

**CITY COUNCIL MINUTES
CALLED MEETING WORK SESSION
NOVEMBER 16, 2015
4:00 P.M.**

CALL TO ORDER: Mayor W. James Grogan called the meeting to order at 4:00 p.m.

ROLL CALL: Present were Mayor James Grogan, Councilmember Angie Smith, Councilmember Caleb Phillips, Councilmember Mike Sosebee, Councilmember Jason Power, City Attorney Dana Miles, City Clerk Bonnie Warne and Public Works Associate of Roads Trampas Hansard.

INVOCATION AND PLEDGE: Invocation and pledge was led by Jason power.

AGENDA: Motion to amend the agenda to reword 7.Stegall Rd Emergency Repair by: M. Sosebee/J. Power. Vote carried unanimously. Motion to include 10.Creekstone Permits by: J. Power/C. Phillips. Vote carried unanimously. Motion to approve the amended agenda by: C. Phillips/J. Power carried unanimously in favor.

“What to Paint on the Water Tank” Contest Winner: Mayor Grogan congratulated Brad Hansard for the drawing and presented him with a \$100 gift card.

Audit Presentation FY 2014-2015: Bryan St. Pierre, CPA with Alexander, Almand & Bangs, LLP presented the audit report of the City’s financial statements of the governmental activities of fiscal year July 1, 2014 through June 30, 2015.

Mr. St. Pierre reported that the audit has a clean opinion with no material misstatements in the financials. Subsequently he went through the details of fund reports throughout the audit pointing out the financial highlights of the year:

- The assets of the City of Dawsonville exceeded its liabilities at the close of the year ending June 30, 2015 by \$ 12,580,083 (net position).
- The City’s net position increased by \$ 395,467 for the year ending June 30, 2015 from the prior year. Of this amount, an increase of \$ 333,362 was associated with governmental activities and an increase of \$ 62,105 with business-type activities. In the governmental activities, the City continued progress on installation of sidewalks funded through SPLOST IV contributions.
- The City’s investment in capital assets, decreased \$ 86,797 or 1% for the year ending June 30, 2015.

Motion to accept and approve the audit as presented by: J. Power/A. Smith. The vote carried unanimously in favor. (Exhibit “A”)

Presentation from GRHOF Museum: David Sosebee and Angela Harben spoke on the events, ticket sales and financials of the Dawsonville History Museum/GA Racing Hall of Fame. Angie Smith requested an annual presentation at lease renewal timeframe. Mayor and Council acknowledged and gave appreciation to the volunteers of the GRHOF.

Presentation from Dawsonville Moonshine Distillery: Cheryl Wood spoke on the events of the Dawsonville Moonshine Distillery. Angie Smith reminded Ms. Woods that we support her business and reminder that that they lease from the City and requested timely rent payments.

Garbage Service RFP 16-01: Mayor Grogan informed Council that the bids submittals are to be reviewed for Dec 7th meeting.

**CITY COUNCIL MINUTES
CALLED MEETING WORK SESSION
NOVEMBER 16, 2015
4:00 P.M.**

Newly Elected Officials Training: Motion to approve the training for Caleb Phillips Feb 25-26 in Athens by: J. Power/M. Sosebee with C. Phillips recused. Vote carried unanimously in favor 3-0-1 with one abstention.

Stegall Road Emergency Repair: Motion to approve up to \$20,000 to repair the Stegall Road due to a pipe that has rusted out under the road causing the road to collapse by: A. Smith/J. Power with C. Phillips recused. Vote carried unanimously in favor 3-0-1 with one abstention.

Bids: Pole Barn at Maintenance Shop for Animal Control: Trampas Hansard received bids from Bearden \$6900, Bryson \$7450, G. Scott \$13500 (includes \$2800 pad), DC Renovation \$8500. Motion to approve Bearden for \$6900 plus \$2800 for the pad by: A. Smith/C. Phillips. Vote carried unanimously in favor.

HPC Board Member Vacancy: Motion to approve the resignation from Anna Massey by: J. Power/C. Phillips. Vote carried unanimously. Add to Dec. 7th meeting agenda.

Creekstone Permits: Motion to approve issuing building permits for 10 houses and for the amenity area with the agreement that they will not get a CO on anything in the subdivision until the amenity area is completed and a CO issued on it by: J. Power/A. Smith. Vote carried unanimously in favor.

PUBLIC HEARING:

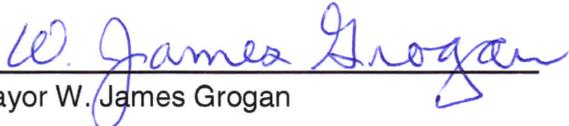
AN ORDINANCE TO AMEND THE ANIMAL CONTROL ORDINANCE OF THE CITY OF DAWSONVILLE, GEORGIA, BY REPEALING THE EXISTING ANIMAL CONTROL ORDINANCE; TO PROVIDE FOR DEFINITIONS, TO PROVIDE FOR DOMESTIC ANIMAL CONTROL; TO PROVIDE FOR ANIMAL CONTROL AND IMPOUNDMENT, TO PROVIDE FOR RABIES CONTROL; TO PROVIDE FOR CONTROL OF DANGEROUS AND VICIOUS DOGS; TO PROVIDE FOR SEVERABILITY; TO REPEAL CONFLICTING ORDINANCES; AND FOR OTHER PURPOSES. (1st Reading Nov 16th, 2nd Reading Dec 7th)

The public hearing was unanimously opened by: A. Smith/J. Power. Attorney Dana Miles presented the first reading of the animal control ordinance. Nobody spoke in favor or opposition. The public hearing was unanimously closed by: J. Power/M. Sosebee. Request made to change section 4-62 to adjust impound fee to \$50/day and boarding fee to \$10/day.

At 4:55 p.m. the Council motioned to go close regular session and go into executive session for the purpose of personnel by: J. Power/A. Smith; the motion carried unanimously. Mayor Grogan turned the meeting over to Mayor Pro-Tem Angie Smith for the remainder of the meeting.

EXECUTIVE SESSION: At 5:57 p.m. the Council motioned to close executive session and to reconvene the regular meeting; the motion carried unanimously; M. Sosebee/C Phillips.

ADJOURNMENT: With there being no further business to attend to the meeting closed and adjourned at 5:57 p.m. The motion carried unanimously; J. Power/M. Sosebee.

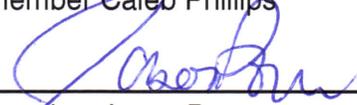


Mayor W. James Grogan

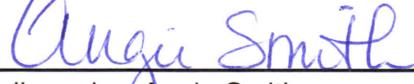
CITY COUNCIL MINUTES
CALLED MEETING WORK SESSION
NOVEMBER 16, 2015
4:00 P.M.



Councilmember Caleb Phillips



Councilmember Jason Power



Councilmember Angie Smith



Councilmember Mike Sosebee

Attested: 
Bonnie Warne, City Clerk

City of Dawsonville, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended June 30, 2015

Submitted by:

Bonnie Warne

City Clerk



EXHIBIT "A"

P.O. Box 6
415 Highway 53 E. Suite 100
Dawsonville, Georgia 30534



W. James Grogan
Mayor

(706) 265-3256
Fax (706) 265-4214
www.dawsonville-ga.gov

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Dawsonville (the "City") provides this Management Discussion and Analysis as prescribed by the provisions of Government Accounting Standards Board Statement 34 (GASB 34). This narrative overview and analysis of the City of Dawsonville's financial activities is for the fiscal years ending June 30, 2015 and 2014. Please consider this information in conjunction with the accompanying Basic Financial Statements.

FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

- The assets of the City of Dawsonville exceeded its liabilities at the close of the year ending June 30, 2015 by \$ 12,580,083 (net position).
- The City's net position increased by \$ 395,467 for the year ending June 30, 2015 from the prior year. Of this amount, an increase of \$ 333,362 was associated with governmental activities and an increase of \$ 62,105 with business-type activities. In the government activities, the City continued progress on installation of sidewalks funded through SPLOST IV contributions.
- The City's net investment in capital assets, decreased \$ 86,797 or 1% for the year ending June 30, 2015.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Dawsonville's basic financial statements. The City's basic financial statements include three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. These components are described below:

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City of Dawsonville's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the city's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position combines and consolidates governmental funds' current financial resources with capital assets and long-term obligations.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Dawsonville include general government, public safety, highways and streets and other charges. The major business-type activity of the City includes the water and sewer system.

The government-wide financial statements include a legally separate Dawsonville Downtown Development Authority, a component unit of the City. Financial information for the component unit is blended into the City's financial statements.

Fund financial statements

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

Governmental funds

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

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

The City maintains four governmental funds – the general fund, a capital projects fund, DDA special revenue fund, and a hotel-motel tax special revenue fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The general fund is considered a major fund, while capital projects funds, cemetery fund, DDA fund, and the hotel-motel tax fund are considered non-major governmental funds.

The City of Dawsonville adopted a full year budget for the period ending June 30, 2015 for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

Proprietary funds

The City of Dawsonville maintains one proprietary enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Information is presented separately in the proprietary statement of net position and the proprietary statement of revenues, expense and changes in net position for the water, sewer and sanitation fund, which is considered a major proprietary fund.

Permanent Funds

Permanent funds account for resources that are legally restricted to allow the earnings (and not the principle) to be used to support the governments programs such as cemeteries, libraries, parks and scholarships.

Notes to the financial statements

Notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in government-wide and the fund financial statements. The notes can be found immediately following the fund financial statements.

Other information

Required supplementary information is reported in addition to the basic financial statements and accompanying notes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At June 30, 2015, the City's assets exceeded liabilities by \$ 12,580,083. By far the largest portion of the City's net position reflects its net investment in capital assets, less any related debt used to acquire those assets that is still outstanding. Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

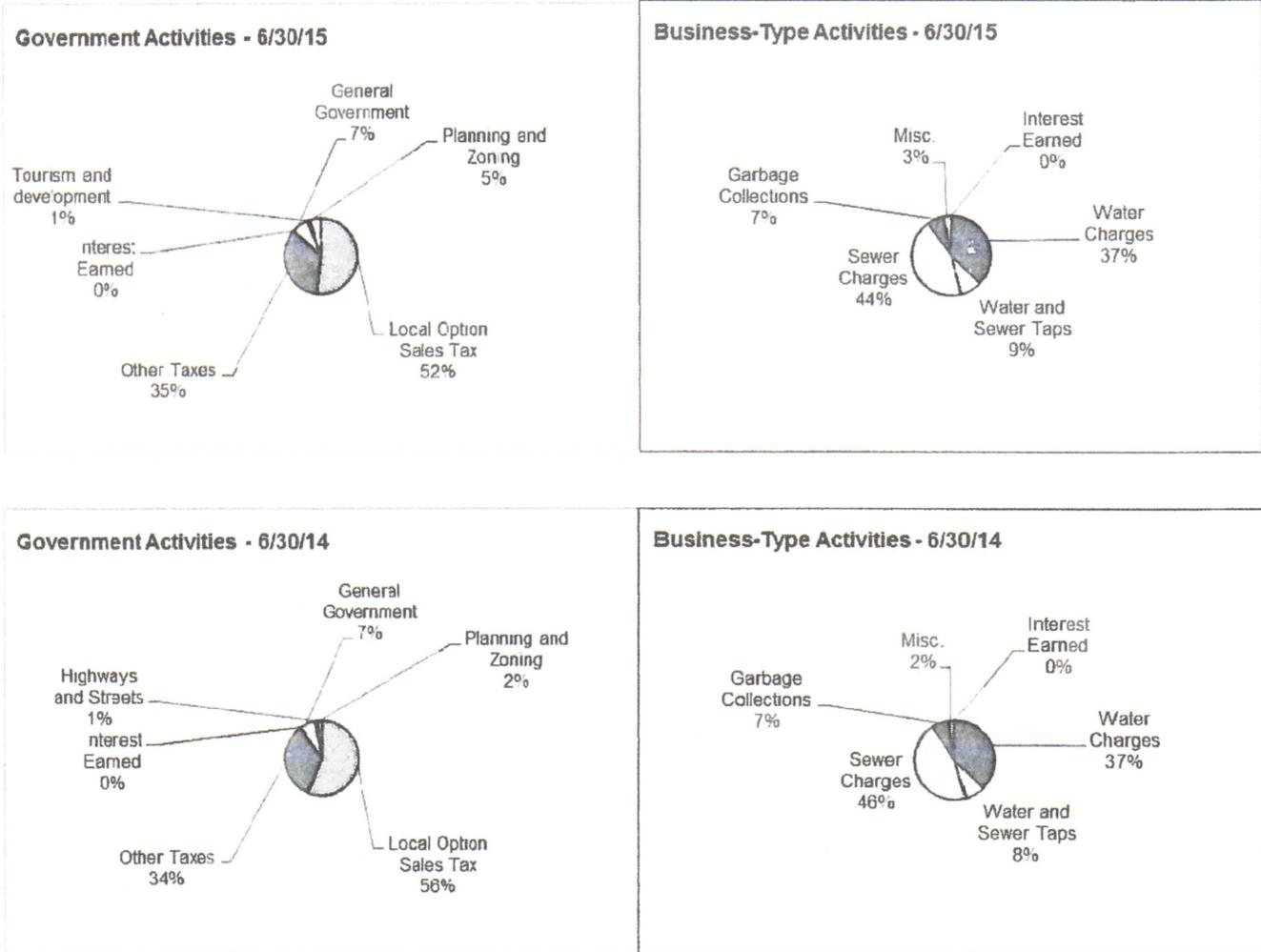
City of Dawsonville's Net Position

	Total 6/30/2015	Total 6/30/2014	Gov't Activities 06/30/15	Gov't Activities 06/30/14	Business Type Activities 06/30/15	Business Type Activities 06/30/14
Current assets	\$ 4,684,436	\$ 4,183,569	\$ 2,501,141	\$ 2,196,798	\$ 2,183,295	\$ 1,986,771
Capital assets	14,575,441	14,464,410	4,506,510	4,066,551	10,068,931	10,397,859
Total assets	19,259,877	18,647,979	7,007,651	6,263,349	12,252,226	12,384,630
Deferred outflows of resources	9,452	-	4,726	-	4,726	-
Long-term liabilities	6,050,772	5,787,656	1,764,202	1,337,797	4,286,570	4,449,859
Other current liabilities	629,230	614,289	216,011	200,663	413,219	413,626
Total liabilities	6,680,002	6,401,945	1,980,213	1,538,460	4,699,789	4,863,485
Deferred inflows of resources	9,244	-	4,622	-	4,622	-
Net position:						
Net investment in capital assets	8,269,300	8,356,097	2,641,366	2,623,723	5,627,934	5,732,374
Restricted for cemetery	205,421	190,388	205,421	190,388	-	-
Restricted for tourism	334	254	334	254	-	-
Restricted for capital projects	10,784	10,765	10,784	10,765	-	-
Restricted for DDA	16,631	-	16,631	-	-	-
Unrestricted	4,077,613	3,627,112	2,153,006	1,869,050	1,924,607	1,758,062
Total net position	\$ 12,580,083	\$ 12,184,616	\$ 5,027,542	\$ 4,694,180	\$ 7,552,541	\$ 7,490,436

City of Dawsonville's Changes in Net Position (continued)

	<u>Total</u> <u>6/30/2015</u>	<u>Total</u> <u>6/30/2014</u>	<u>Gov't</u> <u>Activities</u> <u>06/30/15</u>	<u>Gov't</u> <u>Activities</u> <u>06/30/14</u>	<u>Business</u> <u>Type</u> <u>Activities</u> <u>06/30/15</u>	<u>Business</u> <u>Type</u> <u>Activities</u> <u>06/30/14</u>
Revenues:						
Program revenues:						
Charges for services	\$ 1,472,366	\$ 1,316,935	\$ 186,395	\$ 112,106	\$ 1,285,971	\$ 1,204,829
Operating grants & contributions	17,420	9,993	17,420	9,993	-	-
Capital grants & contributions	125,000	120,929	-	16,629	125,000	104,300
General revenues:						
Taxes	1,325,185	1,250,558	1,325,185	1,250,558	-	-
Gain (loss) on sale of assets	-	-	-	-	-	-
Interest	6,081	6,216	3,182	2,243	2,899	3,973
Total Revenues	<u>2,946,052</u>	<u>2,704,631</u>	<u>1,532,182</u>	<u>1,391,529</u>	<u>1,413,870</u>	<u>1,313,102</u>
Expenses:						
General government	688,376	682,148	688,376	682,148	-	-
Public safety	-	-	-	-	-	-
Highways and streets	341,626	221,424	341,626	221,424	-	-
Culture/recreation	863	1,933	863	1,933	-	-
Planning and zoning	100,322	97,632	100,322	97,632	-	-
Housing and development	19,637	11,577	19,637	11,577	-	-
Interest on long-term debt	170,551	214,063	47,996	29,952	122,555	184,111
Bond issuance cost	-	134,453	-	-	-	134,453
Water and sewer	1,229,210	1,147,296	-	-	1,229,210	1,147,296
Total Expense	<u>2,550,585</u>	<u>2,510,526</u>	<u>1,198,820</u>	<u>1,044,666</u>	<u>1,351,765</u>	<u>1,465,860</u>
Increase in net position before transfers	395,467	194,105	333,362	346,863	62,105	(152,758)
Transfers	-	-	-	-	-	-
Change in net position	395,467	194,105	333,362	346,863	62,105	(152,758)
Net position - beginning , as restated	12,184,616	12,051,929	4,694,180	4,378,026	7,490,436	7,673,903
Prior period adjustment	-	(61,418)	-	(30,709)	-	(30,709)
Net position - ending of year	<u>\$ 12,580,083</u>	<u>12,184,616</u>	<u>\$ 5,027,542</u>	<u>\$ 4,694,180</u>	<u>\$ 7,552,541</u>	<u>\$ 7,490,436</u>

Revenues by Source:



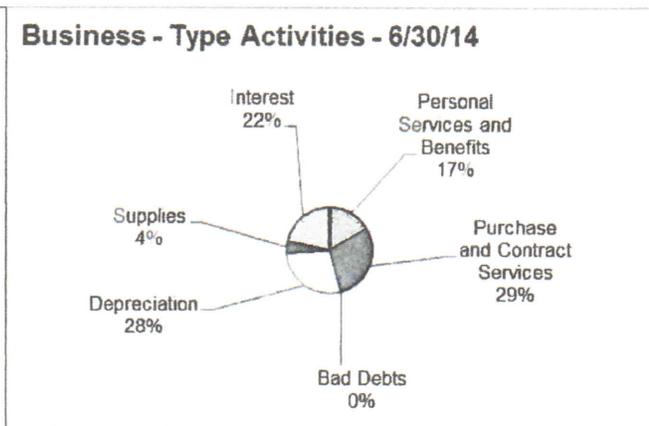
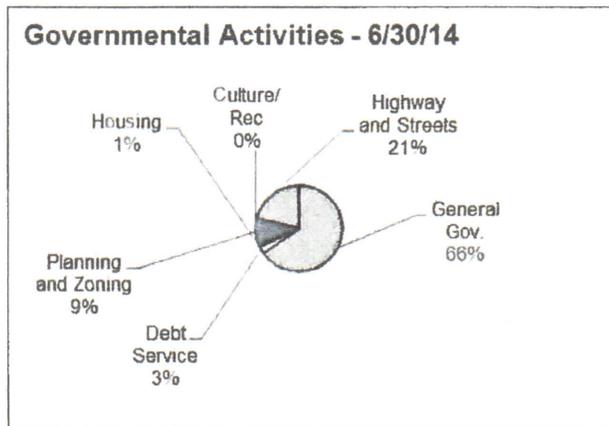
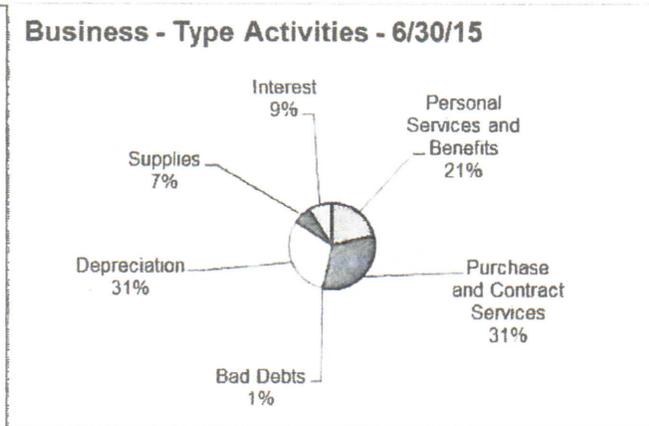
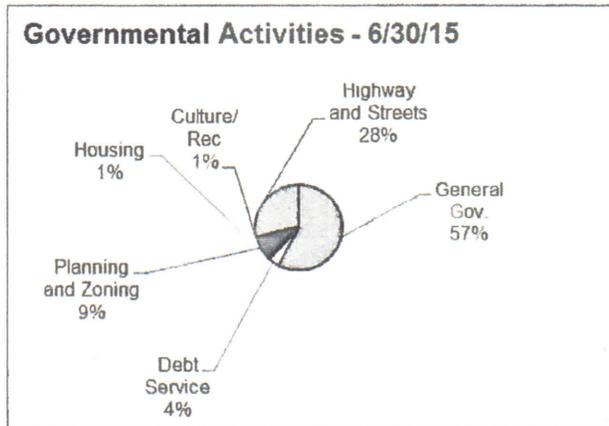
For fiscal year 2015, total revenues for governmental activities increased 10.1% compared to fiscal year 2014. For fiscal year 2015, total revenue increased 7.6% for business-type activities compared to fiscal year 2014.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual along with a comparison to actual activity for the year ended June 30, 2015. Fiscal management and expenditure control helped keep the budget in balance.

General Fund revenues of \$ 1,492,440 were more than budgeted revenues of \$ 1,298,815 for the year ended June 30, 2015. General Fund expenditures were less than budgeted. With total appropriations of \$ 1,287,815, the City actually spent \$ 1,174,041 or \$ 113,774 less than budgeted, for the year ended June 30, 2015.

Expenditures by Function:



For fiscal year 2015, total expenditures for governmental activities increased 14.7% compared to fiscal year 2014. For fiscal year 2015, total expenditures decreased 7.8% for business-type activities compared to fiscal year 2014.

ECONOMIC FACTORS

The issues facing the national economy correlate with the City's local economy. Permitting for new home or commercial building construction has turned around. The City strives to be good stewards of the revenues received through fiscal management and expenditure control using a minimal amount of reserved funds to help keep the budget in balance. The City plans to maintain a conservative fiscal position while the economic conditions dictate.

CAPITAL ASSETS

As of June 30, 2015 and 2014 the City had \$ 20,673,487 and \$ 20,012,114 invested in a variety of capital assets, as in the schedule below. Adjustments for depreciation are \$ 576,392 and \$ 573,413 for the years ending June 30, 2015 and 2014. Adjustments for accumulated depreciation are \$ 6,098,046 and \$ 5,547,704 for the years ending June 30, 2015 and 2014. Further detail on capital assets is provided in the notes to the financial statements, note 2D.

Capital Assets at Year-end

	Total 6/30/2015	Total 6/30/2014	Gov't Activities 6/30/2015	Gov't Activities 6/30/2014	Business Type Activities 6/30/2015	Business Type Activities 6/30/2014
Land	\$ 3,913,724	\$ 3,343,989	\$ 980,537	\$ 410,802	\$ 2,933,187	\$ 2,933,187
Artifacts	49,751	49,751	49,751	49,751	-	-
Construction in progress	106,036	68,614	-	-	106,036	68,614
Buildings	3,537,289	3,537,289	3,306,824	3,306,824	230,465	230,465
Improvements	34,365	34,365	34,365	34,365	-	-
Vehicles	131,655	131,655	110,171	110,171	21,484	21,484
Equipment	510,291	471,373	240,273	228,137	270,018	243,236
Infrastructure	1,770,359	1,755,061	1,770,359	1,755,061	-	-
Water and Sewer System	9,701,701	9,701,701	-	-	9,701,701	9,701,701
Sewer Treatment Plant	918,316	918,316	-	-	918,316	918,316
Total	\$ 20,673,487	\$ 20,012,114	\$ 6,492,280	\$ 5,895,111	14,181,207	14,117,003

The following reconciliation summarizes the change in Capital Assets:

	Total 6/30/2015	Total 6/30/2014	Gov't Activities 6/30/2015	Gov't Activities 6/30/2014	Business Type Activities 6/30/2015	Business Type Activities 6/30/2014
Beginning Balance:	\$ 20,012,114	\$ 19,980,171	\$ 5,895,111	\$ 5,848,752	\$ 14,117,003	\$ 14,131,419
Additions:						
Land	569,735	-	569,735	-	-	-
Construction in Progress	37,422	-	-	-	37,422	-
Buildings	-	-	-	-	-	-
Vehicles	-	23,615	-	23,615	-	-
Equipment	64,968	-	17,861	-	47,107	-
Infrastructure	15,298	22,744	15,298	22,744	-	-
Water and Sewer System	-	160,729	-	-	-	160,729
Dispositions:						
Construction in Progress	-	(175,145)	-	-	-	(175,145)
Equipment	(26,050)	-	(5,725)	-	(20,325)	-
Infrastructure	-	-	-	-	-	-
Water and Sewer System	-	-	-	-	-	-
Total	\$ 20,673,487	\$ 20,012,114	\$ 6,492,280	\$ 5,895,111	\$ 14,181,207	\$ 14,117,003

LONG-TERM DEBT

As of June 30, 2015, the City was liable for long-term capital lease obligations totaling \$ 1,865,144 and for revenue bond debt totaling \$ 4,450,000. As of June 30, 2014, the City was liable for long-term capital lease obligations totaling \$ 1,442,828 for revenue bond debt totaling \$ 4,675,000. This is a debt increase of \$ 197,316 from prior year. Further detail on long-term debt is provided in the notes to the financial statements, note 2H.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the City of Dawsonville's finances for all of Dawsonville's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information should be addressed to the City Clerk, c/o City of Dawsonville, P. O. Box 6, Dawsonville, Georgia 30534.

STATE OF GEORGIA
COUNTY OF DAWSON

AFFIDAVIT OF THE CITY OF DAWSONVILLE MAYOR AND COUNCIL

Mayor W. James Grogan, Council Member Caleb Phillips, Council Member Angie Smith, Councilmember Jason Power and Council Member Mike Sosebee; being duly sworn, state under oath that the following is true and accurate to the best of their knowledge and belief:

1. The City of Dawsonville Council met in a duly advertised called meeting on the November 16, 2015.
2. During such meeting, the Board voted to go into closed session.
3. The executive session was called to order at 4:55 p.m.
- 4.

The subject matter of the closed portion of the meeting was devoted to the following matter(s) within the exceptions provided in the open meetings law:

- _____ Consultation with the City Attorney or other legal counsel to discuss pending or potential litigation, settlement, claims, administrative proceedings, or other judicial actions brought or to be brought by or against the City or any officer or employee or in which the City or any officer or employee may be directly involved as provided in O.C.G.A. § 50-14-2(1);
- _____ Discussion of tax matters made confidential by state law as provided by O.C.G.A. § 50-14-2(2) and _____;
- _____ Discussion of future acquisition of real estate as provided by O.C.G.A. § 50-14-3(4);
- Discussion or deliberation on the appointment, employment, compensation, hiring, disciplinary action or dismissal, or periodic evaluation or rating of a City officer or employee as provided in O.C.G.A. § 50-14-3(6);
- _____ Other _____ as provided in: _____.

This 16th day of November, 2015; By the City of Dawsonville, Mayor and Council:

W. James Grogan
W. James Grogan, Mayor

Caleb Phillips
Caleb Phillips, Council Member

Jason Power
Jason Power, Council Member

Angie Smith
Angie Smith, Council Member

Mike Sosebee
Mike Sosebee, Council Member

Sworn to and subscribed before me this

16 day of November, 2015.

Bonnie M. Warne
Notary Public
My Commission expires: 7/24/17

BONNIE M WARNE
NOTARY PUBLIC
DAWSON COUNTY, GEORGIA

MY COMMISSION EXPIRES:
JULY 24, 2017