



CITY OF STATESBORO
WORK SESSION MINUTES
MAY 20, 2025

Mayor & Council Work Session

50 East Main Street

3:30 PM

A Work Session of the Statesboro City Council was held on May 20, 2025, at 3:30 p.m. in the Council Chambers at City Hall, 50 East Main Street. Present were Mayor Jonathan McCollar, and Council Members: Tangie Johnson, John Riggs, and Shari Barr. Also present were City Clerk Leah Harden, City Attorney Cain Smith, City Manager Charles Penny, Assistant City Manager Jason Boyles, and Public Affairs Manager Layne Phillips. Absent was Councilmembers Paulette Chavers and Ginny Hendley.

1. Financial Audit Presentation

Richard Deal with Lanier, Proctor and Deal presented the highlights of the Fiscal Year 2024 City Audit. The City had a 10% increase in total assets and a 3% decrease in total liabilities from the previous year. Liabilities include unearned revenue- ARPA, OPEB (other posted employee benefits), pension, and revenue bonds. The City's total net position increased by 13% and there was a 21% increase in total expenses. Total revenues for governmental activities increased by 29% these revenues include ARPA, TSPLOST, and SPLOST. The General Fund balance represents 35% percent of our annual expenditures and transfers out. Lastly, Mr. Deal reviewed the net position of SPLOST, TSPLOST, Proprietary Funds, Enterprise Funds, and Internal Service Funds. The bottom line, the City is still doing well financially.

2. Quarterly Financial Report

Director of Finance Cindy West presented the third quarter financial report of Fiscal Year 2025, reviewing revenues and expenditures in the General Fund, Fire Service Fund, Water/Sewer Fund, Stormwater Fund, Natural Gas Fund, Solid Waste Collection Fund and the Solid Waste Disposal Fund. Revenues in the General fund is showing an increase over the prior year. Our expenditures are up slightly. The fire service fund is up over last year. Water and Sewer fund are in line where it should be. Natural gas fund fairly close to last year and solid waste collection fund is relatively flat. Ms. West also reviewed the SPLOST and TSPLOST collections stating we have seen a little bit of a SPLOST decrease from where we were in March 2024. TSPLOST follows the same trend. The Hotel/Motel tax revenue is trending higher than in FY 2024.

3. Raftelis Report on Water and Sewer Rates

Mihaela Coopersmith with Raftelis presented Mayor and Council with an update on the water and sewer rate study. Utility Financial Planning the objective is balance system reliability, sustainability and financial integrity with customer costs and impacts. A financial plan is developed by taking all the input from your staff starting with billing data, usage data and revenue data and plug it into our model and use your financial policies to help guide our decisions. Mihaela went over Revenue Requirements, operating expenses, debt services, capital spending. The study findings water subsidizes sewer, water 50% of the total revenues & 32% of the total expenses. Wastewater treatment plant planned for FY 2027, revenue bond financing will require the utility to meet debt service coverage requirements,

complex rate structure with multiple customer classes and tiers. Initial Recommendations – increase revenues by FY28 to meet a minimum debt service coverage target of 1.20x. Future rate considerations continue to work towards sewer self-sufficiency. Focus on small incremental changes to minimize rate impact. Start moving sewer volumetric toward one uniform rate equal to the industrial rate, once sewer changes are done, focus on small changes to the water structure, phased in to minimize bill impacts. Revenues, include user charge revenues projected by customer class, accounts and usage projected to increase parallel to planned city development with 941 units added on average for FY26-FY30. Other revenues include admin service fees, rental income, penalties which are projected to remain flat. Tap & ATC fees are projected to increase parallel to planned city development. Mihaela showed Mayor and Council rate options which included 3 scenarios, 100%, 75% and 50 % execution of City Development Units. Residential typical bill comparison at 5 kgal, there will be an increase between 6-10% depending on the scenario. The percentages sound high but when looking at the actual rates they are not that much. You can see under the existing rates you would be ok now and next year. If you do nothing now and nothing next year these 2-3 10%'s will become 40-50%. Mayor and Council were shown a graph for residential bill comparisons (5kgallons) for surrounding cities. Right now Statesboro is at the bottom even with the 10% increase, even with the 3 10% increases you will just get to the middle. Further discussion was had about future developments and construction fees.

4. Unified Development Code

Planning and Development director Kathy Fields presented Mayor and Council with the Unified Development Code and Major Amendments. Section 2.2.12(F1): Mixed Use Concurrency, this amendment will amend the requirement for mixed use developments exceeding 100 acres in size for planned unit developments. This will reduce the requirement from 20% to 10% with developments exceeding 100 acres. Creation of Section 2.2.12(G), this amendment will require PUD road networks to adhere to the minimum local road standards of the UDC unless serving as a parking lot. All roads built within a PUD, whether being considered for public or private ownership, must be built to the minimum standards of a local road as outlined in Articles 3.2.2. & 3.2.3 of the UDC unless serving as a multifamily parking lot. Townhouse building standards 2.4.12-H(4) this amendment will change right-of-way to external roadway, which will require all buildings to share architectural features in the front and rear façade of each building if they are facing any roadways, whether it be a public or private road. Sec 4.2.5(A) Adoption of GSMM amending language to alter the implementation of the Georgia Stormwater Management Manual (GSMM) and changing the language from “The City Shall” to “The City May”. Section 5.2.4 Townhome Definition, this amendment updates the language related to townhomes with the following: townhomes are distinguished from multifamily units by adherence to all sections of Article 2.4.12 and require individual permitting per unit and not for the building. Section 5.21.A, amenity definition, this amendment updates the language related to amenity space allowances for developments. Amenity space may include, but is not limited to, the following spaces: playgrounds, pool areas, tennis courts, basketball courts, other sports courts, community lawns located outside of existing utility easements, community gardens, hardscape areas improved for pedestrian enjoyment, splash pads, walking trails, dog parks and wooded areas.

Fire Chief Tim Grams spoke to Mayor and Council on Creation of New Section 2.5.9(E3) creating new language to provide for enhanced fire protection in all multifamily and townhome units. This amendment will require the use of residential fire sprinklers on all new construction multifamily buildings and townhomes greater than three units, unless already underway. This will take effect after 1 year after adoption. Further discussion was had over sprinkler systems in new developments.

Kathy Fields continued with Section 3.4.1 (B3)-XV creating new language to add a requirement for the submission of subdivision PLATS. The approximate location and square footage of any proposed signage, to include the base of the signage and appropriate setbacks as determined by the sign district of the property. Section 5.2.12 this amendment will create a definition to create a distinction between the types of landfills in the Ordinance. Landfill: any facility used solely for the disposal of solid waste

and classified as either Sanitary or Inert. 1. Landfill: Inert- a disposal facility that accepts waste that is unlikely to produce leachate that is a concern to the environment as defined by EPD. 2. Landfill: Sanitary- a designed disposal site for general household waste, where waste is layered with soil to prevent contamination. Section 5.2.4 (6) Tiny Home Definition- this amendment creates language related to tiny homes and provides some regulatory guidance. Dwelling: Tiny home. A building between 400-749 square feet designed exclusively for dwelling purposes, and generally as a part of a larger development containing common areas managed by an appropriate association or management company within the medium-density and high-density multi-family residential districts upon approval of a special use permit. Tiny homes may not fall under American National Standards Institute A. 119.2 which regulates recreational vehicles, and must meet all applicable building codes as adopted by the City. Tiny home developments must additionally meet the site requirements as set forth in Section 2.4.2. Deletion of Sections 54.1 & 54.2 This amendment will remove the entirety of Chapter 54 in the Code of Ordinances, which previously regulated Manufactured homes and trailers. This language was updated and implemented as section 2.4.7 of the Unified Development Code, and is now in conflict with that code.

5. Massage Therapy Business Recommendation

City Attorney Cain Smith presented Mayor and Council with a Massage Therapy Business Recommendation. The current massage parlor ordinance predates major State law change in 2007 and is not compatible with current state regulation. Staff is recommending that there be an updated local ordinance for Massage establishments. Further research is needed for the ordinance to be presented to City Council. Prior to the first reading of the proposed ordinance, staff will hold a stakeholders meeting. There are two ordinances we are looking at for possibly crafting from which are Richmond and Cobb County. City Manager Charles Penny stated that the state would regulate the therapist but we would regulate the businesses.

6. Attorney Occupation Tax

City Attorney Cain Smith presented Mayor and Council with attorney occupation tax. Our ordinance for occupational taxes does not pass muster under Moss v Dunwoody in regards to taxing attorneys. In Moss Dunwoody's ordinance was ultimately upheld because the tax was to be paid in arrears, our ordinance was last revised in 2007. In order to charge lawyers occupational taxes we will need to put an ordinance revision on the May work session.

The meeting was adjourned at 5:04 pm.

Jonathan McCollar, Mayor

Leah Harden, City Clerk