

CITY OF CORNELIA
MINUTES OF MEETING
SEPTEMBER 1, 2026

The Cornelia City Commission met in a Workshop Session on Tuesday, September 1, 2026, at 5:00 PM in the Commission Conference Room, 181 Larkin Street, Cornelia, GA. Mayor John Borrow called the meeting to order, and the following Commissioners were present: Mark Reed, Don Bagwell, Tony Cook, Janice Griggs was absent. Also present: City Attorney Steve Campbell, City Manager Donald Anderson, Finance Director Melanie Chandler, and City Clerk Debbie Turner.

Mayor Borrow opened the workshop and said that we need to add one more item to the agenda. City Manager Anderson said that we need to extend the GEFA loan for the Reservoir Project which will expire before the project is complete. Nothing else will change with the project, just extending the time period to June of 2029. Mr. Anderson said you need to authorize the mayor to sign the modification agreement.

Mayor Borrow spoke about the public hearing on the millage rate. City Manager Anderson explained that due to a large number of re-assessments that have been completed by the tax assessors board we have a negative inflationary increase to the digest of \$1.6 million. Because of this our projected tax revenue for next year will be \$100,000 less than the current year. Mr. Anderson said that we have cut 3 firefighter positions and have also cut the budget as much as possible, but we still have a deficit of \$817,841. Commissioner Reed asked, "do you have raises in the budget for next year. Mr. Anderson said yes, 2.5% cost of living and 2.5 merit based on their evaluation. Mayor Borrow said that he doesn't want to raise taxes, and he said "I am sure no one sitting here does. Commissioner Bagwell said we need to let the public know exactly what the situation is and why we might need to raise taxes. They continued to discuss it at length. They went over the other items on the agenda.

Commissioner Reed made a motion to enter executive session for litigation, seconded by Commissioner Bagwell. Approved 4 - 0

Commissioner Reed made a motion to exit the executive session, seconded by Commissioner Bagwell seconded. Approved 4 - 0

Not Action Taken!

The meeting adjourned at 5:45 PM

Debbie Turner, City Clerk

John Borrow, Mayor

CITY OF CORNELIA
MINUTES OF MEETING
SEPTEMBER 1, 2026

The Cornelia City Commission met in Regular Session on Tuesday, September 1, 2026, at 6:00 PM in the Municipal Courtroom, 181 Larkin Street, Cornelia, GA. Mayor John Borrow called the meeting to order, and the following Commissioners were present: Mark Reed, Don Bagwell, Tony Cook, Janice Griggs was absent. Also present: City Attorney Steve Campbell, City Manager Donald Anderson, Finance Director Melanie Chandler, and City Clerk Debbie Turner.

Commissioner Bagwell gave the invocation, and Commissioner Cook led the Pledge of Allegiance.

Commissioner Bagwell made the motion to approve the amended agenda, seconded by Commissioner Griggs. Approved 4 - 0

Commissioner Reed made a motion to approve the August 4th minutes as submitted, seconded by Commissioner Cook. Approved 4 - 0

City Managers Monthly Report - The GICH Team launched the Helping Hands Program on August 15th, and it was a huge success. About 10 volunteers cleaned up properties located at 231 Sunrise Circle and 405 Foster Street. The date for the next cleanup will be Saturday, September 19th, anyone interested in volunteering should meet at the Depot that morning at 7:30 AM.

We finally received all the parts for the playground shade cover that was ordered at the end of last year. Public Works has installed the cover at the City Park Playground, and it has made a huge difference. We have received messages from several parents thanking the city for the shade cover.

Partnership Habersham is getting ready to launch the campaign for the Property Tax Reduction Local Option Sales Tax. There will be a series of Town Hall meetings to educate the voters about the benefits of this sales tax, including one at the Community House on October 26th at 5:30 PM. Based on preliminary revenue projections, if this passes, we will be able to reduce our millage rate by approximately 4 mills.

The Ward 1 Infrastructure Project is substantially complete. The contractor should be finished with the punch list items in the next couple of weeks. This report is made an integral part of the minutes.

Public Forum

Audrey Davenport came forward and said that when she comes before you do you hear her. Ms. Davenport said that the property on Second Street is very unkept and you see the beautiful mural panels and the sidewalk and it looks very bad. Mayor Borrow said yes, we hear you and Mr. Anderson runs the city daily so if we are given a problem, we let him know so that he can pass it on to the correct

department. City Manager Anderson said that the property is zoned industrial so if Mr. Higgins wants to keep equipment or store items there he can. Commissioner Cook said that since Mr. Higgins is here tonight why don't you ask him to come up and tell him what you want. Mr. Higgins did come up and told her that he would try and do some cleaning up on the property. Ms. Davenport said that she would like everyone to attend the Makerspace on September 12th, 10 AM until 2 PM at the community house. She said there will be a professional photographer to document the event, and this is part of the RC3 project. Ms. Davenport said please come only if for a little while and that the event is for all ages. Mayor Borrow thanked her for coming.

Mr. Blackburn came forward and said he was new to the area and asked if there were any plans for more business downtown. Mayor Borrow said that 20 years ago downtown looked a lot different, and he said we always welcome new business. Mayor Borrow said that we have taken an old abandon train graveyard and turned it into a beautiful park. He said that we have a DDA board that focuses on bringing businesses into downtown. He asked Frank Wolf, Chair for the DDA to talk about what the DDA is doing. Mr. Wolf came forward and said that we are looking at putting together a book that will outline what we have and what we can bring into downtown. He said that he would give his number to Mr. Blackburn if he had any ideas. Mayor Borrow thanked him for coming.

Old Business

Ordinance # 06-02-01, Amendment to the Zoning Ordinance Regarding the Placement of Accessory Storage Buildings in Residential Districts.

This amendment will make it so that accessory storage buildings will not be permitted in the side yard in residential zoning districts. The ordinance will also create a definition for an Accessory Storage building. The City Attorney recommended that the ordinance be posted for public comment. Commissioner Reed made a motion post the ordinance, seconded by Commissioner Cook. Approved 4 - 0

Public Hearing on Proposed Millage Rate

Before Mayor Borrow opened the public hearing, he said that Commissioner Bagwell will speak about our financial situation.

Commissioner Bagwell stated that we have a shortfall in the amount of revenue that we take in from property taxes, but we are also seeing an increase in inflationary costs in what we have to purchase.

Mayor Borrow then opened the public hearing.

City Manager Anderson, said we have a very unique situation where because of negative inflationary growth to our tax digest in the amount of \$1,639,450 our rollback rate is higher than our current millage rate. This also equates to a reduction in revenue of \$100,000. This coupled with the increased cost of providing services to our residents is the reason why I am requesting that the millage rate be increased. The draft budget has been cut as much as possible

if we want to continue to offer the services that our residents expect we need to raise taxes. I have increased the transfer from the Water & Sewer Fund from \$1 million to 1.5 million and still have a deficit of \$871,841. Based on our tax digest, 1 mill is equal to \$327,536 so if you raise the millage rate from 9.5 to 11.5 it will bring the deficit down to \$162,769 which can be addressed by using some of our fund balance. This is the 1st of three public hearings on this matter; there will be 2 public hearings on October 6th at 12:00 PM and 6:00 PM.

Mayor Borrow asked City Manager Anderson what it cost to run the water plant in peak hours. Mr. Anderson stated that GA Power has a rate for summer peak hours and that during those hours it costs \$3500 to \$4000 per hour.

Commissioner Bagwell said what this boils down to is there are five things as a city you must take care of Water/Sewer, Fire, Police and Sanitation to call yourself a government. He said that during the work session it was discussed that we want to improve the quality of life for our citizen's and that is how we ended up with the Amphitheater project that is going to be enjoyed by everyone. Commissioner Bagwell said the fact is if you want a certain range of services then you have to fund them. It can be done through an additional penny sales tax or property tax. He said we want to keep our water safe to drink and we have long-term employees that care about the city and their jobs. He said that he felt the preface of the whole situation was taking a hard look at the budget and see what cuts can be made and the budget has been cut significantly. He said we as the mayor and commissioners don't want to raise our taxes much less yours, but the funds have to come from somewhere. He said everything has gone up and the cost of operating the city has gone up and it is a matter of keeping our city safe. He said he just wanted to make the case that the city is struggling too. Mayor Borrow thanked Commissioner Bagwell.

Sonja Crawford came to the podium and stated that Banks County had lowered their tax rate by adding a FLOST Tax signifyingly. Ms. Crawford asked if we were eligible for that and also how much influence did the county reduction have on the budget.

City Manager Anderson said that the FLOST referendum will be on the November Ballot and if it passes based on revenue projections, we will be able to lower our millage rate by about 4 mils next year. The collections would start next year and that revenue can only be used to lower property taxes. Mr. Anderson said to answer the second part of your question we have seen a lot of properties reassessed and dropped in value 50%. He explained there are two components to the tax digest, growth which is new property that was very small. He said we did not see an increase, instead we saw a reduction of \$1.6 million to inflationary growth. Mr. Anderson said that we have being refunding people all year because of this so we will also have a reduction in revenue for this year as well.

Ms. Crawford asked if that is because people are paying more attention to their property tax bills.

Mr. Anderson said that he understands but when your digest drops that much and

we don't know why because the chart that the county provided, Cornelia, Baldwin and Tallulah Falls all dropped but the county inflationary rate increased by \$74 million. Clarkesville increased by \$339,991., Demorest increased by \$396,825., and Mt. Airy and Alto both increased by almost \$2.5 million. We are not sure what has been built in those cities that would see that kind of increase. He said we never want to raise taxes but with revenue down we have no choice. Mr. Anderson said I have been doing this for 30 years and spoken with colleagues all over the state and no one has ever heard of the proposed rollback being higher than your current millage rate. Our current millage rate is 9.5 and the rollback is 9.51. Mr. Anderson said that business licenses and building permits are not where we expected, franchise fees have gone down so it is not just taxes.

Ms. Crawford asked about why do some senior citizens get the garbage picked up by the city and we use a private company to pick up everyone else's trash.

Mr. Anderson said that 5 years ago we looked into the cost of us versus a private company and it is much cheaper to have a private company. We do pick up trash for residents if they have a doctor statement saying they can't get it to the road.

Hope Murray came up to ask if the county had given any feedback about why the cities were so negatively affected.

City Manager Anderson said that the county doesn't have anything to do with that, it is the Tax Assessor's Board.

Mayor Borrow stated that a couple of years ago we had two big industries that invested \$50 to \$100 million into their companies. He said that when that much is invested you would think that the value would go up but it actually went down. Dee and I wrote a letter to the tax accessors board, and they replied back with thank you for your feedback that is just how we do things. Mayor Borrow said that has been our experience with them. He said I think you are asking what we are all asking, how does that happen. Mayor Borrow thanked her for coming.

Evelyn McClain came forward and said that I implore you to speak with someone who can give some feedback as to why the reduction was so low for Cornelia. Mayor Borrow thanked her for coming.

Mayor Borrow closed the Public Hearing.

New Business

The city has a lot at 54 Moss Street that we use to store gravel and other materials that are used by the Utilities Maintenance Department. A couple of weeks ago some kids were able to get inside the gate and tried to take our tractor for a joy ride. Luckily, they were not able to make it onto the street with the equipment. To prevent this from happening again I would like to have an automated gate installed at the site. The quote from Franklin Fence for this is \$10,843.95. We did not budget for this expense so if you approve it, you

will also need to approve a budget adjustment to use our fund balance to pay for it. Commissioner Reed made a motion to approve the purchase from Franklin Fence and make the necessary budget adjustment, seconded by Commissioner Cook. Approved 4 - 0

Modification of Promissory Note and Loan Agreement for GEFA Loan

The GEFA Loan for the Reservoir Improvement Project is set to expire prior to the completion of the project. As a result, we have requested a modification to extend the loan until June 1, 2029, to allow for the completion of the project. I recommend that you authorize the mayor to execute the modification to the Promissory Note and the Loan Agreement. Commissioner Cook made a motion to authorize Mayor Borrow to sign the agreement, seconded by Commissioner Bagwell. Approved 4 - 0

Debbie Turner, City Clerk

John Borrow, Mayor

STATE OF GEORGIA, COUNTY HABERSHAM

CITY OF CORNELIA, GEORGIA

AFFIDAVIT OF PRESIDING OFFICIAL(S) FOR A CLOSED PUBLIC MEETING

While in Regular Session, the motion was made to enter an Executive Session to discuss certain matters in a closed session.

() To discuss with the council pending and/or potential litigation, settlement claims, administrative proceedings, or other judicial actions, which is exempt from the Open Meetings Act pursuant to O.C.G.A. Section 50-14-2(1).

() A meeting to discuss the purchase, disposal of, or lease of property; authorize the ordering of an appraisal related to the acquisition or disposal of real estate; enter into a contract to purchase, dispose of, or lease property subject to approval in a subsequent public vote; or enter into an option to purchase, dispose of, or lease real estate subject to approval in subsequent public vote, which is excluded from the Open Meetings Act pursuant to Section 50-14-3(b)(1)(C).

() A meeting discussing the appointment, employment, compensation, hiring, disciplinary action or dismissal, or periodic evaluation or rating of a public officer or employee, which is excluded pursuant to O.C.G.A. Section 50-14-3(b)(2).

() Discussion in Executive Session of Records that are otherwise protected from disclosure under the Open Records Act as pursuant to O.C.G.A. Section 50-14-3- (b)(4).

X The subject matter of the Executive Session of the Regular Session was devoted to matters within the exceptions provided by law.

___ Because of events occurring during the closed session, I am unable to affirm the subject matter of the Executive Session of the Regular Session was devoted to only matters within the exceptions provided by law.

John Borrow, Mayor, City of Cornelia

Sworn to and subscribed before me this , ____
2026

Notary Public