

**DAHLONEGA CITY COUNCIL
WORK SESSION
DECEMBER 17, 2008**

The Dahlonega City Council met at City Hall on December 17, 2008. Council members present were Michael Clemons, Gerald Lord, Ralph Prescott, Terry Peters and Sam Norton. Mayor Gary McCullough called the meeting to order at 3:00 p.m.

Mayor McCullough announced that Council Member Guy Laboa will be leaving January 27 for Iraq and he plans to resign his council seat.

Finance Director Chris Austin presented a review of his proposed Management R & A Report and asked for feedback from the council. He also asked if the council desired the report to be submitted to them on a monthly basis. Council members advised that quarterly would be sufficient unless some significant changes occur. Mr. Austin pointed out that sales tax revenues are down approximately twenty percent from last year; however, this is a state wide trend. Mr. Austin stated that this will be monitored and a budget amendment will be presented if required. Building permits and water and sewer taps are also down significantly. The council was also informed that the city will be able to make all of their bond payments this fiscal year as the interest on the Debt Service Agreement has been yielding a good interest return which will be applied to the bond payments.

Chamber Director Gary Powers introduced the Chamber's new Tourism Director Steven Smith. Mr. Powers advised that he consulted with the city's auditor firm about them doing the Chamber's audit. This will be paid for out of the hotel/motel tax revenues. He assured the council that one hundred percent of the city's hotel/motel taxes received are spent on tourism however it is difficult to separate chamber activities from and tourism activities. Mr. Powers invited everyone to attend their Board Meetings as they are open to the public. Mayor McCullough pointed out that the advertising budget has dropped. Mr. Powers stated that in prior years this expense was offset by grants received from the state. City Manager Bill Lewis advised that a compliance audit was performed by the city's audit firm and they recommended some changes. He asked Mr. Powers if those recommendations have been addressed. Mr. Lewis pointed out that the annual plan should be presented to the city for the use of hotel/motel tax money. This would not be for city approval but for review for compliance with state law. Mr. Powers assured him that they have addressed all concerns expressed. Sam Norton recommended that the chamber set goals and develop a mission statement. Mr. Powers advised that this has already been completed. Mr. Powers also agreed to submit a quarterly Tourism Report to the council. Mr. Norton was concerned that, according to the Chamber's Reports, \$384,000 was spent last year on tourism but only \$30,000 on advertising. Council members recommended that the revenues from hotel/motel taxes should be deposited into a separate checking account and expenditures for tourism should be made from that account. Mr. Powers stated that this has also already been set up and a separate bookkeeping system is performed for tourism expenses. Mr. Powers was requested to address the budget deficit and he advised that the deficit was approximately \$2,200. Mr.

Powers stated that he plans to cut back on expenditures to balance the budget and he will break even this year. Council members recommended that the budget be added as an addendum to the city's contract as a binding agreement and that all concerns discussed should be included in a new contract.

Mayor McCullough advised that the Lumpkin County Water and Sewer Authority has voted to alter the membership of the board by eliminating the Mayor and making other changes to the Authority's Charter. This action must be submitted to the General Assembly as local legislation by our Representative and passed by the House and Senate before it becomes law. Council members disagreed with this as they felt that the mayor should be included in the membership of the board.

City Manager Bill Lewis advised that future Council Work Shop discussions should include:

1. Crosswalks downtown and expenditure of grant money.
2. Hancock Park Rental Policies
3. Boundary Survey Study for B-3 and CDBG areas and updates of the registry for historical buildings.

Council members agreed to hold a Work Shop on January 5 at 3:00 p.m.

The meeting was adjourned at 5:00 p.m.