CITY OF STATESBORO
PUBLIC HEARING MINUTES
SEPTEMBER 8, 2026

Mayor & Council Public Hearing | 50 East Main Street | 12:00 PM

A Public Hearing was held on September 8, 2026 at 12:00 p.m. in the Council Chambers at City Hall, 50 East Main Street, to solicit input from the public on the proposed 2026 millage rate of 9.600 for property taxes.

Present were Mayor Jonathan McCollar, and Council Members: Tangie Johnson, Ginny Hendley, John Riggs, and Shari Barr. Also present were City Clerk Leah Harden, City Attorney Cain Smith (Via Zoom), City Manager Charles Penny, Assistant City Manager Jason Boyles, Public Affairs Manager Layne Phillips, other city staff, news media, and members of the public.

1. Call to order

Mayor Jonathan McCollar called the meeting to order.

2. Public Hearing to solicit input on the proposed 2026 millage rate or property taxes.

A motion was made to open the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember Tangie Johnson
SECONDER:	Councilmember John Riggs
AYES:	Johnson, Hendley, Riggs, Barr
ABSENT:	

City Manager Charles Penny presented an overview of the FY 2027 budget and the rationale behind the proposed millage rate increase from the current rate of 8.625 mills to 9.6 mills.
The objectives guiding the FY 2027 budget: an emphasis on public safety; retaining and recruiting exceptional employees; investment in utility infrastructure and natural growth areas; and continued tax base growth. Key budget highlights included a total budget increase of approximately 5 percent over FY 2026, a 5 percent increase in the general fund, and no increase in personnel in any department. A significant driver of budget pressure was the increase in the transfer from the general fund to the fire fund, which grew from $3,200,000 to $7,485,000. This increase was directly attributable to Bulloch County's decision in July 2025 to dissolve the joint fire district, which eliminated more than $2,700,000 in revenue previously received by the City. In the prior fiscal year, the shortfall had been covered by loans from enterprise funds. The option of implementing a fire service fee was also considered but ultimately set aside due to ongoing legal challenges to such fees across the State of Georgia.
A 2 percent pay adjustment was adopted for City employees, though the City's compensation consultant had recommended 3.5 percent. The pay-for-performance system will continue, providing eligible employees with

a merit-based pay increase on their anniversary date. Additionally, employee health insurance contributions were increased by 15 percent.

The proposed rate of 9.6 mills was arrived at through a process that began with a projected need of 3.825 additional mills. That figure was subsequently reduced by two favorable developments: the final tax digest growth came in at 13 percent, compared to an initial projection of 8 percent, and the City received approximately $1,400,000 in Floating Local Option Sales Tax (FLOST) funds — revenue that had not been anticipated until July 2027. Mr. Penny noted that had FLOST funds not been received, the recommended rate would have been 10.6 mills rather than 9.6 mills.

Mr. Penny presented a comparison of the City's current rate of 8.625 to those of neighboring taxing authorities: Bulloch County at 10.26 mills and the Bulloch County Board of Education at 10.125 mills. He also noted that the City does not benefit from a local option sales tax (LOST), which the school system receives, and that this absence accounts for an estimated $5,000,000 per year in foregone revenue — a circumstance that, if corrected, would likely reduce the City's millage rate to approximately 4 mills. Under the proposed rate of 9.6 mills, a property valued at $250,000 would see an annual property tax increase of approximately $95.55, or roughly $8.00 per month.

The status of the general fund balance is that it stands at approximately 20 percent, which is below the Council's policy target of 25 percent. This proportional decline is not due to excessive spending, but to the significant growth of the general fund itself from $16,000,000 in 2019 to $32,000,000 in 2026. He cautioned that adopting a lower millage rate would necessitate further drawdown of the fund balance, which is a non-recurring resource requiring years to rebuild.

Mr. Penny also noted that partial proceeds from the voter-approved FLOST/property tax relief sales tax helped reduce the amount of the recommended increase for the current year, and that fuller revenue from that source in FY 2028 was expected to allow a future rollback in the millage rate as required by law.

Vester Mock addressed the Council. He recalled a prior conversation with the Mayor in which he had been assured that passage of FLOST would lead to a reduction in the millage rate, and expressed frustration that the rate was now proposed to increase. He raised concerns about the hardship that additional tax burdens place on residents living on fixed incomes, noting that he and his wife are on Social Security and that even a $100 annual increase is meaningful given current grocery costs. He questioned the logic of raising the millage rate this year if a rollback of approximately 2 mills is anticipated next year.

Mayor McCollar acknowledged Mr. Mock's recollection of their prior conversation affirming that the information he had provided at that time was truthful as of that moment. He explained that the dissolution of the Bulloch County fire district — a decision he had publicly opposed — fundamentally changed the City's financial position. Mayor McCollar reiterated his opposition to the fire district dissolution, noting that he had convened town halls and worked with the Chamber of Commerce in an effort to prevent it, and that the resulting cost increases to City residents were precisely the outcome he had warned against. He also acknowledged the broader economic pressures facing residents, including rising inflation, food costs, and fuel prices, and expressed solidarity with constituents struggling to make ends meet.

City Manager Charles Penny clarified that the City has current-year expenses that must be funded, and that without the proposed revenue, the only alternatives were to draw down the fund balance — a non-sustainable approach — or reduce City staff by approximately 60 positions.

Mayor McCollar emphasized that no final decision had been made, and that the Council had not yet voted on the millage rate, with an additional public hearing scheduled for 6:00 PM the same evening.

No one spoke in favor of the proposed millage rate increase.

A motion was made to close the public hearing.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember John Riggs
SECONDER:	Councilmember Ginny Hendley
AYES:	Johnson, Hendley, Riggs, Barr
ABSENT:	

3. Adjourn

A motion was made to adjourn.

RESULT:	Approved (Unanimous)
MOVER:	Councilmember John Riggs
SECONDER:	Councilmember Tangie Johnson
AYES:	Johnson, Hendley, Riggs, Barr
ABSENT:	

The meeting was adjourned at 12:40 p.m.

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Jonathan McCollar, Mayor

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Leah Harden, City Clerk