



CITY OF STATESBORO
PUBLIC HEARING MINUTES
SEPTEMBER 10, 2024 12:00 PM

A Public Hearing was held on September 10, 2024 at 12:00 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 City Manager Charles Penny, Assistant City Manager Jason Boyles, Assistant to the City Manager Olympia Gaines, City Attorney Cain Smith, Public Affairs Manager Layne Phillips, City Clerk Leah Harden, other city staff, news media, and members of the public.

At 12:00 pm City Manager 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.

The City's current millage rate is 8.125. The revenue neutral rate is 7.326 however is not sufficient to balance the FY2025 budget as adopted. A millage rate of 9.125 will provide the revenue needed to operate during the 2025 fiscal year. The proposed millage rate calculates to be approximately a 24.56% increase.

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.

During the public hearing two citizens voiced concerns about the tax increase and asked if there was another way to collect additional revenue needed instead of raising property taxes.

Mr. Penny stated, city governments are limited in the ways they are able to raise revenue. The proposed increase is necessary to balance the budget and to ensure we can continue to pay our employees who are providing city services instead of making cuts to both services and employees.

No action was taken.

The hearing was adjourned at 12:26 pm.

Jonathan McCollar, Mayor

Leah Harden, City Clerk