CITY OF VIDALIA, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the City Council
Vidalia, Georgia 30474

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Vidalia, Georgia, as of December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Vidalia, Georgia, as of December 31, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information (on pages 42 through 44), Schedule of Changes in the City's Net Pension Liability and Related Ratio's and Schedule of City Contributions (on pages 46 through 47) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Vidalia, Georgia's basic financial statements. The combining fund financial statements and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated August 5, 2022 on our consideration of the City of Vidalia, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering City of Vidalia, Georgia's internal control over financial reporting and compliance.

McLain, Calhoun, McCullough, Clark & Co., P.C.

August 5, 2022
Vidalia, Georgia

BASIC FINANCIAL STATEMENTS

CITY OF VIDALIA, GEORGIA
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 8,722,799	$ 524,330	$ 9,247,129
Certificates of deposit	304,617	-	304,617
Investments, at fair value	386,694	610,171	996,865
Accounts receivable	-	-	-
Inventory	-	37,025	37,025
Taxes receivable	222,381	-	222,381
Fees for services	150,296	286,063	436,359
Loans receivable	71,212	-	71,212
Due from others	1,599,111	-	1,599,111
Due from other funds	2,081	-	2,081
Due from other governments	614,728	-	614,728
Prepaid items	56,694	-	56,694
Capital Assets:			
Land	3,812,782	-	3,812,782
Machinery and equipment	5,409,489	36,293,431	41,702,920
Buildings	19,371,499	3,322,327	22,693,826
Infrastructure	10,261,382	3,685,207	13,946,589
Construction in progress	193,231	1,512,850	1,706,081
Accumulated depreciation	(11,485,678)	(20,462,722)	(31,948,400)
Capital assets, net of depreciation	27,562,705	24,351,093	51,913,798
Total Assets	39,693,318	25,808,682	65,502,000
Deferred Outflows of Resources			
Deferred outflows related to pensions	651,586	-	651,586
Liabilities			
Accounts payable	1,138,489	92,505	1,230,994
Accrued costs	207,285	-	207,285
Customer deposits	-	354,312	354,312
Notes payable: current	263,173	-	263,173
Notes payable: non-current	1,836,827	-	1,836,827
Net pension liability	574,818	-	574,818
Total Liabilities	4,020,592	446,817	4,467,409
Deferred Inflows of Resources			
Deferred inflows related to pensions	1,323,429	-	1,323,429
Net Positions			
Investment in capital assets	25,462,705	24,351,093	49,813,798
Restricted for:			
Drug Enforcement-Drug Education	10,834	-	10,834
Vidalia Area Convention & Visitors Bureau-Tourism	278,638	-	278,638
Vidalia Onion Festival Committee-Community Development	163,925	-	163,925
Recreation Projects	90,644	-	90,644
CDBG -Capital Projects	25	-	25
Revolving loan	114,107	-	114,107
T-Spost-Capital Projects	-	-	-
Splost-Capital Projects	1,530,071	-	1,530,071
Grants - Capital Projects	3,631,173		3,631,173
Downtown Development Authority - Capital Projects	27,817		
Health Insurance	508,243	-	508,243
Unrestricted	3,182,701	1,010,772	4,193,473
Net Position	$ 35,000,883	$ 25,361,865	$ 60,362,748

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

CITY OF VIDALIA, GEORGIA
GOVERNMENT-WIDE FINANCIAL STATEMENTS
STATEMENT OF NET ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position Primary Government		
Function/Program	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants, and Contributions,	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government							
Legislative and Executive	$ 2,052,039	$ 215,137	$ 1,000	$ 1,942,242	$ 106,340	$ -	$ 106,340
Judicial	8,349	465,912	-	-	457,563	-	457,563
Public Safety	3,282,571	18,905	3,367	-	(3,260,299)	-	(3,260,299)
Public Works	3,435,430	1,626,962	-	4,168,264	2,359,796	-	2,359,796
Health and Welfare	74,087	1,460	-	-	(72,627)	-	(72,627)
Recreation and Culture	1,050,054	193,490	63,500	-	(793,064)	-	(793,064)
Economic Development	517,110	316,244	-	-	(200,866)	-	(200,866)
Total Governmental Activities	10,419,640	2,838,110	67,867	6,110,506	(1,403,157)	-	(1,403,157)
Business-Type Activities							
Water and Sewer	3,417,024	2,469,241	-	-	-	(947,783)	(947,783)
Airport	982,340	977,191	-	13,000	-	7,851	7,851
Total Business-Type Activities	4,399,364	3,446,432	-	13,000	-	(939,932)	(939,932)
Total Primary Government	$ 14,819,004	$ 6,284,542	$ 67,867	$ 6,123,506	$ (1,403,157)	$ (939,932)	$ (2,343,089)
General Revenues							
Property Taxes					$ 1,803,897	$ -	$ 1,803,897
Intangible Recording Taxes					44,982	-	44,982
Motor Vehicle Taxes					5,627	-	5,627
Sales Tax					2,787,995	-	2,787,995
Hotel/Motel Tax					501,657	-	501,657
Insurance Premium Taxes					865,157	-	865,157
Alcoholic Beverage Taxes					316,455	-	316,455
Real Estate Transfer Taxes					23,484	-	23,484
Railroad Equipment Taxes					1,048	-	1,048
Franchise Tax					836,785	-	836,785
Occupational Tax					208,706	-	208,706
Tsplost					163,028	-	163,028
Payment in lieu of taxes					3,732	-	3,732
Interest					16,544	19,236	35,780
Sale of Assets					(1,131)	-	(1,131)
Donations					10,907		10,907
Other Revenues					142,037	-	142,037
Total General Revenues					7,730,910	19,236	7,750,146
Transfers					(1,864,168)	1,864,168	-
Change in Net Position					4,463,585	943,472	5,407,057
Net Position, Beginning					30,537,298	24,418,393	54,955,691
Net Position End of Year					$ 35,000,883	$ 25,361,865	$ 60,362,748

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

CITY OF VIDALIA, GEORGIA
FUND FINANCIAL STATEMENTS
BALANCE SHEET – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General	Splost Fund	Grant Fund	Downtown Development Authority	Other Governmental Funds	Total
Assets						
Cash	$1,931,399	$2,115,745	$3,631,173	$53,817	$482,422	$8,214,556
Certificates of deposit	200,000	-	-	-	99,391	299,391
Investments, at fair value	386,694	-	-	-	-	386,694
Accounts receivable	-	-	-	-	-	-
Receivables:						-
Taxes	222,381	-	-	-	-	222,381
Fees for services	150,296	-	-	-	-	150,296
Loans receivable	-	-	-	-	71,212	71,212
Due from others	1,599,111	-	-	-	-	1,599,111
Due from other funds	16,071	50,200	-	-	28,966	95,237
Due from other governments	211,661	403,067	-	-	-	614,728
Prepaid Expenditures	56,694	-	-	-	-	56,694
Restricted Assets:						-
Cash and cash equivalents	508,243	-	-	-	-	508,243
Certificates of deposit	-	-	-	-	5,226	5,226
Total assets	$5,282,550	$2,569,012	$3,631,173	$53,817	$687,217	$12,223,769
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$99,548	$1,038,941	-	-	-	$1,138,489
Due to other funds	44,979	-	-	26,000	22,177	93,156
Accrued expenditures	200,418	-	-	-	6,867	207,285
Total liabilities	344,945	1,038,941	-	26,000	29,044	1,438,930
Deferred Inflows of Resources						
Unavailable Revenue-Property Taxes	132,579	-	-	-	-	132,579
Fund Balances						
Fund balance:						
Nonspendable	56,694	-	-	-	-	56,694
Restricted						
Drug Enforcement-Drug Education	-	-	-	-	10,834	10,834
Vidalia Area Convention & Visitors Bureau-Tourism	-	-	-	-	278,638	278,638
Vidalia Onion Festival -Economic Development	-	-	-	-	163,925	163,925
Recreation-Projects	-	-	-	-	90,644	90,644
CDBG-Capital Projects	-	-	-	-	25	25
Revolving loan	-	-	-	-	114,107	114,107
T-Splost-Capital Projects	-	-	-	-	-	-
Splost-Capital Projects	-	1,530,071	-	-	-	1,530,071
Downtown Development Authority	-	-	-	27,817	-	27,817
Grant Fund	-	-	3,631,173	-		3,631,173
Health Insurance	508,243	-	-	-	-	508,243
Nonspendable	56,694	-	-	-	-	56,694
Restricted	508,243	1,530,071	3,631,173	27,817	658,173	6,355,477
Unassigned	4,240,089	-	-	-	-	4,240,089
Total fund balances	4,805,026	1,530,071	3,631,173	27,817	658,173	10,652,260
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$5,282,550	$2,569,012	$3,631,173	$53,817	$687,217	$12,223,769

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

CITY OF VIDALIA, GEORGIA
RECONCILIATION OF NET POSITION – GOVERNMENTAL FUNDS IN THE STATEMENT OF NET POSITION TO THE TOTAL FUND BALANCE – GOVERNMENTAL FUNDS ON THE BALANCE SHEET
FOR THE YEAR ENDED DECEMBER 31, 2021

Total Governmental Fund Balances		$ 10,652,260
Amounts reported for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		27,562,705
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Property tax revenue	132,579	
		132,579
Deferred outflows of resources are not due and payable in the current period and are not reported in the funds. These deferred ouflows consist of pension related experience differences, assumption changes and contributions.		651,586
Deferred inflows of resources are not available to pay for current expenditures and therefore are not reported in the funds. These deferred inflows of resources consist of pension related differences between projected and actual earnings on benefit plans.		(1,323,429)
Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets are reported on the government-wide statement of net position.		
Net pension liability		(574,818)
Notes payable		(2,100,000)
Net Position of Governmental Activities		$ 35,000,883

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

CITY OF VIDALIA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General	Splost Fund	Grant Fund	Downtown Development Authority	Other Governmental Funds	Total
Revenues:						
Taxes	$7,024,210	-	-	-	$664,685	$7,688,895
Grants	7,099	537,554	3,630,402	-	1,000	4,176,055
Licenses and permits	74,326	-	-	-	-	74,326
Intergovernmental	-	1,940,877	-	-	63,500	2,004,377
Charges for services	1,781,615	-	-	-	516,257	2,297,872
Fines and court costs	465,912	-	-	-	-	465,912
Miscellaneous	139,255	2,782	-	-	-	142,037
Donations	-	-	-	10,000	907	10,907
Interest	14,296	1,673	771	5	1,472	18,217
Total revenues	9,506,713	2,482,886	3,631,173	10,005	1,247,821	16,878,598
Expenditures:						
Current operating:						
General government	2,621,927	6,107	-	-	-	2,628,034
Public safety	3,049,991	4,604	-	-	58	3,054,653
City garage	238,338	-	-	-	-	238,338
Animal control facility	74,087	-	-	-	-	74,087
Street department	1,134,107	198,739	-	-	163,028	1,495,874
Solid Waste and recycling	1,441,499				-	1,441,499
Culture and recreation	109,927	1,634	-	-	754,145	865,706
Economic development	115,255	-	-	4,535	338,849	458,639
Capital outlay	-	368,602	-	1,382,653	-	1,751,255
Total expenditures	8,785,131	579,686	-	1,387,188	1,256,080	12,008,085
Excess (deficiency) of revenues over (under) expenditures	721,582	1,903,200	3,631,173	(1,377,183)	(8,259)	4,870,513
Other financing sources(uses):						
Proceeds from Loans	700,000	-	-	1,400,000	-	2,100,000
Sale of Assets	(1,131)	-	-	-	-	(1,131)
Transfers	(178,297)	(1,864,168)	-	5,000	173,297	(1,864,168)
Total other financing sources(uses)	520,572	(1,864,168)	-	1,405,000	173,297	234,701
Net change in fund balances	1,242,154	39,032	3,631,173	27,817	165,038	5,105,214
Fund balance - beginning	3,562,872	1,491,039	-	-	493,135	5,547,046
Fund balance - end of year	$4,805,026	$1,530,071	$3,631,173	$27,817	$658,173	$10,652,260

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

CITY OF VIDALIA, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2021

Net change in fund balances - total governmental funds		$	5,105,214
Amounts reported for governmental activities on the statement of activities are different because of the following:			
Governmental funds report proceeds from the sale of capital assets but do not report the gain or loss from the sale of capital assets. This is the amount of proceeds from the sale of capital assets.			1,131
Governmental funds report proceeds from the sale of capital assets but do not report the gain or loss from the sale of capital assets. This is the amount of gain on the sale of capital assets.			(1,131)
Governmental funds report capital outlay as expenditures. However, on the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year:			
General fund	$ 754,246		
Capital projects	368,602		
Downtown Development Authority	1,382,653		
Other govt funds	-		
Total	2,505,501		
Depreciation expense	(1,048,596)		
	1,456,905		1,456,905
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:			
Property taxes	(130,074)		
Deferred inflows related to pensions	(1,323,429)		
Notes payable	(2,100,000)		
		$	(3,553,503)
Some expenses reported in the statement of activities do not require the use of financial resources and therefore are not reported as e expenditures in the governmental funds. These expenses are:			
Change in net pension liability	2,236,396		
Deferred outflows related to pension	(781,427)		1,454,969
Change in Net Position of Governmental Activities		$	4,463,585

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

CITY OF VIDALIA, GEORGIA
PROPRIETARY FUND FINANCIAL STATEMENTS
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
DECEMBER 31, 2021

	Water and Sewer	Airport	Total
Assets			
Current Assets			
Cash and cash equivalents	$ 373,502	$ 150,828	$ 524,330
Accounts Receivable	286,063	-	286,063
Inventory	-	37,025	37,025
Investments, at fair value	610,171	-	610,171
Total current assets	1,269,736	187,853	1,457,589
Noncurrent Assets			
Capital Assets:			
Machinery and equipment	36,127,168	-	36,127,168
Buildings and Improvements	-	3,322,327	3,322,327
Furniture and fixtures	-	5,248	5,248
Infrastructure	-	3,685,207	3,685,207
Vehicles	-	161,015	161,015
Construction in progress	-	1,512,850	1,512,850
Accumulated depreciation	(18,503,222)	(1,959,500)	(20,462,722)
Total non-current assets	17,623,946	6,727,147	24,351,093
Total Assets	18,893,682	6,915,000	25,808,682
Liabilities			
Current Liabilities			
Accounts payable	64,000	28,505	92,505
Due to other funds	-	-	-
Customer deposits	354,312	-	354,312
Total Current Liabilities	418,312	28,505	446,817
Long-Term Liabilities			
Notes payable	-	-	-
Total Liabilities	418,312	28,505	446,817
Net Position			
Investment in capital assets	17,623,946	6,727,147	24,351,093
Unrestricted	851,424	159,348	1,010,772
Net Position	$ 18,475,370	$ 6,886,495	$ 25,361,865

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

CITY OF VIDALIA, GEORGIA
PROPRIETARY FUND FINANCIAL STATEMENTS
STATEMENT OF REVENUE AND EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water and Sewer	Airport	Total
Operating Revenues			
Current use charges	$ 2,380,926	$ 977,191	$ 3,358,117
Other charges	88,315	-	88,315
Total operating revenues	2,469,241	977,191	3,446,432
Operating Expenses			
Personal Services	335,749	107,724	443,473
Repairs and maintenance	378,399	57,756	436,155
Contractual Services	1,339,749	3,150	1,342,899
Utilities	347,440	22,629	370,069
Materials and supplies	37,717	604,171	641,888
Other	213,712	38,279	251,991
Depreciation	764,258	148,631	912,889
Total Operating Expenses	3,417,024	982,340	4,399,364
Operating Income (Loss)	(947,783)	(5,149)	(952,932)
Non-Operating Revenue (Expenses)			
Federal Operating Grant	-	13,000	13,000
Gain/Loss on sale of assets	-	-	-
Interest revenue	19,236	-	19,236
Total Non-Operating Revenues (Expenses)	19,236	13,000	32,236
Income(loss) before transfers	(928,547)	7,851	(920,696)
Transfers	292,291	1,571,877	1,864,168
Change in Net Position	(636,256)	1,579,728	943,472
Net Position Beginning of Year	19,111,626	5,306,767	24,418,393
Net Position End of Year	$ 18,475,370	$ 6,886,495	$ 25,361,865

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

CITY OF VIDALIA, GEORGIA
PROPRIETARY FUND FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water and Sewer	Airport	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash received from customers	$ 2,356,627	$ 977,191	$ 3,333,818
Cash received from others	88,315	-	88,315
Cash payments for personal services	(335,749)	(107,724)	(443,473)
Cash payments for contractual services	(1,339,749)	(3,150)	(1,342,899)
Cash payments for materials and supplies	(942,657)	(704,340)	(1,646,997)
Net Cash Provided by Operating Activities	(173,213)	161,977	(11,236)
Cash Flows from Noncapital Financing Activities			
Federal Operating Grant	-	13,000	13,000
Loan to/from other funds	-	(106,014)	(106,014)
Net Cash Used for Noncapital Financing Activities	-	(93,014)	(93,014)
Cash Flows from Capital and Related Financing Activities			
Transfers	292,291	1,571,877	1,864,168
Gain on Sale of Assets	-	-	-
Cash payments to purchase capital assets	(292,291)	(1,625,594)	(1,917,885)
Net Cash Used for Capital and Related Financing Activities	-	(53,717)	(53,717)
Cash Flows from Investing Activities			
Contributions to investments	(1)	-	(1)
Cash received from interest	19,236	-	19,236
Net Cash Flows Provided by Investing Activities	19,235	-	19,235
Net Increase(Decrease) in Cash and Cash Equivalents	(153,978)	15,246	(138,732)
Cash and Cash Equivalents at Beginning of Year	527,480	135,582	663,062
Cash and Cash Equivalents at End of Year	$ 373,502	$ 150,828	$ 524,330

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

CITY OF VIDALIA, GEORGIA
PROPRIETARY FUND FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water and Sewer	Airport	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income(loss)	$ (947,783)	$ (5,149)	$ (952,932)
Adjustments to reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation	764,258	148,631	912,889
Changes in Assets and Liabilities:			
(Increase)decrease in accounts receivable	(24,299)	-	(24,299)
(Increase)decrease in inventory	-	(6,619)	(6,619)
Increase(decrease) in accounts payable	25,771	25,114	50,885
Increase(decrease) in customer deposits	8,840	-	8,840
Net cash provided by operating activities	$ (173,213)	$ 161,977	$ (11,236)

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

CITY OF VIDALIA, GEORGIA
FIDUCIARY FUND FINANCIAL STATEMENTS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2021

		Custodial Fund	Private Purpose Trust Fund
		Ad Valorem Tax Agency Fund	Pinecrest Cemetery Trust Fund
Assets			
Cash	$	7,230,792	200,475
Taxes and other receivable		1,431,897	-
Total assets		8,662,689	200,475
Liabilities			
Liabilities:			
Due to General Fund		-	2,081
Due to others (current)		7,230,792	-
Unavailable Revenue - Property Taxes		1,431,897	-
Total liabilities	$	8,662,689	2,081
Net position	$	-	198,394

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

CITY OF VIDALIA, GEORGIA
FIDUCIARY FUND FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
DECEMBER 31, 2021

		Private Purpose Trust Fund
		Pinecrest Cemetery Trust Fund
ADDITIONS		
Interest	$	2,081
Donations		600
Paving project		42,400
		45,081
DEDUCTIONS		
Administration fees		2,081
Net Increase in Net Position		43,000
Net Position-beginning		155,394
Net Position-ending	$	198,394

The accompanying 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 Reporting Entity

The City of Vidalia was chartered by the State of Georgia on October 12, 1890. The City is managed by an elected mayor and council and by an appointed city manager. The City provides the following services: public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. Other services include the airport and water distribution and sewer retrieval systems.

These financial statements present all fund types and account groups of the City and its component units. In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 14, The Financial Reporting Entity, the financial statements of component units have been included either as blended or discretely presented component units. Blended component units, although legally separate entities, are, in substance, part of the City's operations. There are no discretely presented component units.

Although the Vidalia Housing Authority is not a discretely presented component unit, it is a related organization to the City. There is no financial relationship between the Vidalia Housing Authority and the City. The City Council approves appointments to the Vidalia Housing Authority's Board.

Blended Component Units

Vidalia Convention & Visitors Bureau Authority serves the City of Vidalia and is governed by the City Council. The City provides funding to the Visitors Bureau. The Visitors Bureau is reported as a special revenue fund in accordance with GASB. Separate financial statements can be obtained from the City of Vidalia, 114 Jackson Street, Vidalia, Georgia, 30474.

Vidalia Onion Festival Committee serves the City of Vidalia. The City provides funding to the Onion Festival Committee and appoints members to its governing body. The Vidalia Onion Festival Committee is reported as a special revenue fund in accordance with GASB. Separate financial statements can be obtained from the City of Vidalia, 114 Jackson Street, Vidalia, Georgia, 30474.

Downtown Development Authority serves the City of Vidalia. The City provides funding to the Downtown Development Authority and appoints members to its governing body. The Downtown Development Authority is reported as a capital projects fund in accordance with GASB. Separate financial statements can be obtained from the City of Vidalia, 114 Jackson Street, Vidalia, Georgia, 30474

Expenditures to the Vidalia Industrial Development Authority, the Ohoopee Regional Library, the Toombs County Chamber of Commerce, the Main Street Program, the Martin Luther King Community Center, the Altama Gallery, and the Vidalia Christmas Parade are by contractual agreement and are expended as a part of the regular operations of the City.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures to the Vidalia City Schools Board of Education are by law since this Board has its own taxing authority. This Board allows the City to collect its tax revenue, which the City remits on a quarterly basis as a part of the regular operations of the City. The City created an Agency Fund for collection and disbursement of ad-valorem taxes. The fund reports taxes collected for the City's General Fund and the Vidalia City Schools. The City retains penalties and interest for its services.

A. Basis of Presentation

The City's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except the fiduciary funds or component units that are fiduciary in nature. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limitations. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Cont.)

B. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most functions of the government are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's fund types:

General Fund

The General Fund is the general operating fund of City of Vidalia, Georgia. It is used to account for all revenues and expenditures of the general Government, which are not accounted for in other funds. The General Fund is considered a major fund.

Special Revenue Funds

Special Revenue Funds are generally used to account for certain specific revenue sources, including special services districts, grants, and similar funds that are legally restricted to expenditures for specified purposes.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds, special assessment funds, and trust funds.

SPLOST – The fund accounts for special purpose local option sales tax collected are used for street improvements, water/sewer construction and improvements, and recreation construction. SPLOST is considered a major fund.

Downtown Development Authority – The fund accounts for purchase and development of real estate through transfers from the General Fund and borrowing from financial institutions. DOWNTOWN DEVELOPMENT AUTHORITY is considered a major fund.

Grant Fund – The fund accounts for various grants received by the City and allocates them to the fund that benefits from the grant. GRANT FUND is considered a major fund.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Fund

Proprietary fund reporting focuses on the determination of operating income, changes in Net Position, financial position, and cash flows. The City's enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's enterprise funds:

Water/Sewer Fund - The fund accounts for fees collected in connection with the furnishing of water and sewerage service to the citizens. The Water/Sewer Fund is considered a major fund.

Airport Fund – The fund accounts for sale of fuel and hangar rentals. The Airport Fund is considered a major fund.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Proprietary Funds. Operating revenues consist primarily of charges for services. Operating expenses consist of services, supplies and maintenance required to operate the system. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing type of activities and result from non-exchange transactions.

Fiduciary Fund

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement 84, Fiduciary Activities. The City utilizes a Custodial Fund to account for another Government taxes. The City's private purpose trust funds, the Pinecrest Cemetery Trust Fund, are used to hold in trust monies that do not benefit the City.

Fund Equity

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

Fund balance generally represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report classification that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

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

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

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the City Council through the approval of a motion. Only the City Council may modify or rescind the commitment.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned – Fund balances are reported as unassigned when the balanced do not meet any of the above criterion. The city reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are used 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:

- Committed
- Assigned
- Unassigned

Net Position – Net position represent the difference between assets and liabilities. Net positions, net investment in capital assets, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount the City has not spent) for the acquisition, construction or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

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

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement revenues, expenditures and change in fund balance reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government–wide financial statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Cont.)

All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in revenues, expenses, and changes in fund net position presents increases (i.e. revenues) & decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the City finances and meets the cash flow needs of its enterprise activities.

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statement will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the financial statement will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items, which arise only under the modified accrual basis of accounting that qualifies 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 and grants as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The City also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains and losses result from periodic studies by the City's actuaries which adjust the net pension liability for actual experiences for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred inflows of resources or deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred inflows of resources or deferred outflows of resources and are amortized into pension expense over the expected remaining services lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period. Additionally, any contributions made by the City to the pension plan before year end but subsequent to the measurement date of the City's net pension liability are reported as deferred outflows of resources. This amount will reduce the net pension liability in the next fiscal year.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprises and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which the party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days after year end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales tax is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, grants, interest and rent.

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Modified Accrual Basis of Accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are generally recognized when they become measurable and available as net, current assets. Revenues, which are susceptible to accrual, are property taxes and grants from other governments. Property tax revenues are considered measurable and available to the extent they are collected within the current period or collected within sixty days after the end of the period. Property taxes not collected within sixty days after the end of the period are recorded as deferred revenues and recognized when collected.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) inventory type items, which are, expensed when purchased; (2) principal and interest on general long-term debt which is recognized when due; and (3) prepaid items which are expensed when purchased.

Accrual Basis of Accounting

The proprietary fund and fiduciary funds are accounted for on an economic resources measurement focus using the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

Budgetary Process

Primary Government

1. Prior to December 1, the Finance committee submits to the Mayor and Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

2. The Council holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ.

3. The budget is then revised and adopted or amended by the Council at the first regular meeting in January of the year to which it applies.

4. The budget so adopted may be revised during the year only by formal action of the Council in a regular meeting, and no increase shall be made therein without provision also being made for financing it.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. The Budget for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles.

6. Project-length budgets are adopted for all Capital Projects Funds.

7. The budget shown in these financial statements reflects the final authorized amounts as revised during the year.

Cash and Investments

Cash includes amounts in demand deposits and short-term certificates of deposit. Statutes authorize the city to invest in U.S. Government obligations, U.S. Government Agency obligations, State of Georgia obligations, obligations fully insured or guaranteed by the U.S. Government, obligations of any U.S. Government corporation, obligations of other political subdivisions of the State of Georgia and certificates of deposit issued by banks.

Investments are stated at fair value.

Eliminations

GASB 34 eliminated the presentation of Account Groups, but provides for these records to be maintained and used to account for capital assets and long-term liabilities that are not reflected on the balance sheet of Governmental-type funds due to the current financial resources measurement focus that they use.

The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as transfers between funds.

Interfund Receivables and Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables and Payables." Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position.

The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as "Internal Balances." The monies due the primary government from the fiduciary funds are reflected in the statement of Net position as "External Balances."

Inventories

Inventory consists of expendable supplies held for consumption. The costs of these supplies on hand are considered immaterial to the balance sheets of the various funds and are not shown as assets of the funds nor is any portion of the fund balance reported as restricted for inventories. Inventory type items are recorded as an expenditure when purchased. The Airport Proprietary Fund maintains a fuel inventory recorded at the lower of cost or market on a first-in, first-out basis.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2021, are reported as prepaid expenses using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which the services are consumed.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental columns in the governmental-wide financial statements. The government defines capital assets as assets with an initial, individual cost of more than $5,000. All purchased capital assets are valued at historical cost where historical records are available at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. General infrastructure assets acquired prior to January 1, 2004 are not reported in the governmental-wide financial statements.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 34 prohibits the capitalization of interest expense for assets constructed for use in governmental activities. However, interest from debt not considered to be a general long-term debt may be included as part of the cost of assets constructed for business–type activities. In 2021, there was no interest expense incurred by the City included as part of the cost of capital assets under construction in connection with public building construction projects.

Capital Assets

Property, plant, equipment and infrastructure of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Buildings	50 years
Vehicles	5 years
Machinery and equipment	5-20 years
Infrastructure and water/sewer system	50 years

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed. Accordingly, encumbrances outstanding at year-end are not reported as reservations of fund balances, nor do they constitute expenditures or liabilities. Generally accepted accounting principles do not require encumbrance accounting.

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences and Other Employee Benefits

Accumulated unpaid vacation, sick pay and other fringe benefits are not accrued since the amounts do not exceed a normal year's accumulation. These expenses are recorded as incurred.

Application of FASB Pronouncements

Proprietary activities apply all FASB statements and interpretations issued after November 30, 1989 except for those that conflict with or contradict GASB pronouncements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 estimated.

NOTE 2- CONTINGENCIES

Litigation

City management believes that potential claims from pending litigation would not materially affect the financial position of the City.

Grants

The City participates in both federal-assisted and state-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

NOTE 3- PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are generally levied by October 20, and are due by December 20. An extension is not granted but interest is not charged until two weeks after the due date. Property tax revenues are recognized when levied to the extent they result in current receivables. Taxes not collected within sixty days after the year end, are reported as deferred inflows of resources. The deferred inflows of resources is combined with property tax revenue on the statement of activities and the deferred inflows of resources on the statement of Net position is eliminated.

NOTE 4- DUE FROM OTHER GOVERNMENTS

Amounts due from other governmental entities at December 31, 2021 are as follows:

	General Fund	Capital Projects	Total
State of Georgia			
Sales Tax	$ 211,661	$ 403,067	$ 614,728
	$ 211,661	$ 403,067	$ 614,728

NOTE 5 - CHANGES IN CAPITAL ASSETS

Primary government

Capital asset activity for the year ended December 31, 2021 was as follows:

	Primary Government			
	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Governmental activities				
Capital assets:				
Non-depreciable:				
Land	$ 2,067,879	$ 1,744,903	$ -	$ 3,812,782
Construction in progress	-	193,231	-	193,231
Depreciable:				
Buildings	18,967,770	403,729	-	19,371,499
Machinery & equipment	5,245,851	163,638	-	5,409,489
Infrastructure	10,261,382	-	-	10,261,382
Total capital assets	36,542,882	2,505,501	-	39,048,383
Less accumulated depreciation:				
Buildings	(4,271,210)	(432,890)	-	(4,704,100)
Machinery & equipment	(4,726,761)	(431,523)	-	(5,158,284)
Infrastructure	(1,439,111)	(184,183)	-	(1,623,294)
Total accumulated depreciation	(10,437,082)	(1,048,596)	-	(11,485,678)
Governmental activities capital assets, net	$ 26,105,800	$ 1,456,905	$ -	$ 27,562,705

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

Governmental Activities:	
General Government	$ 213,894
Public Safety	332,164
Public Works	259,719
Recreation and Culture	184,348
Community Development	58,471
Total governmental activities depreciation expense	$ 1,048,596

NOTE 5- CHANGES IN CAPITAL ASSETS (CONTINUED)

Business –Type Activity

A summary of proprietary fund type capital asset activity for the year ended December 31, 2021 was as follows:

Water/Sewer Enterprise Fund	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Water and sewer system in service	$ 33,534,798	$ 292,291	$ -	$ 33,827,089
Machinery and equipment	2,300,079	-	-	2,300,079
Less accumulated depreciation:				
Water and sewer system in service	(15,863,913)	-	(669,821)	(16,533,734)
Machinery and equipment	(1,875,051)	-	(94,437)	(1,969,488)
Total accumulated depreciation	(17,738,964)	-	(764,258)	(18,503,222)
Total water/sewer capital assets, net	18,095,913	292,291	(764,258)	17,623,946
Airport Enterprise Fund				
Buildings	3,266,741	55,586	-	3,322,327
Machinery and equipment	138,760	27,503	-	166,263
Infrastructure	3,655,552	29,655	-	3,685,207
Construction in Progress	-	1,512,850	-	1,512,850
Less accumulated depreciation:				
Buildings	(809,849)	-	(73,267)	(883,116)
Machinery and equipment	(135,523)	-	(2,253)	(137,776)
Infrastructure	(865,497)	-	(73,111)	(938,608)
Total accumulated depreciation	(1,810,869)	-	(148,631)	(1,959,500)
Total airport capital assets, net	5,250,184	1,625,594	(148,631)	6,727,147
Total	$ 23,346,097	$ 1,917,885	$ (912,889)	$ 24,351,093

NOTE 6- LONG-TERM DEBT

	Balance December 31, 2020	Proceeds	Principal Payments	Balance December 31, 2021	Principal Due within One Year
Revenue Bonds Payable to Mount Vernon Bank Revenue bond for $1,400,000 payable in semi-annual installments beginning May 1, 2022 of $77,576.79 including interest at 1.950% for 120 months; the revenue bond was issued on October 12.2021. The bond is secured by the revenues of the City. Upon default the Lender, without notice or demand of any kind may declare the loan immediately due and payable.	$ -	$ 1,400,000	$ -	$ 1,400,000	$ 126,579
Note Payable to Altahama Bank & Trust Note payable for $700,000 issued on October 14, 2021; payments are due quarterly at $36,138.56for principal and interest beginning January 1, 2022 for 60 months; interest rate is 1.210%. The note payable is secured by real estate. In the event of default the Lender, without notice or demand of any kind, may declare the loan immediately due and payable and take possession of the real estate	-	700,000	-	700,000	136,594
Total Long-term Debt	$ -	$ 2,100,000	$ -	$ 2,100,000	$ 263,173

Long-term notes payable - principal and interest requirements for future years

	Principal	Interest
2022	$ 263,173	36,535
2023	268,903	30,805
2024	273,127	23,873
2025	277,573	19,435
2026	282,019	14,935
Thereafter	735,205	40,564
Total	$ 2,100,000	166,147

NOTE 7- DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The City's defined benefit pension plan, the City of Vidalia Retirement Plan (the Plan), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia municipal Employees Benefit System (GMEBS), an agent multiple- employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303, or by calling (404) 688-0472.

Employees Covered Under the Plan

Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	79
Inactive employees entitled to but not yet receiving benefits	30
Active employees	73
Total covered employees	182

Funding Policy

Employees are not required to contribute to the Plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code section 47-20-10). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the City contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The City contributed $342,250 to the Plan for the year ended December 31, 2021.

NOTE 7- DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to pensions

At December 31, 2021, the City reported a liability of $574,818 as its net pension liability. The net pension liability was determined by an actuarial valuation as July 1, 2021. The City's net pension liability was based on the projection of the City's long-term contributions to the pension plan, actuarially determined at July 1, 2021.

The following is a schedule that reconciles the differences between the beginning and ending net pension liability for the year ended December 31, 2021:

Changes in Net Pension Liability	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a)-(b)
Balances at March 31, 2020*	$ 9,486,269	$ 6,675,055	$ 2,811,214
Changes for the year:			
Service Cost	99,029	-	99,029
Interest	684,971	-	684,971
Differences between expected and actual experience	257,786	-	257,786
			-
			-
Contributions- employer	-	320,584	(320,584)
Contributions- employee	-	-	-
Net investment income	-	2,982,505	(2,982,505)
Benefit payments, including refunds of employee contributions	(595,119)	(595,119)	-
			-
Administrative Expense	-	(24,907)	24,907
Other	-	-	-
Net Changes	446,667	2,683,063	(2,236,396)
Balances at March 31, 2021**	$ 9,932,936	$ 9,358,118	$ 574,818

**Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2020 are used to measure TPL as of March 31, 2020. The balances as of March 31, 2020 constitute measurements of the NPL for the fiscal year ending December 31, 2020.*

*** Entry Age Normal liabilities calculated using ages and service amounts as of July 1, 2021 are used to measure TPL as of March 31, 2021. The balances as of March 31, 2021 constitute measurements of the NPL for the fiscal year ending December 31, 2021.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report.

NOTE 7 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the year ended December 31, 2021, the City recognized pension expense of $210,618. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial assumptions or methods, and plan benefits. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 272,578	$ -
Changes of assumptions	122,320	-
Net difference between projected and actual earnings on pension plan investments	-	(1,323,429)
City contributions subsequent to the measurement date	256,688	-
Total	$ 651,586	$ (1,323,429)

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to the net pension liability to be recognized in future periods in a systematic and rational manner, as detailed below.

$256,688 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending December 31,	Deferred Outflows/ (Inflows) of Resources
2022	(123,408)
2023	(78,077)
2024	(226,794)
2025	(500,252)
Thereafter	-
Total	$ (928,531)

NOTE 7 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions

The total pension liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

Acturial Cost Method	Projected Unit Credit
Amortization Method	Closed level dollar for remaing unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 10 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 market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Inflation	2.25%
Net Investment Rate of Return	7.375%
Projected Salary Increases	2.75% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age:	
Officials	Age 62 with no minimum years
Employees	Age 65 with 5 years
Early	Age 55 with 10 years
Department Heads	Age 62 with 5 years
Mortality:	
Healthy	Sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25.
Disabled	Sex-distinct Pri-2012 head-count weighted Disabled Mortality Table with rates multiplied by 1.25.
Active participants, terminated vested participants, and deferred benfeficiaries	Sex-distinct Pri-2012 head-count weighted Employee Mortality Table
Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

The mortality tabels (other than the one used for the plan termination basis) are adjusted from 2012 to future years using sex-distinct generational projection under scale SSA20192D to reflect expected mortality improvement.

The mortality and economic actuarial assumptions used in the July 1, 2021 valuation were based on the results of an actuarial experience study for period January 1, 2015 through June 30, 2019.

NOTE 7 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

The 7.375% long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target allocation as of March 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.40%
International equity	20%	7.05%
Domestic fixed income	20%	1.15%
Real estate	10%	4.50%
Global fixed income	5%	1.25%
Cash	0%	
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.375%, which is the same as the long-term expected rate of return. The projection of cash flows used to determine the discount rate assumed that contributions from the City will continue to be made at the recommended rates each year, actuarially determined. Based on that assumption, the pension fund's fiduciary net position was projected to be available to make all projected future benefit payments. In theory, the discount rate may differ from the long-term expected rate of return discussed previously. However, based on the projected availability of the pension plan investments, it was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City's net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.375%)	Current Discount Rate (7.375%)	1% Increase (8.375%)
Net pension liability	$ 1,741,153	$ 574,818	$ (403,137)

NOTE 8-CASH DEPOSITS WITH FINANCIAL INSTITUTIONS

Custodial credit risk is the risk that in the event of bank failure the City's deposits may not be returned to it. To address custodial risk, it is the City's policy for deposits to be 110% secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation insurance. The City's deposits are categorized to give an indication of the level of risk assumed by the City at December 31, 2021. The City also has deposits with banks that participate in the Georgia Secure Deposit Program (SDP) which fully protects any deposit amounts above FDIC limits. These deposits are not subject to the normal pledging requirements.

The categories are described as follows:

Category 1 - Insured or collateralized with securities held by the entity or by its agent in the entity's name.

Category 2 - Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.

Category 3 - Uncollateralized

		Category			
Description	Bank Balance	1	2	3	Carrying Amount
Total Deposits	$ 16,838,878	$ 554,635	16,284,243	-	$ 16,983,013

The City's investments are categorized as either 1) insured or registered, or securities held by the City or its agent in the City's name, 2) uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name or 3) uninsured and unregistered, with securities held by the counterparty's trust department or agent but not in the City's name.

The City's investments are classified as follows at December 31, 2020:

Description	Category				
	1	2	3	*Carrying Amount*	*Fair Value*
U.S. Gov't Obligations	$ -	-	-	-	-
U.S. Agency Securities	996,865	-	-	996,865	996,865
Cash	-	-	-	-	-
Total	$ 996,865	-	-	996,865	$ 996,865

Investments are carried at cost which is a reasonable approximation of fair value.

The City does not invest in the Georgia Fund 1 pool.

NOTE 9-RISK MANAGEMENT

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

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the findings being required to pay any claim of loss. The City is also to allow the pools' agents and attorneys to represent the city in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

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

Beginning in 1993 the City established a medical self insurance plan for employees and their covered dependents to minimize the total cost of medical and dental health insurance to the City. This program is for the benefit of all City employees and their covered dependents. The City transfers funding to an escrow account for the employees while the employees pay for the dependents' coverage. The City also pays premiums for the stop-loss insurance from the escrow account. Medical claims are administered through a private insurance carrier.

NOTE 9-RISK MANAGEMENT (CONTINUED)

The estimated insurance claims payable at December 31, 2021 of $183,000 is based on the requirements of GASB No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues" as amended by GASB Statement No. 30 "Risk Financing Omnibus," which requires that claims be based upon the estimated ultimate costs of settling the claims, including incremental costs, such as outside legal assistance costs incurred only because of the claims and that the liability included incurred but not reported losses estimated based upon historical experience. Changes in the balance or estimated insurance claims payable for the fiscal years ended December 31, 2021, 2020, 2019, 2018, and 2017 follow:

		Balance January 1	*New Claims and Changes in Estimates*	*Claim Payments*	*Balance December 31*
Fiscal Year Ending in:					
2017	$	182,000	1,462,793	1,533,793	111,000
2018	$	111,000	1,421,005	1,301,005	231,000
2019	$	231,000	1,242,486	1,239,486	234,000
2020	$	234,000	1,032,873	1,038,873	228,000
2021	$	228,000	998,237	1,043,237	183,000

NOTE 10-OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the Combined Statements, certain information concerning individual funds including:

A. Summary disclosure of changes in general capital assets by major asset class. This requirement has been met by Note 5.

B. Summary of disclosure of debt service requirements to maturity for all types of outstanding debt. At December 31, 2021 there is no outstanding debt.

C. Summary disclosure of changes in general long-term debt. This requirement has been met by Note 6.

D. Excess of expenditures over appropriations in individual funds. This requirement has been met Note 16.

E. Deficit fund balances of individual funds. At December 31, 2021 there are no funds with deficit balances.

F. Segment information for certain individual Enterprise Funds. The Enterprise Fund combining statements can be found on pages 10, 11, 12, and 13. The City maintains two Enterprise Funds.

G. At December 31, 2021, the following amounts were due between funds:

Due to:	Due from:	Amount	Purpose
General Fund	Pinecrest - Fiduciary	$ 2,081	Administration
General Fund	Vid Area Conv - non-major	$ 13,990	Tourism
Vid Area Conv - non-major	General Fund	$ 20,779	Operations
Vid Onion Fest - non major	Vid Area Conv - non-major	$ 8,187	Operations
SPLOST Fund	General Fund	$ 24,200	Debt Service
SPLOST Fund	Downtown Development - major	$ 26,000	Debt Service

NOTE 11-CASH AND CASH EQUIVALENTS

For purposes of the statement of cash flows for proprietary funds, demand deposits and certificates of deposit are considered cash. All certificates of deposit maturing within a three month period are considered cash.

NOTE 12-EXCISE TAX ON LODGING

The City levied an excise tax on lodging at the rate of five percent through August 31, 2015. Forty percent of this amount was required to be spent on promoting tourism. Beginning September 1, 2015, the levy was increased to eight percent with sixty-two and one half percent of this amount required to be spent on promoting tourism. In 2021 the City collected $501,657 and expended $313,535 for tourism.

NOTE 13-RESTRICTED NET POSITION

Restricted Net position are used to indicate that a portion of the Net position is not appropriable for expenditure or is legally segregated for a specific future use. The following restricted Net Position are used by the City of Vidalia.

Primary Government:

Special Revenue and Capital Projects Funds:		
Restricted by ordinance	$	1,166,416
Restricted for Capital Projects - Grants		3,631,173
Restricted for Capital Projects-SPLOST		1,530,071
Restricted for Capital Projects - DDA		27,817
Total Restricted Net Position	$	6,355,477

NOTE 14-JOINT VENTURE

The City, in conjunction with cities and counties in the fifteen (15) county Southeast Georgia area are members of the Heart of Georgia Altamaha Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RC's. Each municipality and county in the state is required by law to pay minimum annual dues to the RC. The City paid annual dues in the amount of $10,473 to the RC for the year ended December 31, 2021. The RC Board membership includes the chief elected official of each municipality and the chief elected official of each county. The City Council members and the county board members from the same county elect one member of the Board, who is a resident (but not elected or appointed official or employee of the City or county) to serve as the non-public Board member from a City.
The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RC's as "public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources. (O.C.G.A. 50-8-39.1)

Separate financial statements can be obtained from Heart of Georgia Altamaha Regional Commission, 5405 Oak Street, Eastman, Georgia, 31023.

NOTE 15-INTERFUND TRANSFERS

Transfer From	Amount	Transfer To	Purpose
Major - General Fund	$ 361,419	Non-Major Recreation	Operations
Major - Splost	292,291	Water/Sewer	Capital Outlay
Major - Splost	1,571,877	Airport	Capital Outlay
Major - General Fund	5,000	Downtown Development Authority	Capital Outlay
Non-Major - Hotel/Motel	188,122	General	Operations
Non-Major - Hotel/Motel	288,453	Non- Major Vidalia Visitors Bureau	Operations
Total Primary Government	$ 2,707,162		

NOTE 16-EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The individual funds, which had expenditures in excess of appropriations, are as follows:

General Fund	Expenditures	Appropriations	Expenditures Over(Under) Appropriations
Current Operating Expenditures:			
City Garage	$ 238,338	-	$ (238,338)
Solid Waste & Recycling	$ 1,441,499	1,392,887	$ (48,612)
Culture and Recreation	$ 109,927	-	$ (109,927)

NOTE 17-SUBSEQUENT EVENTS

Management has evaluated subsequent events through August 5, 2022, the date that the financial statements were available to be issued. In January 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a "Public Health Emergency of International Concern," which continues to spread throughout the world and has adversely impacted global commercial activity and contributed to significant declines and volatility of financial markets. The outbreak presents uncertainty and risk with respect to the City, its performance, and its financial results.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF VIDALIA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget	Actual	Variance Over(Under)
Taxes:			
Property taxes	$ 860,000	$ 1,273,863	$ 413,863
Timber tax	2	1	(1)
Prior taxes	16,448	124,580	108,132
Vehicle tags & taxes	6,177	5,627	(550)
Vehicle TAVT	447,410	447,409	(1)
AAVT-Alter Advalorem tax	5,232	5,231	(1)
Mobile Home tax	1,429	1,428	(1)
Intangible tax	44,981	44,981	-
Railroad equipment, etc.	1,049	1,048	(1)
Transfer tax	23,484	23,484	-
Electricity franchise tax	709,569	709,568	(1)
Gas franchise tax	39,711	39,711	-
Cable franchise tax	62,716	62,715	(1)
Telephone franchise tax	37,316	24,791	(12,525)
Local option sales tax	2,994,076	2,787,995	(206,081)
Alcoholic beverage tax	316,456	316,455	(1)
Occupational tax	208,369	208,369	-
Insurance premium tax	865,158	865,157	(1)
Property tax penalties	136,898	81,460	(55,438)
Business license penalties	337	337	-
Total	6,776,818	7,024,210	247,392
Licenses and Permits:			
Business & Alcohol License	57,815	57,815	-
Golf cart permits	-	-	-
Game Room License	-	-	-
Building & wiring permits	16,512	16,511	(1)
Total	74,327	74,326	(1)
Intergovernmental			
Federal Operating grant	-	-	-
Other grants	3,367	3,367	-
Vidalia Housing Authority	3,732	3,732	-
Total	7,099	7,099	-
Charges for Services			
Zone application fees	-	-	-
Other-Election Qualifying fees	1,042	1,042	
Warrants, etc	12,132	12,132	-
City payment - fire protection	250	250	-
Garbage fees	893,398	893,397	(1)
Landfill fees	542,429	542,428	(1)
Disposal Fee-yardwaste	191,137	191,137	-
Rentals	138,229	138,779	550
Cemetery fees	-	-	-
Animal control revenues	1,460	1,460	-
Returned checks & fees	992	990	(2)
Total	1,781,069	1,781,615	546

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

CITY OF VIDALIA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget	Actual	Variance Over(Under)
Subtotal carryforward	$ 8,639,313	$ 8,887,250	$ 247,937
Fines and forfeits:			
Fees & court costs	535,627	465,912	(69,715)
Total	535,627	465,912	(69,715)
Miscellaneous:			
Other	20,142	139,255	119,113
Total	20,142	139,255	119,113
Interest earned	14,059	14,296	237
Total	14,059	14,296	237
Loan Proceeds	-	700,000	700,000
Sale of Assets	200	(1,131)	(1,331)
Total	200	698,869	698,669
Total General Fund Revenue	9,209,341	10,205,582	996,241
Transfers:			
Hotel/Motel Tourism	501,689	188,121	(313,568)
Total	501,689	188,121	(313,568)
Total Budget to Actual	$ 9,711,030	$ 10,393,703	$ 682,673

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

CITY OF VIDALIA, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budget	Actual	Variance (Over)Under
General Government			
Legislative:	$ 85,599	71,091	14,508
Judicial:	-	12,351	(12,351)
General Administration:	2,628,907	2,538,485	90,422
Total General Government	2,714,506	2,621,927	92,579
Public Safety			
Police Department:	2,303,026	2,268,368	34,658
Fire Department:	770,139	781,623	(11,484)
Total Public Safety	3,073,165	3,049,991	23,174
City Garage	-	238,338	(238,338)
Animal Control Facility:	74,785	74,087	698
Street Department:	1,351,328	1,134,107	217,221
Solid Waste & Recycling:	1,392,887	1,441,499	(48,612)
Culture & Recreation:	-	109,927	(109,927)
Economic Development:	458,293	115,255	343,038
Total General Fund Expenditures before Transfers to Special Revenue Funds and Capital Projects Funds	9,064,964	8,785,131	279,833
Transfers:			
Transfers	-	366,419	(366,419)
Total General Fund Expenditures	$ 9,064,964	$ 9,151,550	$ (86,586)

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

CITY OF VIDALIA, GEORGIA
NOTE TO BUDGETARY COMPARISON SCHEDULE
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Budget for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles

NOTE 2-EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The individual funds, which had expenditures in excess of appropriations, are as follows:

General Fund		Expenditures	Appropriations	Expenditures Over(Under) Appropriations
Current Operating Expenditures:				
City Garage	$	238,338	-	(238,338)
Solid Waste & Recycling	$	1,441,499	1,392,887	(48,612)
Culture and Recreation	$	109,927	-	(109,927)

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

CITY OF VIDALIA, GEORGIA
DEFINED BENEFIT PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILTY AND RELATED RATIOS

	2021	2020	2019	2018	2017	2016	2015
Total pension liability							
Service cost	$ 99,029	$ 97,698	$ 95,394	$ 103,117	$ 97,867	$ 100,071	$ 93,956
Interest on total pension liability	684,971	657,309	640,089	618,960	622,646	602,296	584,608
Differences between expected and actual experience	257,786	120,171	76,602	112,466	(284,061)	19,333	150,789
Changes of assumptions	-	244,638	-	152,112	-	-	(162,310)
Benefit payments, including refunds of employee contributions	(595,119)	(599,939)	(569,625)	(498,608)	(469,426)	(448,798)	(428,820)
Net change in total pension liability	446,667	519,877	242,460	488,047	(32,974)	272,902	238,223
Total Pension Liability- beginning	9,486,269	8,966,392	8,723,932	8,235,885	8,268,859	7,995,957	(7,757,734)
Total Pension Liability- ending (a)	$ 9,932,936	$ 9,486,269	$ 8,966,392	$ 8,723,932	$ 8,235,885	$ 8,268,859	$ 7,995,957
Plan Fiduciary net position							
Contributions- employer	$ 320,584	$ 309,731	$ 301,008	$ 344,005	$ 405,592	$ 380,455	$ 259,971
Contributions- employee	-	-	-	-	-	-	-
Net investment income	2,982,505	(495,354)	265,222	846,451	773,465	19,959	560,097
Benefit payments, including refunds of employee contributions	(595,119)	(599,939)	(569,625)	(498,608)	(469,426)	(448,798)	(428,820)
Actuarial Asset Valuation Method	$ (24,907)	$ (27,609)	$ (26,473)	$ (25,709)	$ (26,115)	(19,474)	(18,498)
Net change in plan fiduciary net position	$ 2,683,063	$ (813,171)	$ (29,868)	$ 666,139	$ 683,516	(67,858)	372,750
Plan Fiduciary net position- beginning	6,675,055	7,488,226	7,518,094	6,851,955	6,168,439	6,236,297	58,547
Plan Fiduciary net position- ending (b)	$ 9,358,118	$ 6,675,055	$ 7,488,226	$ 7,518,094	$ 6,851,955	$ 6,168,439	$ 6,236,297
City's net pension liability-ending (a) - (b)	$ 574,818	$ 2,811,214	$ 1,478,166	$ 1,205,838	$ 1,383,930	$ 2,100,420	$ 1,759,660
Plan Fiduciary net position as a percentage of the total pension liability	94.21%	70.37%	83.51%	86.18%	83.20%	74.60%	77.99%
Covered-employee payroll	$ 3,046,461	$ 2,682,343	$ 2,620,945	$ 2,634,152	$ 2,790,151	$ 2,705,573	$ 2,564,926
City's net pension liability as a percentage of covered-employee payroll	18.87%	104.80%	56.40%	45.78%	49.60%	77.63%	68.60%

(2) The Schedule will present 10 years of information once it is accumulated

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

CITY OF VIDALIA, GEORGIA
DEFINED BENEFIT PENSION PLAN
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

SCHEDULE OF CITY CONTRIBUTIONS

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 363,855	$ 342,250	$ 313,362	$ 308,520	$ 298,504	$ 359,172	$ 378,959
Contributions in relation to the actuarially determined contribution	342,250	313,362	308,520	298,504	359,172	442,826	352,730
Contribution deficiency (excess)	$ 21,605	$ 28,888	$ 4,842	$ 10,016	$ (60,668)	$ (83,654)	$ 26,229
Covered-employee payroll	$ 3,420,787	$ 3,461,056	$ 3,135,938	$ 2,967,488	$ 2,914,898	$ 2,956,653	$2,956,842
Contributions as a percentage of covered employee payroll	10.01%	9.05%	9.84%	10.06%	12.32%	14.98%	11.94%

Notes to the Schedule

(1) Actuarial Assumptions:

Valuation Date	The actuarially determined contribution was determined as of 7/1/2021 with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution will be reported for the fiscal year ending December 31, 2022.
Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 20% of market value
Assumed Rate of Return on Investments	7.375%
Projected Salary Increases	2.25% plus service based merit increases
Cost-of-living Adjustment	N/A
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective period of 10 years

(2) The Schedule will present 10 years of information once it is accumulated

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

SUPPLEMENTARY INFORMATION

CITY OF VIDALIA, GEORGIA
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	DRUG	Vidalia Convention & Visitors Bureau Authority	Hotel Motel Tourism	Vidalia Onion Festival	Recreation	CDBG	Revolving Loan	T-Splost	Total Nonmajor Governmental Funds
Assets									
Cash	$ 10,834	$ 231,371	$ -	$ 106,590	$ 90,707	$ 25	$ 42,895	$ -	$ 482,422
Certificates of deposit	-	50,242	-	49,149	5,226	-	-	-	104,617
Accounts receivable	-	-	-	-	-	-	-	-	-
Due from other funds	-	20,779	-	8,186	-	-	-	-	28,965
Loans receivable	-	-	-	-	-	-	71,212	-	71,212
Total assets	10,834	302,392	-	163,925	95,933	25	114,107	-	687,216
Liabilities and Fund Balances									
Liabilities									
Due to other funds	-	22,176	-	-	-	-	-	-	22,176
Accrued expenditures	-	1,577	-	-	5,290	-	-	-	6,867
Total liabilities	-	23,753	-	-	5,290	-	-	-	29,043
Fund Balances									
Fund balance:									
Restricted	10,834	278,639	-	163,925	90,643	25	114,107	-	658,173
Total fund balances	10,834	278,639	-	163,925	90,643	25	114,107	-	658,173
Total Liabilities and Fund Balances	$ 10,834	$ 302,392	$ -	$ 163,925	$ 95,933	$ 25	$ 114,107	$ -	$ 687,216

CITY OF VIDALIA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	DRUG	Vidalia Convention & Visitors Bureau Authority	Hotel Motel Tourism	Vidalia Onion Festival	Recreation	CDBG	Revolving Loan Fund	T-Splost	Total Nonmajor Governmental Funds
Revenues:									
Grants	$ -	$ 1,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000
Taxes	-	-	501,657	-	-	-	-	163,028	664,685
Intergovernmental	-	-	-	-	63,500	-	-	-	63,500
Charges for services, fees, etc.	6,523	133,414	-	182,830	193,490	-	-	-	516,257
Interest	4	348	-	61	7	-	1,052	-	1,472
Miscellaneous	-	-	-	-	-	-	-	-	-
Donations	-	907	-	-	-	-	-	-	907
Total revenues	6,527	135,669	501,657	182,891	256,997	-	1,052	163,028	1,247,821
Expenditures:									
Current operating:									
Administration fees	-	-	-	-	-		-	-	-
Engineering and construction costs	-	-	-	-	-	-	-	-	-
Street Repairs	-	-	-	-	-	-	-	163,028	163,028
Public Safety	58	-	-	-	-	-	-	-	58
Culture and recreation	-	-	25,082	160,744	568,319	-	-	-	754,145
Community development	-	329,232	-	-	-	-	9,617	-	338,849
Capital outlay	-	-	-	-	-	-	-	-	-
Total expenditures	58	329,232	25,082	160,744	568,319	-	9,617	163,028	1,256,080
Excess revenues(expenditures):	6,469	(193,563)	476,575	22,147	(311,322)	-	(8,565)	-	(8,259)
Transfers	-	288,453	(476,575)	-	361,419	-	-	-	173,297
Net change in fund balances	6,469	94,890	-	22,147	50,097	-	(8,565)	-	165,038
Fund balance - beginning of year	4,365	183,748	-	141,778	40,547	25	122,672	-	493,135
Fund balance - end of year	$ **10,834**	$ **278,638**	$ -	$ **163,925**	$ **90,644**	$ **25**	$ **114,107**	$ -	$ 658,173

McLain, Calhoun, McCullough, Clark & Co., P.C.
Certified Public Accountants
Business Consultants

Michael R. Calhoun, C.P.A.
Robin L. McCullough, C.P.A.
Tracy C. Clark, C.P.A.
Nicki A. Eason, C.P.A.

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX

To the City Council
Vidalia, Georgia

We have audited the accompanying Schedule of Special Local Option Sales Tax for the City of Vidalia, Georgia, for the year ended December 31, 2021. This schedule is the responsibility of the City of Vidalia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

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

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the modified accrual basis of accounting and is not intended to be a complete presentation of City of Vidalia's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in City of Vidalia's resolution or ordinance calling for the tax for the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Mclain, Calhoun, McCullough, Clark & Co., P.C.

August 5, 2022

Vidalia, Georgia

CITY OF VIDALIA, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE ONE (1) PERCENT LOCAL OPTION SALES TAX
FOR THE YEAR ENDED DECEMBER 31, 2021

Project Years	Projects	Original Estimated Cost	Amended Estimated Cost	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Percentage of Completion
2015-2020	Water and Sewer Projects	4,650,000	1,815,957	1,723,274	68,772	1,792,046	
2015-2020	Street Improvements	1,150,000	1,435,661	2,520,394	192,760	2,713,154	
2015-2020	Buildings and Equipment	4,000,000	4,686,463	4,385,597	23,836	4,409,433	
2015-2020	Recreation	1,000,000	3,259,668	1,029,724	8,303	1,038,027	
Total		$ 10,800,000	$ 11,197,749	$ 9,658,989	$ 293,671	$ 9,952,660	92.15%

Project Years	Projects	Original Estimated Cost	Amended Estimated Cost	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Percentage of Completion
2021-2026	Water and Sewer Projects	1,550,000	1,550,000	-	223,519	223,519	
2021-2026	Street Improvements	1,040,000	1,040,000	-	217,358	217,358	
2021-2026	Buildings and Equipment	8,363,600	5,050,000	-	1,168,636	1,168,636	
2021-2026	Recreation	1,100,000	1,000,000	-	334	334	
Total		$ 12,053,600	$ 8,640,000	$ -	$ 1,609,847	$ 1,609,847	13.36%

Total Expenditures	1,903,518

Reconciliation of Total Expenditures:

Total SPLOST expenditures including transfers in Fund Financial Page 8	$ 2,443,854
Less vendor & Other reimbursements	(2,783)
Less Ga Economic Development Grant	(19,475)
Less Ga Dept of Transportation Grants	(342,772)
Less TAP Grant	(175,306)
Total SPLOST expenditures reported in Fund Financial Statements Page 8	$ 1,903,518

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Independent Auditor's Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

To the City Council
Vidalia, Georgia

We have audited, in accordance with the 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, each major fund, and the aggregate remaining fund information of City of Vidalia, Georgia as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise City of Vidalia, Georgia's basic financial statements, and have issued our report thereon dated August 5, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Vidalia, Georgia's internal control over financial reporting (internal control) to determine the auditing 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 City of Vidalia, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Vidalia, Georgia'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Vidalia, Georgia's financial statements are free of 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 determination of financial statement amounts. 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards. The findings are described in the accompanying schedule of findings and responses on page 53 as item 08-01 and 21-01.

We noted certain other matters involving the internal control over financial reporting that we have reported to the management of the City of Vidalia, Georgia in a separate letter dated August 5, 2022.

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.

McLain, Calhoun, McCullough, Clark & Co., P.C.

August 5, 2022
Vidalia, Georgia

CURRENT YEAR FINDINGS AND RESPONSES – FINANCIAL STATEMENT AUDIT

08 - 01 EXPENDITURES OVER APPROPRIATIONS:

Condition: There were instances of expenditures exceeding appropriations in the General Fund.

Criteria: O.C.G.A. 36-81 establishes the budgetary requirements.

Recommendation: We recommend that the City Manager review the actual expenditures and compare to the budgeted amounts. If expenditures exceed the budgeted amounts, the City Manager should propose to the City Council to amend the budget to allow for the excess expenditures. The City Manager should also address to the City Council how the excess expenditures will be funded.

Response: We agree with this finding. After consultation with the City Manager, the City Council approves the actual expenditures that exceed budgeted amounts after assuring that resources are available to fund the proposed expenditures. A formal budget amendment is not proposed.

Current Status: This condition was unresolved as of December 31, 2021.

21 – 01 IMPROPER TRANSFERS FROM SPLOST:

Condition: There was an instance of funds from SPLOST transferred to General Fund and Downtown Development Authority.

Criteria: O.C.G.A. 48-8-121 establishes SPLOST expenditures/transfers.

Recommendation: We recommend that the City Manager review the actual expenditures/transfers from SPLOST funds for legal purpose.

Response: We agree with this finding. After consultation with the City Manager, City Finance Director transferred funds from General Fund and Downtown Development Authority back to SPLOST.

Current Status: This condition was unresolved as of December 31, 2021.