



CITY OF STATESBORO
PUBLIC HEARING MINUTES
SEPTEMBER 10, 2024 6:00 PM

A Public Hearing was held on September 10, 2024 at 6:00 p.m. in the Council Chambers at City Hall to solicit input from the public on the proposed 2024 millage rate of 9.125 for property taxes.

Present was Mayor Pro Tem Shari Barr. Also present was City Manager Charles Penny, Assistant City Manager Jason Boyles, Assistant to the City Manager Olympia Gains, Public Affairs Manager Layne Phillips, Director of Finance Cindy West, City Clerk Leah Harden, other city staff, news media, and members of the public.

At 6:00 pm City Managers Charles Penny called the public hearing to order.

City Manager Charles Penny presented the City of Statesboro Fiscal Year 2025 operating budget. The objectives to this year's budget is to retain and recruit exceptional employees, increase the tax base, with an emphasis on utility infrastructure growth and public safety. The budget highlights show a 10 % total expense decrease due to less transfers and a 13.5 % increase in general fund expenses. Mr. Penny highlighted the city compensation and benefits that include a new pay plan that was implemented in January of this year, the continuance of pay for performance, and no increases to employee health benefits. The current and future opportunities are to position Statesboro for growth in the region and to keep the pay plan up to date. Concerns and unknowns are that nearly 25% of the total assessed property in Statesboro is tax exempt and there are still labor market challenges. The property tax millage rate comparison with other communities places Statesboro in the middle at 8.125. The current rates for Bulloch County are 11.350, the Board of Education at 7.932, and a proposed rate for the City of Statesboro of 9.125. While the city has experienced growth the tax base is small than that of the county which means it generates less revenue per mill than that of the county and board of education. The increased expenditures in the FY2025 budget are salaries & benefits, debt service, liability insurance, one new position in the planning department, and transfers to the Fire and CIP funds. Of the General Fund budget 62.7% is salary and benefit costs. The police department budget is funded out of the General Fund and is \$11,268,470. In addition the Fire Fund transfer from the General Fund is increased to \$3,200,000 due to the increase of 25 positions, 4 dispatchers and 21 firefighters. A millage rate of 9.125 would bring in 10,045,560 of tax revenue which would provide the needed revenue to operate during fiscal year 2025. The estimated increase on a home with a \$200,000 value would be approximately \$140.00.

In summary Mr. Penny stated that the question remains, could we balance the City's budget without increasing the millage rate. The answer is yes however it would require the use of 1.4 million of fund balance which would further erode this "emergency" fund. The recommendation is a 1.799 mill increase to have a balanced budget without using fund balance.

A citizen asked where the City of Statesboro is with its emergency fund is currently, in percentage.

Mr. Penny stated the fund is at 27 – 28 percent.

There were other questions related to the digest and the growth the city is expected to have with the approval of approximately 4,000 new units.

Mr. Penny stated it will take some time before we see the growth reflected on the digest.

One citizen inquired about imposing an impact fee on new developments as a way to bring in more revenue and keep the millage rate down.

Mr. penny stated that an impact fee at this point would not help the General Fund because it would go to a fund that is would be impacting, such as infrastructure. For the City's Fiscal Year 2025 budget, an impact fee would not help with this budget even if Council adopted it now.

Someone asked how much debt the City has.

Mr. Penny stated in the General Fund has very little. There is roughly \$10 million in the water/sewer enterprise funds. The city borrowed money for park improvements to Luetta Moore and Grady Street parks, we borrowed \$4.5 million, which the county is helping to pay that. The City borrowed \$4.5 million for the Old Register TAD. We are now getting to a point where the TAD is preforming to help with the debt services. We are talking about property taxes but the SPLOST really helps us with equipment such as police cars. If we didn't have SPLOST the number we would be asking for would be a lot higher help pay for the equipment.

Someone asked how much the city had to dip into the emergency fund for 2024.

Mr. Penny stated \$700,000 - \$800,000 that was last year. This year our recommendation in the budget is to use about \$700,000 plus the tax adjustment. If we stay where we are we will have to use \$1.4 million and that gets us down right at the 25% mark.

Mr. Penny stated we are going to have a council meeting next Tuesday at 5:30pm and this item will be on the agenda again. I'll make the same presentation again before mayor and council.

Mayor Pro Tem Shari Barr stated she appreciates folks coming out and asking questions. And she appreciates Mr. Penny and staff to be here to answer the questions. Thank you.

No action was taken.

The hearing was adjourned at 7:10 pm.

Jonathan McCollar, Mayor

Leah Harden, City Clerk