$ (1,434,547)	$ 313,117	$ 908,574	$ 4,133,674	$ 8,067,007	$ 13,600,358	$ 17,370,192	$ 24,080,694	$ 29,384,613	$ 34,873,126
Business-type activities										
Net Investment in capital assets	$ 52,711,362	$ 51,730,520	$ 51,111,546	$ 51,095,904	$ 51,368,464	$ 51,261,026	$ 53,233,962	$ 54,582,413	$ 54,920,599	$ 56,100,527
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,097,521	3,436,108	3,658,259	5,181,640	6,023,630	6,072,458	10,074,814	8,346,637	8,795,755	9,869,513
Total business-type activities net position	$ 54,808,883	$ 55,166,628	$ 54,769,805	$ 56,277,544	$ 57,392,094	$ 57,333,484	$ 63,308,776	$ 62,929,050	$ 63,716,354	$ 65,970,040
Primary government										
Net Investment in capital assets	$ 77,342,993	$ 77,312,129	$ 78,606,954	$ 78,246,178	$ 78,639,849	$ 78,833,017	$ 80,241,860	$ 80,686,719	$ 85,174,435	$ 88,120,574
Restricted	1,796,702	2,263,462	820,694	2,369,296	3,733,813	9,000,419	11,082,384	16,431,198	17,016,977	15,644,692
Unrestricted	(25,765,359)	(24,095,846)	(23,749,269)	(20,204,256)	(16,914,561)	(16,899,594)	(10,645,276)	(10,108,173)	(9,090,445)	(2,922,100)
Total primary government net position	$ 53,374,336	$ 55,479,745	$ 55,678,379	$ 60,411,218	$ 65,459,101	$ 70,933,842	$ 80,678,968	$ 87,009,744	$ 93,100,967	$ 100,843,166

Notes:

(1) Implementation of GASB 68, *Accounting and Financial Reporting for Pensions* which requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

(2) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

City of Villa Rica, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	12/2016	12/2017	9/2018 (2)	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Expenses										
Governmental Activities:										
General government	$ 1,889,057	$ 1,970,169	$ 881,397	$ 2,179,236	$ 2,252,393	$ 3,155,094	$ 3,051,053	$ 3,562,822	$ 4,277,240	$ 4,038,265
Judicial	126,958	155,784	109,652	193,179	193,567	201,785	211,759	212,384	239,519	238,113
Public safety	4,136,348	4,319,969	3,294,224	5,381,329	5,378,386	5,923,904	5,933,902	6,220,676	7,332,680	8,439,799
Public works	1,911,665	2,378,939	1,899,343	2,325,209	2,724,924	3,428,048	3,258,183	3,319,711	5,147,783	5,054,705
Housing and development	685,524	921,503	179,681	249,168	226,466	1,651,512	1,755,540	1,709,264	1,904,008	2,089,489
Health and Welfare	202,580	227,141	1,972,259	2,223,989	2,435,844	227,328	256,862	282,199	294,893	396,836
Culture and recreation	2,293,240	2,731,102	1,002,085	1,207,817	1,338,005	3,451,869	2,951,829	3,131,009	3,310,118	4,214,712
Interest on long-term debt	1,344,470	1,333,151	964,520	1,323,039	1,309,895	1,290,487	1,235,216	1,866,338	2,122,290	1,896,996
Total governmental activities expenses	12,589,842	14,037,758	10,303,161	15,082,966	15,859,480	19,330,027	18,654,344	20,304,403	24,628,531	26,368,915
Business-type activities:										
Water and Sewer	5,050,925	4,719,234	3,833,639	5,671,479	5,490,886	6,193,250	6,939,504	7,241,407	7,869,008	8,922,807
Solid Waste	839,843	947,077	925,278	1,224,268	1,284,004	1,318,076	1,473,408	1,656,123	1,616,710	1,756,561
Stormwater	-	-	-	206,776	197,851	219,873	207,417	253,201	270,996	380,047
Total business-type activities expenses	5,890,768	5,666,311	4,758,917	7,102,523	6,972,741	7,731,199	8,620,329	9,150,731	9,756,714	11,059,415
Total primary government expenses	$ 18,480,610	$ 19,704,069	$ 15,062,078	$ 22,185,489	$ 22,832,221	$ 27,061,226	$ 27,274,673	$ 29,455,134	$ 34,385,245	$ 37,428,330
Component Units:										
Villa Rica Industrial Development Authority	$ 40,872	$ 42,960	$ 42,960	$ 43,401	$ 44,153	$ 25,134	$ 154,529	$ 47,313	$ 56,837	$ 53,769
Villa Rica Downtown Development Authority	8,530	96,162	96,162	11,613	8,907	5,149	68,948	45,085	11,698	2,745
Tourism Board	-	-	-	-	-	-	-	-	-	-
Total Component Unit expenses	$ 49,402	$ 139,122	$ 139,122	$ 55,014	$ 53,060	$ 30,283	$ 223,477	$ 92,398	$ 68,535	$ 56,514
Program Revenues										
Governmental Activities:										
Charges for service:										
General government	$ 61,807	$ 440,433	$ 9,945	$ 72,023	$ 103,973	$ 51,901	$ 64,502	$ 57,238	$ 45,005	$ 259,358
Judicial	527,344	656,508	479,575	617,117	614,184	587,542	611,588	435,198	517,745	758,801
Public safety	9,331	13,810	23,585	19,646	26,527	9,375	8,032	13,854	5,485	303,353
Public works	1,285	5,525	5,023	4,670	19,790	13,790	30,750	6,310	28,097	376,488
Housing and development	403,467	439,047	385,036	316,497	114,796	421,641	565,997	698,669	832,477	1,363,996
Culture and recreation	168,401	475,577	267,036	665,838	568,116	369,830	464,127	563,461	833,664	596,348
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	302,692	1,202,322	414,040	550,714	1,389,146	567,721	444,962	598,633	786,801	511,855
Capital grants and contributions	1,422,653	2,233,372	1,978,565	2,720,736	2,831,693	7,098,628	9,386,858	5,296,587	5,276,163	5,060,075
Total governmental activities program revenues	2,896,980	5,466,594	3,562,805	4,967,241	5,668,225	9,120,428	11,576,816	7,669,950	8,325,437	9,230,274
Business-type activities:										
Charges for services:										
Water and Sewer	$ 5,653,759	$ 5,857,818	$ 5,732,545	$ 9,058,890	$ 9,595,927	$ 9,065,232	$ 9,319,626	$ 10,237,338	$ 11,801,370	$ 13,947,524
Solid Waste	862,475	867,805	843,581	1,263,850	1,345,477	1,415,708	1,559,751	1,710,902	1,803,859	1,882,181
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	322,793	144,031	259,724	597,322	232,480	331,465	585,445	-	-	975,505
Total business-type activities program revenues	6,839,027	6,869,654	6,835,850	10,920,062	11,173,884	10,812,405	11,464,822	11,948,240	13,605,229	16,805,210
Total primary government program revenues	$ 9,736,007	$ 12,336,248	$ 10,398,655	$ 15,887,303	$ 16,842,109	$ 19,932,833	$ 23,041,638	$ 19,618,190	$ 21,930,666	$ 26,035,484
Component Units:										
Charges for services:										
Villa Rica Industrial Development Authority	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Villa Rica Downtown Development Authority	1,025	72,206	72,206	500	-	-	103,735	1,865	2,209	2,363
Tourism Board	-	-	-	-	-	-	-	-	-	-
Total Component Unit program revenues	$ 1,025	$ 72,206	$ 72,206	$ 500	$ -	$ -	$ 103,735	$ 1,865	$ 2,209	$ 2,363

City of Villa Rica, Georgia
Changes in Net Position
Last Ten Fiscal Years

	12/2016	12/2017	9/2018 (1)	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Net (Expense)/Revenue										
Governmental activities	$ (9,692,862)	$ (8,571,164)	$ (6,740,357)	$ (10,115,725)	$ (10,191,255)	$ (10,209,599)	$ (7,077,528)	$ (12,634,453)	$ (16,303,094)	$ (17,138,641)
Business-type activities	948,259	1,203,343	2,076,933	3,817,539	4,201,143	3,081,206	2,844,493	2,797,509	3,848,515	5,745,795
Total primary government net expense	$ (8,744,603)	$ (7,367,821)	$ (4,663,424)	$ (6,298,186)	$ (5,990,112)	$ (7,128,393)	$ (4,233,035)	$ (9,836,944)	$ (12,454,579)	$ (11,392,846)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 3,348,369	$ 3,771,161	$ 631,999	$ 3,780,936	$ 3,944,485	$ 4,854,855	$ 5,236,509	$ 6,092,903	$ 6,710,240	$ 7,403,792
Sales taxes	2,328,688	2,405,569	1,992,836	2,921,096	3,095,590	3,486,976	3,964,238	4,432,976	4,746,774	4,950,621
Other taxes and miscellaneous	3,028,918	3,118,313	2,042,776	3,868,420	3,758,257	3,989,267	4,510,341	4,925,546	4,970,027	5,540,722
Unrestricted investment earnings	9,698	2,967	2,592	-	-	387	25,554	157,795	870,844	1,007,258
Miscellaneous		9,528	189,060	440,979	202,797	205,245	159,336	176,998	209,504	222,245
Gain on sale of capital assets	211,087	162,920	-	15,504	8,168	12,840	-	14,878	661,522	20,770
Transfers	963,514	848,370	2,476,551	2,313,890	3,115,291	3,193,380	(3,048,616)	3,543,859	3,438,102	3,767,415
Total governmental activities	$ 9,890,274	$ 10,318,828	$ 7,335,814	$ 13,340,825	$ 14,124,588	$ 15,742,950	$ 10,847,362	$ 19,344,955	$ 21,607,013	$ 22,912,823
Business-type activities										
Investment earnings	$ 2,457	$ 2,772	$ 2,795	$ 4,090	$ 28,698	$ 19,164	$ 71,979	$ 329,712	$ 298,237	$ 304,926
Miscellaneous	(2,730)	-	-	-	-	34,400	10,204	9,481	28,356	8,427
Gain on sale of capital assets	-	-	-	-	-	-	-	27,431	50,298	-
Transfers	(963,514)	(848,370)	(2,476,551)	(2,313,890)	(3,115,291)	(3,193,380)	3,048,616	(3,543,859)	(3,438,102)	(3,767,415)
Total business-type activities	(963,787)	(845,598)	(2,473,756)	(2,309,800)	(3,086,593)	(3,139,816)	3,130,799	(3,177,235)	(3,061,211)	(3,454,062)
Total primary government	$ 8,926,487	$ 9,473,230	$ 4,862,058	$ 11,031,025	$ 11,037,995	$ 12,603,134	$ 13,978,161	$ 16,167,720	$ 18,545,802	$ 19,458,761
Change in Net Position										
Governmental activities	$ 197,412	$ 1,747,664	$ 595,457	$ 3,225,100	$ 3,933,333	$ 5,533,351	$ 3,769,834	$ 6,710,502	$ 5,303,919	$ 5,774,182
Business-type activities	(15,528)	357,745	(396,823)	1,507,739	1,114,550	(58,610)	5,975,292	(379,726)	787,304	2,291,733
Total primary government	$ 181,884	$ 2,105,409	$ 198,634	$ 4,732,839	$ 5,047,883	$ 5,474,741	$ 9,745,126	$ 6,330,776	$ 6,091,223	$ 8,065,915

Notes:
(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

City of Villa Rica, Georgia
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	12/2016	12/2017	9/2018 (1)	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
General Fund										
Nonspendable	588,642	98,234	236,815	331,987	265,570	305,780	389,402	462,132	539,497	617,034
Committed	450,000	500,000	950,000	950,000	1,000,000	1,000,000	500,000	500,000	500,000	500,000
Assigned	600,483	1,087,658	79,688	19,192	638,175	877,804	541,726	438,961	565,566	883,144
Unassigned	5,220,018	5,069,864	3,617,325	5,104,136	5,859,892	6,458,485	8,309,643	9,482,154	9,286,048	11,646,846
Total general fund	$ 6,859,143	$ 6,755,756	$ 4,883,828	$ 6,405,315	$ 7,763,637	$ 8,642,069	$ 9,740,771	$ 10,883,247	$ 10,891,111	$ 13,647,024
All Other Governmental Funds										
Nonspendable	-	-	-	-	-	8,461	750	1,000	-	-
Restricted	1,796,702	2,263,462	820,694	2,369,296	3,733,813	8,702,559	10,838,329	30,155,937	26,016,523	23,391,968
Committed	24,472	27,689	15,508	52,730	8,354	9,077	5,448	9,575	26,033	18,242
Assigned	199,227	48,748		609	283,378	277	-	-	-	-
Unassigned		-	(951)	109,182	-	(3,600)	-	-	-	-
Total all other governmental funds	$ 2,020,401	$ 2,339,899	$ 835,251	$ 2,531,817	$ 4,025,545	$ 8,716,774	$ 10,844,527	$ 30,166,512	$ 26,042,556	$ 23,410,210
Total all governmental funds	$ 8,879,544	$ 9,095,655	$ 5,719,079	$ 8,937,132	$ 11,789,182	$ 17,358,843	$ 20,585,298	$ 41,049,759	$ 36,933,667	$ 37,057,234

Notes:
(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.

City of Villa Rica, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	12/2016	12/2017	9/2018	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Revenues										
Taxes	$ 8,710,240	$ 9,236,397	$ 4,680,351	$ 10,756,673	$ 10,807,499	$ 12,327,620	$ 13,706,739	$ 15,453,001	$ 16,424,461	$ 17,833,369
Licenses and permits	229,187	537,327	275,853	736,444	670,512	419,688	526,227	617,461	875,159	1,055,510
Intergovernmental	1,710,806	3,256,165	1,381,676	3,098,476	4,025,156	8,880,966	9,678,425	3,854,035	4,831,996	4,996,237
Fines and forfeitures	359,854	466,094	356,566	530,235	525,388	483,479	519,280	363,487	420,440	800,717
Charges for service	582,594	650,065	537,781	429,112	251,485	550,912	699,489	793,782	966,874	1,691,172
Interest Income	10,115	3,323	3,086	4,313	27,895	26,412	153,771	997,598	2,072,136	1,663,141
Other Revenues	248,410	234,151	212,755	534,181	238,345	260,228	192,271	209,550	239,180	253,000
Total revenues	11,851,206	14,383,522	7,448,068	16,089,434	16,546,280	22,949,305	25,476,202	22,288,914	25,830,246	28,293,146
Expenditures										
General government	1,773,868	1,616,466	1,330,555	1,899,096	2,077,177	2,379,395	2,875,659	3,443,863	3,787,206	3,596,809
Judicial	125,679	154,686	111,680	193,620	190,446	199,153	221,022	219,729	235,261	244,114
Public safety	3,887,115	4,055,900	3,294,805	4,649,375	5,029,924	5,042,877	5,559,011	5,905,842	6,689,316	7,400,100
Public works	1,375,220	1,895,374	1,704,649	1,896,409	2,263,622	2,653,665	2,658,744	2,900,490	3,882,294	4,094,624
Health and Welfare	200,007	224,809	177,939	250,741	223,343	224,808	261,956	285,136	292,049	372,220
Culture and recreation	1,914,100	2,303,076	1,711,620	2,008,815	1,955,858	2,043,574	2,308,615	2,642,958	2,719,961	3,124,804
Economic development	679,225	918,015	1,040,035	1,213,665	1,258,605	1,527,899	1,777,129	1,731,454	1,806,687	2,072,680
Capital outlay	2,417,914	2,190,317	2,224,974	1,395,142	1,668,101	4,306,042	1,693,841	6,630,527	11,361,535	7,682,238
Debt service										
Interest	1,473,388	1,461,138	1,454,938	1,447,288	1,432,363	1,408,513	1,360,751	1,516,882	1,325,000	1,750,948
Principal	240,000	245,000	250,000	260,000	735,000	855,000	880,000	1,210,000	1,794,511	1,590,000
Intergovernmental										29,227
Total expenditures	14,086,516	15,064,781	13,301,195	15,214,151	16,834,439	20,640,926	19,596,728	26,486,881	33,893,820	31,957,764
Excess of revenues over (under) expenditures	(2,235,310)	(681,259)	(5,853,127)	875,283	(288,159)	2,308,379	5,879,474	(4,197,967)	(8,063,574)	(3,664,618)
Other Financing Sources (Uses)										
Transfers in	3,813,500	3,419,736	2,866,579	3,329,235	3,814,423	4,767,757	9,961,534	7,165,055	7,110,886	5,844,898
Transfers out	(2,849,986)	(2,571,366)	(390,028)	(1,015,345)	(682,382)	(1,519,315)	(13,010,150)	(3,562,366)	(3,338,584)	(2,077,483)
Proceeds from issuance of bonds	-	-	-	-	-	-	-	20,985,000	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	(31,484,403)	-	-	-
Sale of capital assets	-	49,000	-	28,880	8,168	12,840	-	74,739	175,180	20,770
Total other financing sources (uses)	963,514	897,370	2,476,551	2,342,770	3,140,209	3,261,282	(2,653,019)	24,662,428	3,947,482	3,788,185
Net change in fund balances	$ (1,271,796)	$ 216,111	$ (3,376,576)	$ 3,218,053	$ 2,852,050	$ 5,569,661	$ 3,226,455	$ 20,464,461	$ (4,116,092)	$ 123,567
Debt service as a percentage of noncapital expenditures	17.21%	15.28%	18.19%	14.10%	16.67%	12.18%	10.10%	12.13%	16.07%	15.96%

City of Villa Rica, Georgia
Tax Revenue by Source, Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Alcoholic Beverage Excise Tax	Franchise Tax	Insurance Premium Tax	Hotel & Motel Tax	Other	Total
12/2016	3,348,369	2,328,688	296,599	1,238,834	871,052	130,506	491,927	8,705,975
12/2017	3,771,161	2,405,569	299,585	1,151,519	933,311	179,033	554,865	9,295,043
9/2018 (1)	631,999	1,992,836	224,312	161,639	1,006,675	252,081 (2)	398,069	4,667,611
9/2019	3,780,936	2,921,096	328,438	1,352,028	1,069,008	329,530	789,416	10,570,452
9/2020	3,944,485	3,095,590	308,100	1,344,327	1,128,055	288,410	689,365	10,798,332
9/2021	4,854,855	3,486,976	336,384	1,316,112	1,166,067	379,580	791,124	12,331,098
9/2022	5,236,509	3,964,238	303,573	1,404,205	1,461,039	462,337	879,187	13,711,088
9/2023	6,092,903	4,432,976	289,173	1,586,706	1,506,161	468,692	1,074,814	15,451,425
9/2024	6,710,240	4,746,774	271,442	1,561,071	1,619,738	434,645	1,083,131	16,427,041
9/2025	7,403,792	4,950,621	266,964	1,760,128	1,857,066	525,834	1,130,730	17,895,135

Notes:
(1) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.
(2) The Hotel & Motel Tax rate increased from 5% to 8% in 2017.

City of Villa Rica, Georgia
Direct and Overlapping Sales Tax Rates
Last Ten Years

Fiscal Year		County/BOE	SPLOST Sales Tax	State of Georgia Sales Tax	Total Direct & Overlapping Rates
2016	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2017	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2018	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2019	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2020	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2021	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2022	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2023	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2024	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00
2025	Carroll	2.00	1.00	4.00	7.00
	Douglas	2.00	1.00	4.00	7.00

Source: Georgia Department of Revenue

City of Villa Rica, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years-Carroll County

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
12/2016	2016	216,666,769	130,867,680	5,918,751	8,745,216	(59,783,393)	302,415,023	756,037,558	6.500
12/2017	2017	241,551,697	110,788,455	6,988,845	7,181,755	(48,165,421)	318,345,331	795,863,328	6.365
9/2018	N/A								
9/2019	2018	259,642,495	120,790,187	6,280,258	6,204,882	(55,086,068)	337,831,754	844,579,385	6.056
9/2020	2019	294,575,301	148,490,299	6,536,732	3,573,372	(61,068,593)	392,107,111 -	980,267,778	5.743
9/2021	2020	334,201,560	146,780,002	7,061,872	4,510,322	(55,888,243)	436,665,513	1,091,663,783	6.250
9/2022	2021	355,978,833	145,574,445	7,115,716	3,783,788	(62,598,473)	449,854,309	1,124,635,773	6.250
9/2023	2022	408,506,799	172,063,297	7,351,910	5,190,594	(81,299,576)	511,813,024	1,279,532,560	6.250
9/2024	2023	531,174,055	184,526,898	7,587,410	6,154,730	(94,849,817)	634,593,276	1,586,483,190	5.822
9/2025	2024	581,419,555	171,996,241	8,049,786	6,909,482	(82,249,883)	686,125,181	1,715,312,953	5.588

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per $1,000 of assessed value.

The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.

Source: Georgia Department of Revenue

City of Villa Rica, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years-Douglas County

Fiscal Year	Digest Year	Real Property	Personal Property	Public Utilities Property	Motor Vehicles Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Direct Tax Rate
12/2016	2016	177,273,269	37,110,555	1,649,637	5,463,070	(34,176,077)	187,320,454	468,301,135	6.500
12/2017	2017	189,158,214	42,456,261	1,864,397	3,922,340	(29,028,185)	208,373,027	520,932,568	6.365
9/2018	n/a								
9/2019	2018	212,209,120	55,298,431	1,865,361	2,705,670	(29,609,513)	242,469,069	606,172,673	6.056
9/2020	2019	232,835,760	74,194,141	2,597,521	2,279,320	(69,253,162)	242,653,580 -	606,633,950	5.743
9/2021	2020	256,703,775	69,903,991	2,597,521	2,098,664	(65,195,766)	266,108,185	665,270,463	6.250
9/2022	2021	270,119,972	57,964,486	3,094,811	1,527,170	(55,454,136)	277,252,303	693,130,758	6.250
9/2023	2022	347,587,650	76,540,041	3,322,947	1,287,900	(73,133,015)	355,605,523	889,013,808	6.250
9/2024	2023	372,457,532	110,096,881	5,355,774	1,224,710	(100,354,651)	388,780,246	971,950,615	5.822
9/2025	2024	423,330,713	109,309,240	3,414,959	952,340	(14,665,656)	522,341,596	1,305,853,990	5.588

Notes: Property in the county is reassessed each year. The county assesses property at approximately 40 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per $1,000 of assessed value.

The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.

Source: Georgia Department of Revenue

City of Villa Rica, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Tax Years
(rate per $1,000 of assessed value)

Tax Year	County	Direct Rates			Overlapping Rates Douglas County			Overlapping Rates Carroll County			Total Direct & Overlapping Rates
		City of Villa Rica	Bond City of Villa Rica	Total Direct	Douglas County	Board of Education	State of Georgia	Carroll County	Board of Education	State of Georgia	
2015	Carroll	6.500	0.000	6.500				8.414	19.500	0.050	34.46
	Douglas	6.500	0.000	6.500	11.809	21.100	0.050				39.46
2016	Carroll	6.500	0.000	6.500				8.349	18.001	0.000	32.85
	Douglas	6.500	0.000	6.500	11.267	21.000	0.000				38.77
2017	Carroll	6.365	0.000	6.365				8.342	17.998	0.000	32.71
	Douglas	6.365	0.000	6.365	10.768	20.950	0.000				38.08
2018	Carroll	6.056	0.000	6.056				8.261	17.998	0.000	32.32
	Douglas	6.056	0.000	6.056	10.213	20.900	0.000				37.17
2019	Carroll	5.743	0.000	5.743				7.880	17.998	0.000	31.62
	Douglas	5.743	0.000	5.743	10.213	20.750	0.000				36.71
2020	Carroll	6.250	0.000	6.250				7.668	17.998	0.000	31.92
	Douglas	6.250	0.000	6.250	12.563	20.600	0.000				39.41
2021	Carroll	6.250	0.000	6.250				7.639	17.998	0.000	31.89
	Douglas	6.250	0.000	6.250	12.563	20.050	0.000				38.86
2022	Carroll	6.250	0.000	6.250				7.580	17.500	0.000	31.33
	Douglas	6.250	0.000	6.250	12.563	20.000	0.000				38.81
2023	Carroll	5.822	0.000	5.822				6.671	17.000	0.000	29.49
	Douglas	5.822	0.000	5.822	12.313	19.490	0.000				37.63
2024	Carroll	5.588	0.000	5.588				6.363	16.259	0.000	28.21
	Douglas	5.588	0.000	5.588	12.063	18.900	0.000				36.55

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Villa Rica.
Source: Georgia Department of Revenue

City of Villa Rica, Georgia
Principal Property Taxpayers
Current Year and Nine Years Ago

FY 09/2025 (Digest Year 2024)

Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	County	Rank	Taxes Paid	Percentage of Total Taxes Paid
PRINTPACK INC	$52,284,138	5.11%	Carroll	1	$162,546	3.12%
DEVELOPMENT AUTHORITY OF DOUGLAS COUN	17,201,128	1.68%	Douglas	2	96,120	1.84%
SUGAR FOODS	28,077,007	2.74%	Carroll	3	91,639	1.76%
FLOWERS BAKING CO OF VILLA RICA LLC	15,293,724	1.49%	Carroll	4	79,910	1.53%
INTERCAPITAL VILLA RICA ASSOCIATES LP	12,611,286	1.23%	Carroll	5	70,472	1.35%
SEALY WEST INDUSTRIAL COURT LLC	9,800,000	0.96%	Carroll	6	54,762	1.05%
3101 PLACE OWNERS LLC	9,253,676	0.90%	Carroll	7	51,710	0.99%
HAWTHORN-MIDWAY MIRROR LAKE,LLC	7,700,000	0.75%	Douglas	8	43,028	0.83%
AMH DEVELOPMENT, LLC	7,210,707	0.70%	Douglas	9	40,294	0.77%
FOUR PLUS VILLA RICA LLC	7,037,171	0.69%	Carroll	10	39,324	0.75%
Total	$ 166,468,837	19.81%			$ 729,804	14.00%

FY 12/2016 (Digest Year 2016)

Taxpayer	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	County	Rank	Taxes Paid	Percentage of Total Taxes Paid
HAWTHORNE-MIDWAY MIRROR LAKE, LLC	$5,151,719	0.92%	Douglas	1	$199,717	6.10%
VILLAGE MIRROR, LLC &	3,346,440	0.60%	Douglas	2	129,731	3.96%
SOUTHWIRE COMPANY	34,698,729	6.23%	Douglas	3	122,613	3.75%
PRINTPACK INC	29,188,088	5.24%	Carroll	4	112,724	3.44%
SPG VILLA RICA LLC	14,668,432	2.63%	Carroll	5	93,492	2.86%
JLC MIRROR LAKE SUB 1, LLC	2,337,560	0.42%	Douglas	6	90,621	2.77%
TURANO GEORGIA BREAD, LLC	2,620,583	0.47%	Douglas	7	85,361	2.61%
CC MIRROR LAKE, LLC	1,919,916	0.34%	Douglas	8	74,429	2.27%
TANNER MEDICAL CENTER, INC.	1,554,560	0.28%	Douglas	9	60,266	1.84%
BENCHMARK UNITED, INC.	1,260,160	0.23%	Douglas	10	48,853	1.49%
Total	$ 96,746,187	17.36%			$ 1,017,806	31.10%

Sources: Carroll and Douglas County Tax Commissioner's Offices
Total Gross City Tax Digest

City of Villa Rica, Georgia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended	Tax Year	County	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
12/31/2016	2016	Carroll	1,965,698					
		Douglas	1,217,583					
			3,183,281	2,806,135	88.15%	374,639	3,180,774	99.92%
12/31/2017	2017	Carroll	2,026,268					
		Douglas	1,326,294					
			3,352,562	3,210,822	95.77%	141,007	3,351,829	99.98%
9/30/2018	N/A	①						
9/30/2019	2018	Carroll	2,045,909					
		Douglas	1,468,393					
			3,514,302	3,363,024	95.70%	143,718	3,506,741	99.78%
9/30/2020	2019	Carroll	2,251,871					
		Douglas	1,393,560					
			3,645,431	3,407,834	93.48%	205,957	3,613,791	99.13%
9/30/2021	2020	Carroll	2,700,970					
		Douglas	1,637,360					
			4,338,330	4,198,717	96.78%	107,039	4,305,757	99.25%
9/30/2022	2021	Carroll	2,787,871					
		Douglas	1,708,789					
			4,496,660	4,453,388	99.04%	21,228	4,474,616	99.51%
9/30/2023	2022	Carroll	3,128,373					
		Douglas	2,193,119					
			5,321,491	5,213,818	97.98%	29,109	5,242,926	98.52%
9/30/2024	2023	Carroll	3,658,429					
		Douglas	2,256,348					
			5,914,777	5,882,793	99.46%	47,226	5,930,019	② 100.26%
9/30/2025	2024	Carroll	4,003,961					
		Douglas	2,579,517					
			6,583,478	6,318,762	95.98%	35,596	6,354,358	96.52%

Notes:

1. The fiscal year change in 2018 caused a skip in property taxes. Digest Year 2017 was recorded in FY 2017. Digest Year 2018 was recorded in FY2019.

2. The percentage is greater than 100% due to collection of prior year property taxes being more than the current year total levy total when combined with current year collections. We did not collect more than the levy.

City of Villa Rica, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business - Type Activities	Total Primary Government	Per Capita
	Capital Leases	Revenue Bonds	GO Bonds	Note Payable		
12/2016	-	33,130,000	-	-	33,130,000	2,254
12/2017	-	32,885,000	-	-	32,885,000	2,237
9/2018	-	32,635,000	-	-	32,635,000	2,220
9/2019	-	32,375,000	-	-	32,375,000	2,016
9/2020	-	31,640,000	-	-	31,640,000	1,970
09/2021	-	30,785,000	-	81,365	30,866,365	1,819
09/2022	-	31,880,000	-	300,645	32,180,645	1,805
09/2023	-	51,655,000	-	3,750,551	55,405,551	3,003
09/2024	-	50,330,000	-	4,369,492	54,699,492	2,925
09/2025	-	48,740,000	-	7,020,808	55,760,808	2,733

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

City of Villa Rica, Georgia
Direct & Overlapping Governmental Activities Debt
September 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Overlapping Debt [2, 3]			
Carroll County Board of Education (June 30, 2025):			
General obligation bonds	$ 22,760,000	8.42%	$ 1,915,759
Capital Leases	-	8.42%	-
Financed purchases	918,727	8.42%	77,331
Carroll County (June 30, 2025):			
General obligation bonds	14,565,000	8.42%	1,225,968
Capital leases	-	8.42%	-
Financed purchases	1,292,900	8.42%	108,826
Douglas County Board of Education (June 30, 2025)			
General obligation bonds	46,860,000	5.37%	2,514,809
Capital leases	-	5.37%	-
Financed purchases	-	5.37%	-
Douglas County (Dec 31, 2024)			
General obligation bonds	-	5.37%	-
Capital leases	85,634	5.37%	4,596
Financed purchases	1,422,282	5.37%	76,329
Total Overlapping Debt			5,923,617
City Direct Debt			
General obligation/Revenue bonds	48,740,000	100.00%	48,740,000
Capital leases	-	100.00%	-
Financed purchases	-	100.00%	-
Total Direct Debt			48,740,000
Total Direct and Overlapping Debt			$ 54,663,617

Notes:

[1] Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the City's geographic boundaries and dividing it by each government's total assessed valuation.

[2] Underlying governments are those that coincide, at least in part, with the geographic boundaries of the City.

Source:

[3] Each specific Government

City of Villa Rica, Georgia
Ratios of General Bonded Debt Outstanding (Unaudited)
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for GO Debt Service	Total	Percentage of Actual Taxable Value of Property	Per Capita
12/2016	-	-	-	0.00%	-
12/2017	-	-	-	0.00%	-
9/2018	-		-	0.00%	-
9/2019	-		-	0.00%	-
9/2020	-	-	-	0.00%	-
9/2021	-	-	-	0.00%	-
9/2022	-	-	-	0.00%	-
9/2023	-	-	-	0.00%	-
9/2024	-	-	-	0.00%	-
9/2025	-	-	-	0.00%	-

Note 1: Details regarding the city's outstanding debt can be found in the notes to the financial statements.
Note 2: Amounts shown above as restricted for GO Debt Service are amounts reported as restricted in the Statement of Net Position as these amounts represent the remainder of the restricted fund balance from the Debt Service Fund minus accrued interest payable and are considered to represent the amount available to pay principal on the City's outstanding bonds.

Source: Schedule of Demographic and Economic Statistics for personal income and population data.
Source: Schedule of Assessed Value for estimated actual taxable value.

City of Villa Rica, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	12/2016	12/2017	9/2018	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Taxable Assessed Value	489,735,477	526,718,358	n/a	580,300,823	634,760,691	702,773,698	727,106,612	867,418,547	1,023,373,522	1,208,466,777
Legal Debt Margin										
Debt limit (10% of assessed value)	48,973,548	52,671,836		58,030,082	63,476,069	70,277,370	72,710,661	86,741,855	102,337,352	120,846,678
Debt applicable to limit:										
General Obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-		-	-	-	-	-	-	-	
Legal Debt Margin	$ 48,973,548	$ 52,671,836	$ -	$ 58,030,082	$ 63,476,069	$ 70,277,370	$ 72,710,661	$ 86,741,855	$ 102,337,352	$ 120,846,678
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Notes:
Under Article 9, Section 5, Paragraph I of the State of Georgia Constitution, the City's outstanding general obligation debt should not exceed 10% of the assessed value of all taxable property located within that City.

City of Villa Rica, Georgia
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income (Dollars)	Median Property Value	Average Unemployment Rate		
					City	State - GA	US
2016	14,700	5,141,501	$ 34,976	$ 127,700	5.54%	5.37%	4.88%
2017	14,700	5,285,414	$ 35,955	$ 139,700	4.87%	4.70%	4.35%
2018	14,700	5,457,551	$ 37,126	$ 157,900	4.13%	3.96%	3.89%
2019	16,058	6,189,363	$ 38,544	$ 168,000	3.53%	3.43%	3.67%
2020	16,058	6,630,375	$ 41,290	$ 182,000	7.14%	6.42%	8.12%
2021	16,970	6,187,973	$ 46,533	$ 206,000	4.32%	3.83%	5.36%
2022	17,830	6,333,770	$ 46,835	$ 281,250	3.30%	3.05%	3.68%
2023	18,452	6,695,230	$ 48,717	$ 343,750	2.80%	3.20%	3.70%
2024	18,703	7,031,331	$ 51,180	$ 325,000	2.90%	3.70%	4.00%
2025	20,405	NA	NA	$ 343,750	3.80%	3.60%	4.40%

Sources: U.S. Census Bureau
https://apps.bea.gov/iTable/iTable.cfm?ReqID=70&step=1&isuri=1&acrdn=5
US Bureau of Labor Statistics

Notes: Personal Income and Per Capita Income for 2025 is not available at time of publishing.

City of Villa Rica, Georgia
Principal Employers
Current Year and Nine Years Ago

2025		2016	
Employer	**Employees**	**Employer**	**Employees**
Verida, Inc.	447	Tanner Medical Center	750
Flowers Baking Company of Villa Rica	332	PrintPack	468
Walmart Stores East, LP #2732	311	Flowers Baking Co	425
Sugar Foods LLC	282	Sugar Foods	340
TANNER MEDICAL CENTER, INC.	250	Carroll County Board of Education	207
Print Pack	245	Walmart	170
J.J. Kane Associates Inc.	236	Home Depot	149
Print Pack, Inc.	232	McNeilus Truck & Manufacturing	128
Southwire Company, LLC	200	City of Villa Rica	101
Harrison Contracting Company	195	Publix	68
The Home Depot #6861	185		
PUBLIX SUPER MARKETS, INC.	160		
Saddle Creek Corporation	140		
Turano Georgia Bread, LLC	133		
HITACHI ASTEMO AMERICAS INC	124		
Southwire Company, LLC	124		
THE HILLMAN GROUP INC	122		
Lilicol LLC	110		
LILICOL LLC	100		
Total	3,928		2,805

Sources: Occupational Tax Licensing

City of Villa Rica, Georgia
Budgeted Full-Time Equivalent City Employees, by Function
Last Ten Fiscal Years

Function	12/2016	12/2017	9/2018 (2)	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Governmental activities:										
General government	9.0	12.5	13.0	15.5	16.0	17.0	19.0	19.5	20.0	19.0
Municipal court	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.5	2.5
Public Safety	49.0	51.4	51.7	57.3	58.3	61.3	57.0	56.8	59.8	61.8
Public Works	10.0	10.0	13.5	20.7	21.7	21.7	25.0	22.0	27.0	29.0
Culture and recreation	27.2	29.9	30.0	28.9	28.9	24.2	23.9	23.9	25.0	27.5
Community development	6.0	9.5	10.5	12.2	12.0	16.7	18.8	18.8	19.8	20.3
Total - Governmental activities	102.2	114.3	119.7	136.6	138.9	142.9	145.7	143.0	154.1	160.1
Business activities:										
Water and Sewer Fund	23.0	23.0	25.0	30.0	31.0	32.0	35.0	34.0	34.0	34.0
Solid Waste Fund	4.0	7.0	7.0	6.0	6.0	6.0	7.0	7.0	5.0	5.0
Stormwater Fund	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total - business-type activities	29.0	32.0	34.0	38.0	39.0	40.0	44.0	43.0	41.0	41.0
Total City	131.2	146.3	153.7	174.6	177.9	182.9	189.7	186.0	195.1	201.1

Notes:
(2) Fiscal Year 2018 is only for 9 Months, running from 1/1/2018 - 9/30/2018. This is due to the change in Fiscal Year End.
(3) In 2013, the City outsourced the water and sewer functions. In 2014, they were brought back in-house.
(4) In 2021, the City reorganized Pine Mountain Gold Museum, moving it from Culture and Recreation to Community/Economic Development/Tourism.

City of Villa Rica, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	12/2016	12/2017	9/2018	9/2019	9/2020	9/2021	9/2022	9/2023	9/2024	9/2025
Public Safety										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of police officers positions	40	43	46	47	52	55	55	55	56	59
Public Works										
Miles of streets	84	84	84	84	84	84	85	85	87	89
Number of traffic lights	12	12	12	12	12	12	12	12	12	14
Number of street lights	1647	1647	1647	1652	1690	1779	1795	1820	1891	1949
Recreation and Culture:										
Number of parks	9	9	9	9	9	9	9	9	9	9
Park acreage	443.33	443.33	443.33	443.33	443.33	443.33	443.33	443.33	443.33	443.33
Water and Sewer										
Miles of water mains	137	137	137	137	137	139	139	139	143	143
Miles of sewer mains	89	89	89	89	89	89	89	89	94	94

Sources: Various city departments.

City of Villa Rica, Georgia
Capital Asset Statistics by Function
Last Ten Years

Function	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Felony Arrests	142	173	197	173	222	227	182	247	321	494
Incident Reports	2,116	2,260	2,199	2,060	1,897	2,260	2,135	2,313	2,391	2,291
Citations	4,208	5,254	4,235	5,140	3,956	4,117	3,697	2,295	3,431	2,287
Public Works										
Stormwater Infrastructure Repairs	50	42	28	35	29	49	37	44	56	61
Community Development										
Building permits issued	49	94	207	277	281	156	160	193	249	376
Water and Sewer										
Number of residential customers, water	5,488	5,528	5,632	5,875	6,071	6,190	6,275	6,316	6,466	6,716
Number of residential customers, sewer	4,200	4,246	4,374	4,604	4,793	4,887	4,964	5,315	5,430	5,638
Solid Waste										
Number of residential customers	3,665	3,697	4,365	4,574	4,843	4,967	5,073	5,422	5,555	5,793

Sources: Various city departments.

(1) Metrics were not available at time of publishing, 2022 numbers are being reflected



COMPLIANCE SECTION

The Compliance Section includes schedules related to schedules of projects constructed with Special Purpose Local Option Sales Tax and the Independent Auditor's Reports on Internal Control

Nichols, Cauley & Associates, LLC
nicholscauley.com
800-823-0117

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Mayor and City Council
City of Villa Rica, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Villa Rica, Georgia (the "City") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 30, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nichols, Cauley & Associates, LLC

Dublin, Georgia
March 30, 2026

CITY OF VILLA RICA, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal controls over financial reporting:	
• Material weaknesses identified?	No
• Significant deficiencies identified?	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

There was not an audit of major federal award programs for the fiscal year ended September 30, 2025 due to the total amount expended being less than $1,000,000.