

TOWN OF TALLULAH FALLS
STATE OF GEORGIA
WORK SESSION
March 7, 2019
MINUTES

The work session for March 7, 2019 of the City Council of Tallulah Falls, Georgia was called to order at 6:00 p.m. by Mayor Dobbs.

PRESENT: Mayor Teri Dobbs
Councilperson Deb Goatcher
Councilperson Larry Hamilton
Councilperson Mary Beth Hughes
Town Clerk Linda Lapeyrouse
Police Chief Tonya Elrod

PRESENT VIA TELECONFERENCE: Councilperson Carol Nelms

OTHERS PRESENT: See attached sign-in sheet

Mayor Dobbs welcomed everyone to the meeting.

Mayor Dobbs asked for a motion to approve the agenda. **The motion was made by Councilperson Goatcher, seconded by Councilperson Hughes and unanimously approved.**

NEW BUSINESS:

Joely Mixon of Mixon, Mixon, Brown and Tench CPAs presented the June 30, 2018 audit and compared financials for 2016, 2017 and 2018. The auditor stated that systems have come a long way with automating the financials, and with a small office, the Mayor and Council have been pitching in to help segregate duties as much as possible. She did not have any concerns. Between 2016 and 2018, in the Governmental Funds, the total net position has decreased from \$1,195,000 to \$1,138,000, but the unrestricted portion of that has increased overall by 21% since 2016 from \$336,000 to \$408,000.

In the Water Fund, the total net position has increased from \$398,000 to \$459,000 and the unrestricted net position has decreased overall by 17% since 2016, which is indicative of the Town's investment in capital improvements in the water system. The Town has no outstanding debt. She further stated that the Town remains very liquid with over \$493,000 in its cash accounts and over \$203,000 in short term CD's. The General Fund continues to subsidize the Water Fund operations. When asked if she had any recommendations, the auditor stated she sees Tallulah Falls teetering on a growth mode and trying to decide how it wants to grow and who it wants to be in the next decade.

Councilperson Nelms, who was out of town at the Newly Elected Officials Training, joined by teleconference at 6:30 PM.

Town Clerk Lapeyrouse reviewed the 2018/19 Water Fund budget and explained the error that was made last year when the budget was adopted. A portion of the operational budget was balanced using loans and grants and left an anticipated transfer from the General Fund of \$16,372. When capital

improvements are backed out of the budget, the transfer from the General Fund should have been \$54,786. The majority of the engineering costs in the operational budget are directly related to capital improvements and should be part of the capital budget. A budget amendment will need to be done prior to year-end, however we can wait until closer to the end of the year to see what adjustments can be made.

Mayor Dobbs stated we are estimating to subsidize our Water Fund from the General Fund \$54,786 for this year. Historically, the Water Fund lost \$58,161 in 2017, \$57,207 in 2016, \$56,454 in 2015, \$48,992 in 2014, \$46,435 in 2013 and \$45,605 in 2012. Clearly, we are not bringing in enough revenue to run our water department. As an enterprise fund, it is recommended that it be self-supporting. We need to look at additional revenue sources and the Council will have to make some difficult decisions.

Garbage operations are also a loss and have been since the service began. Councilperson Hamilton explained why the decision was made at the time to include garbage as a city service. The total loss monetary amount lost for garbage services is not hugely significant at approximately \$1,800, however the service is not available to the entire town and is only a benefit to approximately 10 customers. Further discussion on whether or not to continue the service and, if so, how to improve the service will need to be further studied. Use of the recycle center for Tallulah Falls residents who live in Habersham County will also need to be further explored.

A motion to adjourn was made by Councilperson Nelms. The motion was seconded by Councilperson Hughes and unanimously approved.

The work session adjourned at 7:00 p.m.



Teri Dobbs, Mayor



Linda Lapeyrouse, Clerk