

**HABERSHAM COUNTY BOARD OF COMMISSIONERS  
WORK SESSION MINUTES  
5:00 P.M., MONDAY, APRIL 20, 2026  
HABERSHAM COUNTY COURTHOUSE  
JURY ASSEMBLY ROOM  
295 LLEWELLYN ST, CLARKESVILLE, GA 30523**

The Habersham County Board of Commissioners held a work session on Monday, April 20, 2026 at 5:00 p.m. in the Jury Assembly Room of the Habersham County Courthouse located at 295 Llewellyn St., Clarkesville, GA 30523.

Present was Chairman Bruce Harkness, Vice Chairman Dustin Mealor, Commissioner Kelly Woodall, County Manager Tim Sims, County Attorney Angela Davis, County Clerk Brandalin Carnes, staff, members of the media, and members of the public.

Absent was Commissioner Ty Akins

Chairman Harkness called the work session to order at 5:05 p.m.

Commissioner Mealor led the Invocation.

Commissioner Woodall led the Pledge of Allegiance.

**TOPICS OF DISCUSSION**

*a. FY 2027 BUDGET*

Budget Process Update and Financial Overview

County Manager Tim Sims introduced Interim Finance Director Kiani Holden to provide follow-up information requested during prior budget hearings.

Ms. Holden provided a detailed update on the status of the Fiscal Year 2027 budget process. She reported that the Finance Department is actively conducting internal meetings with department heads and elected officials to review initial budget requests, evaluate operational needs, and identify opportunities to reallocate or refine requested funding. She stated that particular attention is being given to capital requests to determine which items represent immediate needs versus those that may be deferred to future fiscal years.

Ms. Holden further reported that staff is currently reviewing revenue projections and aligning those projections with anticipated expenditures and fee structures. She noted that the County has continued to provide public updates on the budget process through its online transparency page.

County Manager Sims added that the County has recently received preliminary tax digest figures from the newly appointed Tax Assessor, noting that this is the first time in approximately four years that early estimates have been available. He stated that these preliminary figures are expected to be close to final values and will assist significantly in developing a more accurate and informed budget.

Ms. Holden advised that preliminary budget discussions with the Board will be scheduled in the coming weeks, either individually or in small groups, to review initial recommendations and gather feedback.

### Fitness Center Financial Status and Equipment Planning

Ms. Holden provided a detailed overview of the Fitness Center's financial position. She reported that as of June 30, 2025, the facility maintained a fund balance of \$49,114.83. She explained that this balance was not the result of increased revenue, but rather due to staffing shortages during the prior fiscal year, which resulted in unspent budgeted funds.

She reported that as of the end of April, the Fitness Center was operating at a slight deficit of (\$265.43). Ms. Holden clarified that this deficit is attributable to the timing of annual payroll and retirement benefit payments, which are recorded as large expenditures at one time, and that the budget is expected to normalize by the end of the fiscal year.

Ms. Holden also addressed a capital request for approximately \$6,800 for new fitness equipment. She stated that the facility has sufficient funds within its existing fund balance to cover this purchase and explained that the County follows a practice of replacing equipment on a rotating basis to maintain quality and usability.

Discussion included maintenance practices and service contracts for equipment. Ms. Holden stated that the County maintains a service agreement with a vendor that performs routine maintenance and is available for repairs as needed.

Chairman Harkness emphasized the importance of ensuring that all newly purchased equipment includes appropriate warranty coverage and requested that staff verify this requirement moving forward.

Chairman Harkness also inquired about membership levels for the Fitness Center. Ms. Holden stated that she did not have membership figures readily available but would provide that information. County Manager Sims supplemented the discussion by providing usage data, reporting approximately 1,863 check-ins during the month of March, with additional monthly figures provided for comparison. Chairman Harkness noted the level of usage and discussed the average daily attendance based on those figures.

### Landfill Compactor Replacement and Lease Structure

Ms. Holden presented information regarding a proposed lease purchase for a landfill compactor. She reported that the County's previous compactor was acquired in 2018 and paid off in 2022 at a cost of approximately \$735,000.

She stated that the cost of a replacement compactor is estimated at \$1,042,948. Ms. Holden outlined a proposed lease purchase structure, explaining that the County would make annual payments of approximately \$151,862 for four (4) years, followed by a final balloon payment of approximately \$435,500 in the fifth year. She stated that the purchase would be funded through SPLOST VIII.

She explained that this lease purchase approach allows the County to spread the cost of the equipment over multiple years rather than making a single upfront expenditure, while ultimately retaining ownership of the asset at the conclusion of the term.

Ms. Holden emphasized that the compactor is a critical piece of equipment for landfill operations and that downtime significantly impacts efficiency and service delivery. She also noted that the equipment requires frequent maintenance due to the nature of landfill operations and exposure to corrosive materials.

Discussion included warranty coverage, service agreements, and the disposition of the existing compactor. County Manager Sims noted that older compactors are typically traded in, refurbished, and resold, often in overseas markets, due to limited remaining value after extended use.

#### Airport Hangar Maintenance, Revenue, and Rate Structure

Ms. Holden presented a request from the Airport Commission to establish an annual allocation of \$25,000 for preventative maintenance of County-owned hangars. She explained that hangar rental rates currently range from approximately \$100 to \$300 per month, depending on the type and condition of the facility.

Ms. Holden stated that limited maintenance funding has been allocated in prior years and that some hangars are in need of repairs and upgrades. She noted that maintenance items may include lighting improvements, door repairs, and general upkeep.

Chairman Harkness raised concerns regarding the relationship between maintenance expenditures and rental revenue, stating that the County should evaluate whether it is financially appropriate to invest in hangars where revenue may be limited. He requested a detailed breakdown of hangar-related revenues, maintenance costs, and utility expenses.

Discussion followed regarding the structure of hangar leases and utility payments. Ms. Holden explained that utilities are paid by the County but are incorporated into rental rates.

County Manager Sims and Ms. Holden also discussed efforts to evaluate rental pricing and indicated that staff is exploring a transition to a fair market value model based on square footage and facility condition. Inspections of hangars are currently underway to support this analysis.

Additional discussion addressed future development at the airport, including the construction of new hangars and the potential for increased ad valorem tax revenue from aircraft. It was noted that aircraft property taxes contribute to the County's general fund and that higher-value aircraft can significantly increase revenue.

#### Employee Health Insurance and Budget Impact

County Manager Sims provided a detailed update on employee health insurance. He reported that projected premium increases for the upcoming year are approximately 3%, significantly lower than historical increases and below those experienced by neighboring counties.

Mr. Sims stated that the total projected increase to the County's budget is approximately \$239,407. He noted that the County has not increased employee contributions for health insurance in over three years and requested guidance from the Board on whether to absorb the full increase or share the cost with employees.

He explained that if costs were shared, employee contributions would increase modestly, depending on coverage level.

Chairman Harkness discussed the importance of considering overall employee compensation, including cost-of-living adjustments, when evaluating benefit costs. He emphasized the need to remain competitive in both salary and benefits to retain employees and expressed concern about placing additional financial burden on staff without considering broader compensation adjustments.

Mr. Sims stated that staff would prepare multiple scenarios for Board review during upcoming budget discussions.

#### SPLOST, FLOST, and LHOST Legislative and Policy Discussion

County Manager Sims provided an extensive update on recent legislative activity related to property taxes and local option sales taxes.

He explained that proposed legislation aimed at eliminating property taxes for homesteaded properties did not pass; however, certain provisions were incorporated into other legislation, and the current cap on local sales taxes remains in place.

Mr. Sims discussed the potential implementation of a Flexible Local Option Sales Tax (FLOST), explaining that it would allow the County to reduce property taxes by shifting a portion of revenue generation to a sales tax model. He stated that this approach could reduce the County's millage rate and distribute the tax burden across both residents and non-residents.

He further explained that approximately 34–35% of sales tax revenue is generated by individuals from outside the County, providing an opportunity to offset property tax reliance.

Mr. Sims also introduced the Local Homestead Option Sales Tax (LHOST), explaining that it would function similarly to FLOST but would apply only to homestead properties, providing targeted tax relief.

Discussion among the Board included:

- The comparative impact of FLOST versus LHOST
- Equity considerations between residential and commercial taxpayers
- Potential effects on businesses and non-homestead property owners
- Timing requirements and deadlines for placing a referendum on the ballot

Commissioners discussed the need for additional data and analysis before making a decision. Vice Chairman Meador expressed support for moving forward with FLOST based on prior voter sentiment, while Commissioner Woodall emphasized the need for comparative data. Chairman Harkness noted that any proposal would ultimately be subject to voter approval.

Mr. Sims stated that direction from the Board would be needed in the coming weeks to proceed with coordination with municipalities and preparation for a potential referendum.

#### ***b. UNIFIED DEVELOPMENT ORDINANCE***

Planning Director Mike Beecham presented detailed revisions to the proposed Unified Development Ordinance zoning map.

Mr. Beecham explained that initial mapping efforts, based on the future land use map, resulted in some residential properties being placed within commercial zoning districts. He stated that staff is reviewing these areas and making corrections to better reflect actual land use.

Discussion focused heavily on zoning philosophy and policy direction, including:

- Whether zoning should reflect current use or anticipated future development
- Concerns regarding potential downzoning and impacts on property value
- The importance of preserving property rights while guiding growth

Chairman Harkness expressed concern about reducing zoning classifications for properties currently designated for higher-intensity use, stating that doing so could negatively impact property value and development opportunities. He indicated a preference for maintaining existing zoning where appropriate.

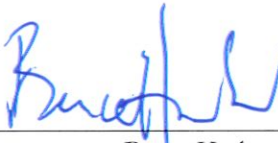
Additional discussion addressed minimum lot size requirements, particularly the distinction between two-acre minimums in the southern portion of the County and five-acre minimums in the northern portion. Commissioners noted that this issue has generated public concern and requires further evaluation.

Terminology used in zoning classifications was also discussed, with concerns raised regarding the use of the term "conservation" and potential confusion with tax-related conservation programs. Alternative terminology was suggested.

Mr. Beecham recommended additional work sessions to refine the zoning map and stated that further public engagement may be necessary prior to adoption. Chairman Harkness expressed support for continued review and indicated that another public meeting or town hall may be appropriate.

## ADJOURN

Motion by Commissioner Woodall, seconded by Commissioner Meador, and voted unanimously (3-0) to adjourn the work session at 5:59 p.m.

By:  Respectfully Submitted,  
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Bruce Harkness, Commission Chairman

Attest:   
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Brandalin Carnes, County Clerk

