

# City Manager's Proposed FY2027 Annual Operating Budget

**CITY OF STATESBORO**

**MAY 2026**

# City Council 2026-2027 Budget Review 5/12/2026 2:00PM

2

1. Call to Order by Mayor McCollar
2. Budget Overview
3. Revenue Review
  - a.) General Fund
  - b.) Enterprise Funds
4. Expenditure Review
  - a.) General Fund
  - b.) Enterprise Funds
5. General Discussion
6. Adjournment

# FY2027 Budget Objectives

3

- ▶ Emphasis on Public Safety
- ▶ Retain and Recruit Exceptional Employees
- ▶ Emphasis on Utility Infrastructure in natural growth areas
- ▶ Tax Base and Revenue Growth

# FY2027 Budget Highlights

4

- ▶ 5% Total Budget Increase from FY 2026
- ▶ 5% General Fund and Fire Fund Combined Increase
- ▶ Increase transfer from General Fund to Fire Fund (from \$3,200,000 to \$7,485,550)
- ▶ Presenting a Balanced Budget
- ▶ No Increase in personnel

# Compensation & Benefits Highlights

5

- ▶ Federal Inflation Rates
  - ▶ March 2025: 2.8%
  - ▶ March 2026: 3.3%
- ▶ Pay Plan adjustment of 2.0%
- ▶ Continue Pay for Performance for Employees
- ▶ 15% Increase in Employee Related Premiums

# Current & Future Opportunities 6

- ▶ Continue to Position Statesboro for growth in the Region
- ▶ Grow Downtown City Center
- ▶ Keep Pay Plan Up to Date

# FY2027 Budget in Brief

## FY 2027 Budget in Brief

Fund	FY2026	FY2027
General Fund	\$ 27,372,225	\$ 32,671,785
Confiscated Asset	\$ 500	\$ 500
Opioid National Settlement	\$ 10,000	\$ 43,425
CDBG	\$ -	\$ 25,000
US DOJ	\$ 10,000	\$ 20,000
ARPA	\$ -	\$ 250,000
Multiple Grant	\$ -	\$ 3,500
Fire	\$ 8,036,930	\$ 8,643,670
Capital from Loans/Grants	\$ -	\$ -
South Main	\$ 50,000	\$ 200,000
Old Register	\$ 284,665	\$ 243,260
Hotel Motel	\$ 1,685,000	\$ 1,600,000
Tech Fee	\$ 22,595	\$ 88,000
2013 SPLOST	\$ -	\$ -
2018 TSPLOST	\$ 8,225,000	\$ 800,000
2019 SPLOST	\$ 2,013,765	\$ 2,194,990
2023 TSPLOST	\$ 6,350,000	\$ 9,765,000
2025 SPLOST	\$ 3,040,000	\$ 2,610,000
2019 CDBG	\$ -	\$ -
LMIG- Akins Blvd	\$ -	\$ -
CDBG-EIP	\$ -	\$ -
CIP	\$ -	\$ -
WS	\$ 11,995,030	\$ 12,353,990
Capital from Revenues	\$ 1,735,000	\$ 5,380,000
Capital from SPLOST	\$ 115,000	\$ 1,900,000
Capital from Loans/Grants	\$ -	\$ -
Debt Service	\$ 1,096,070	\$ 1,077,440

# FY2027 Budget in Brief

## FY 2027 Budget in Brief

Fund	FY2026	FY2027
Stormwater	\$ 961,270	\$ 1,016,545
Capital from Revenues	\$ 335,000	\$ 710,000
Capital from SPLOST	\$ 875,000	\$ 350,000
Capital from Loans/Grants	\$ 3,770,000	\$ 204,000
Debt Service	\$ 100,150	\$ 175,000
Natural Gas	\$ 6,244,615	\$ 5,816,450
Capital from Revenues	\$ 1,210,000	\$ 304,000
Capital from SPLOST	\$ 500,000	\$ 1,175,000
Solid Waste Collection	\$ 5,551,960	\$ 5,593,960
Capital from Revenues	\$ 550,000	\$ 510,000
Solid Waste Disposal	\$ 4,707,435	\$ 5,218,905
Capital from Revenues	\$ 710,000	\$ 215,000
Capital from SPLOST	\$ 100,000	\$ 500,000
Post Closure Costs	\$ 204,500	\$ 204,500
Health Insurance	\$ 5,268,325	\$ 5,268,325
Fleet	\$ 1,005,720	\$ 1,023,425
Debt Service	\$ 17,455	\$ 12,500
Well Fund	\$ 73,335	\$ 71,800
Central Services	\$ 1,759,105	\$ 1,875,995
Capital from SPLOST	\$ 945,000	\$ 750,000
<b>Total Expenses All Funds</b>	<b>\$ 106,930,650</b>	<b>\$ 110,865,965</b>
Less Internal Funds Expenses	\$ 8,123,940	\$ 8,252,045
Less Transfers Between Funds	\$ 7,920,000	\$ 11,200,550
Less Debt Service Enterprise Fund	\$ 1,213,675	\$ 1,264,940
<b>Total Expenditures</b>	<b>\$ 89,673,035</b>	<b>\$ 90,148,430</b>
<b>Total Capital</b>	<b>\$ 30,473,765</b>	<b>\$ 27,367,990</b>
<b>Total Operating</b>	<b>\$ 59,199,270</b>	<b>\$ 62,780,440</b>

# FY2027 Budget in Brief

9

## Operating Budget of General Fund, Fire Service Fund and Enterprise Funds

Fund	FY2026	FY2027
General Fund		
Operating Expenses	\$ 24,043,135	\$ 25,156,235
Statesboro Fire Service Fund		
Operating Expenses	\$ 7,966,885	\$ 8,613,670
Water Sewer Fund		
Operating Expenses	\$ 10,383,915	\$ 11,598,990
Stormwater Fund		
Operating Expenses	\$ 897,490	\$ 936,545
Natural Gas Fund		
Operating Expenses	\$ 5,233,265	\$ 4,811,450
Solid Waste Collection Fund		
Operating Expenses	\$ 4,164,905	\$ 4,213,960
Solid Waste Disposal Fund		
Operating Expenses	\$ 4,298,500	\$ 4,813,905
	<u>\$ 56,988,095</u>	<u>\$ 60,144,755</u>

# Revenue Trends

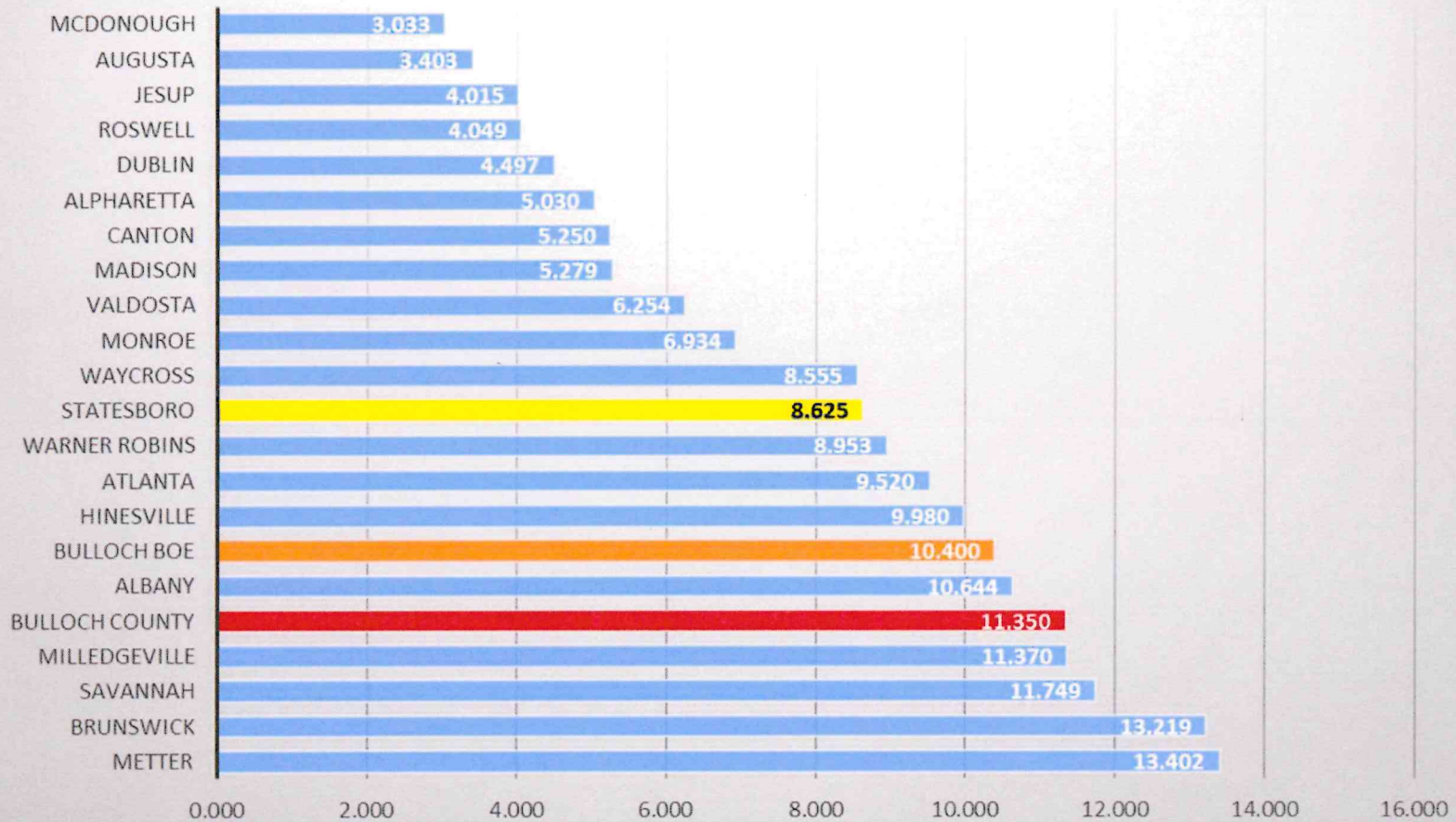
10

- ▶ 22.8% Overall Increase in General Fund Revenues
- ▶ 8% Property Tax Digest Growth

# Property Tax Millage Rates

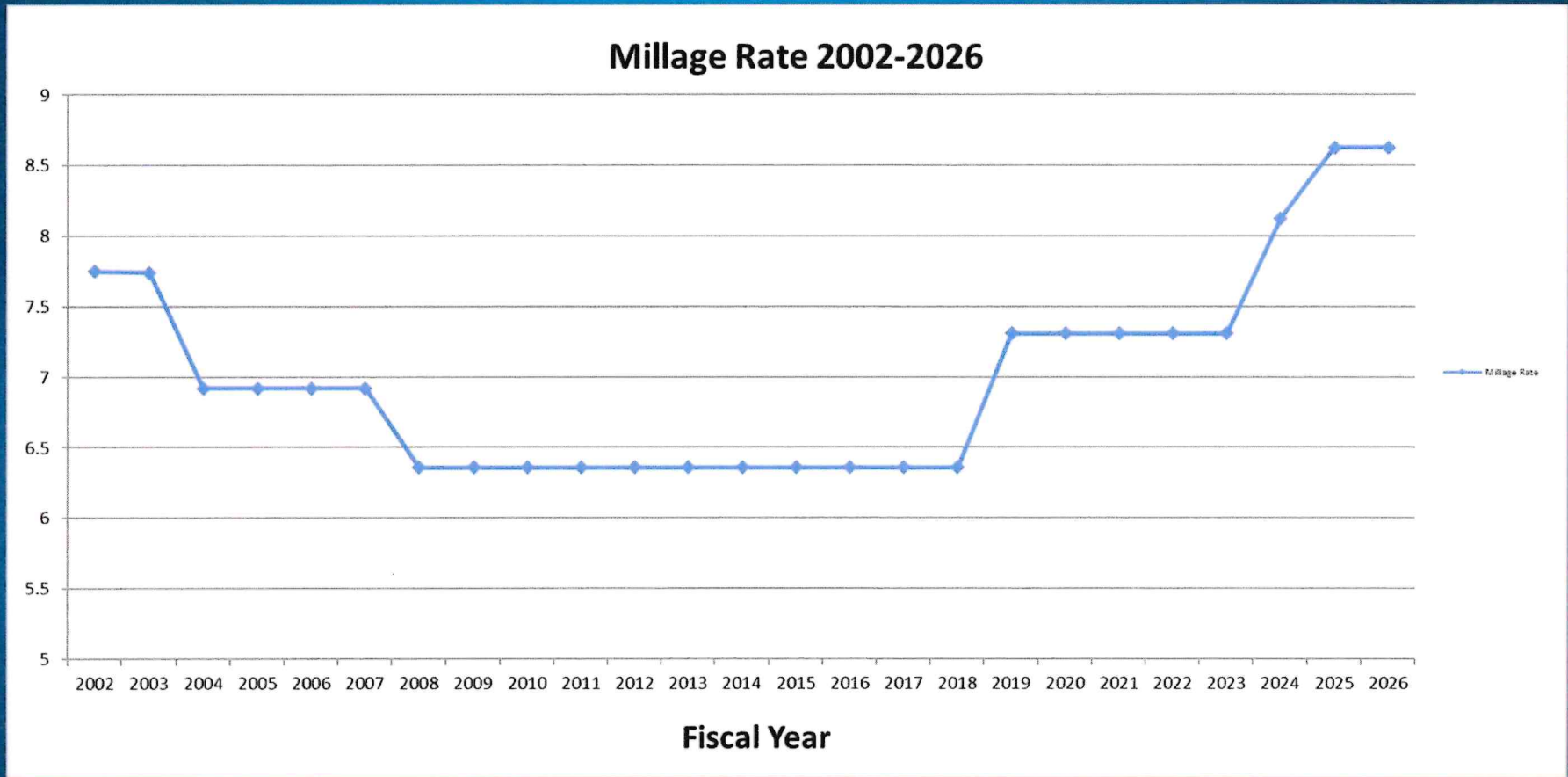
11

## FY2026 Millage Rates In Georgia



# Statesboro Millage Rate History

12



Highest Rate: 8.625 mills in 2025    Lowest Rate: 6.358 mills from 2008-2018

# Current Local Property Millage Rates

## **Bulloch County**

- 11.35

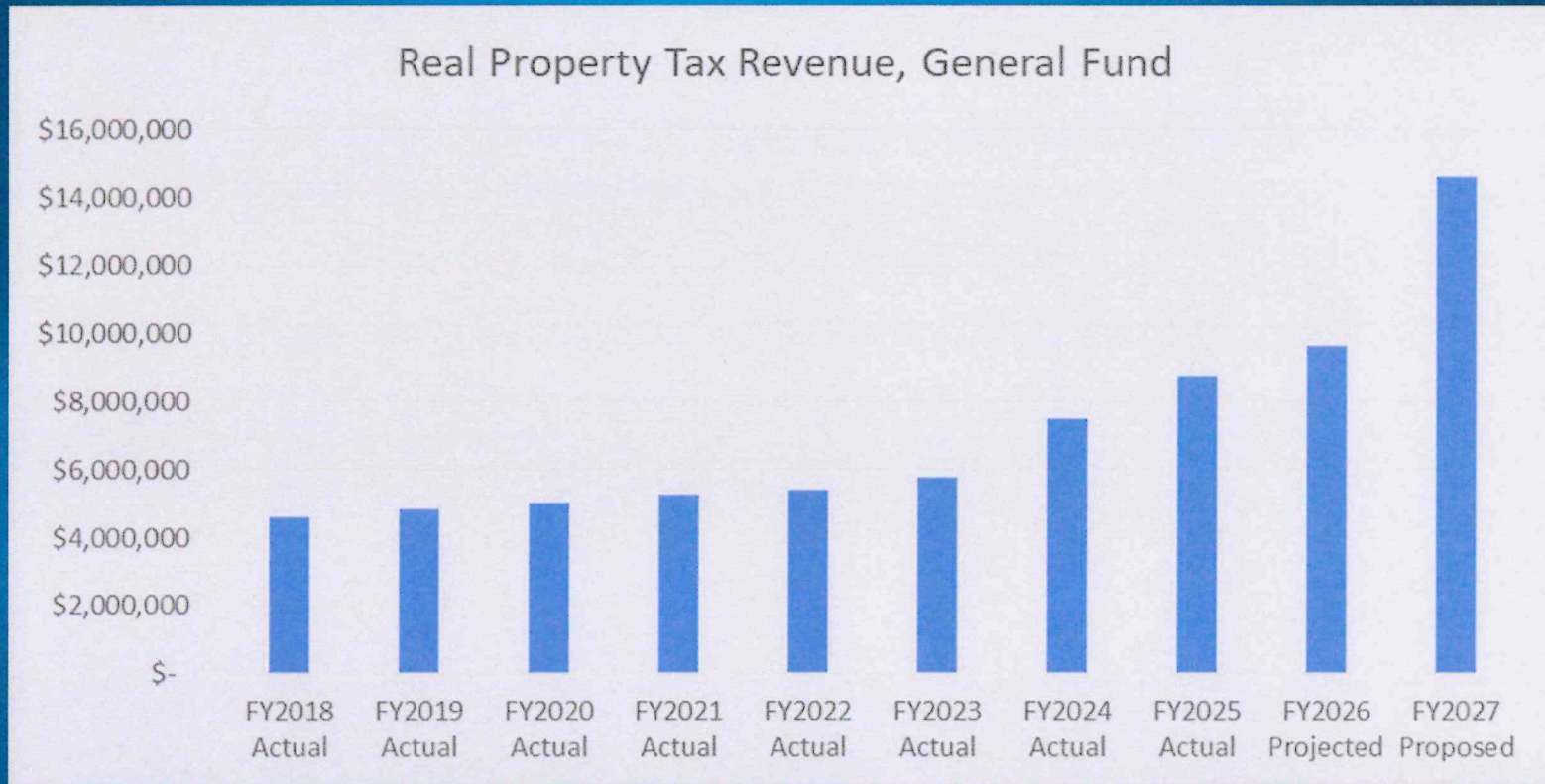
## **Board of Education**

- 10.4

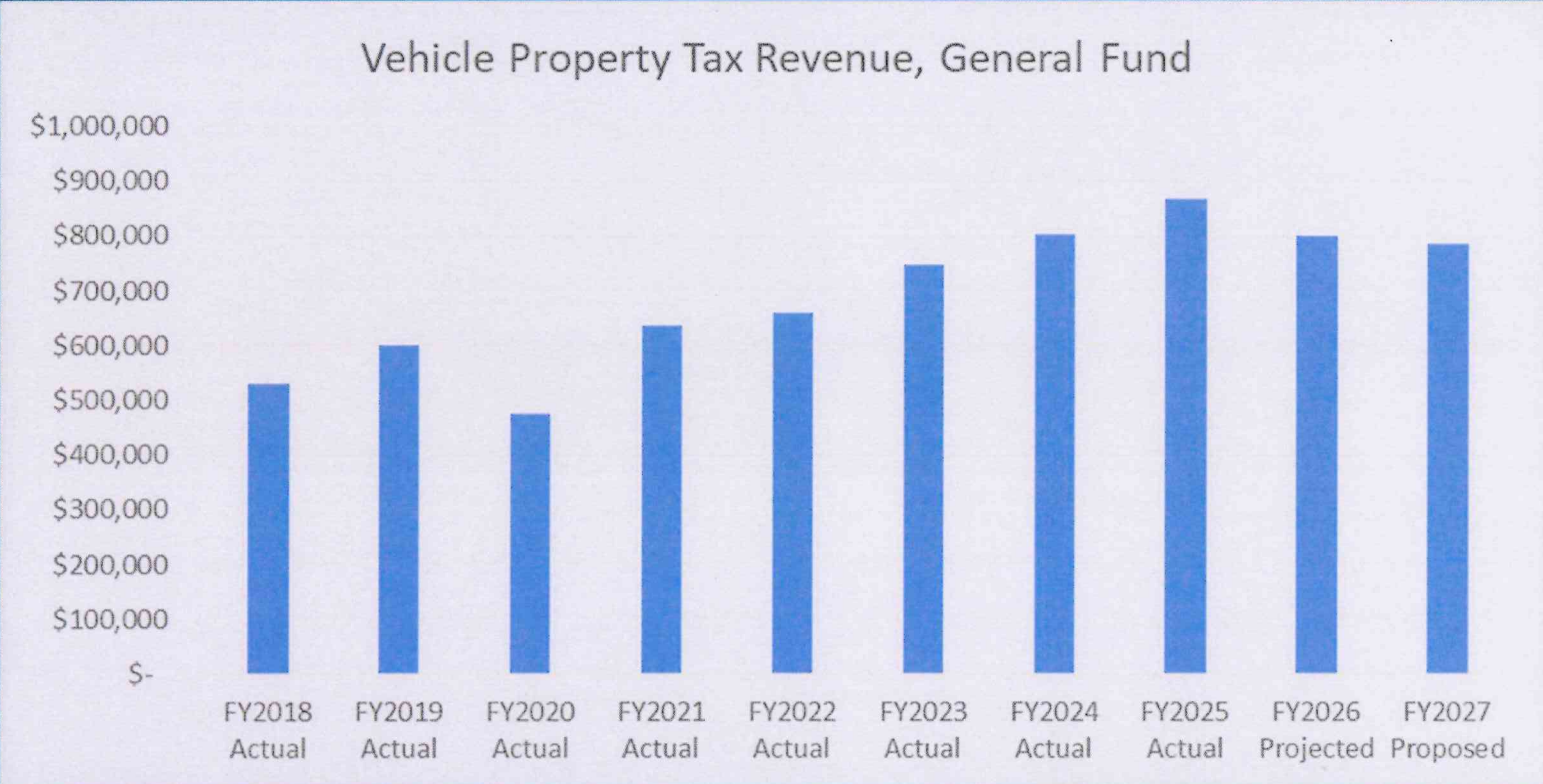
## **City of Statesboro**

- 8.625

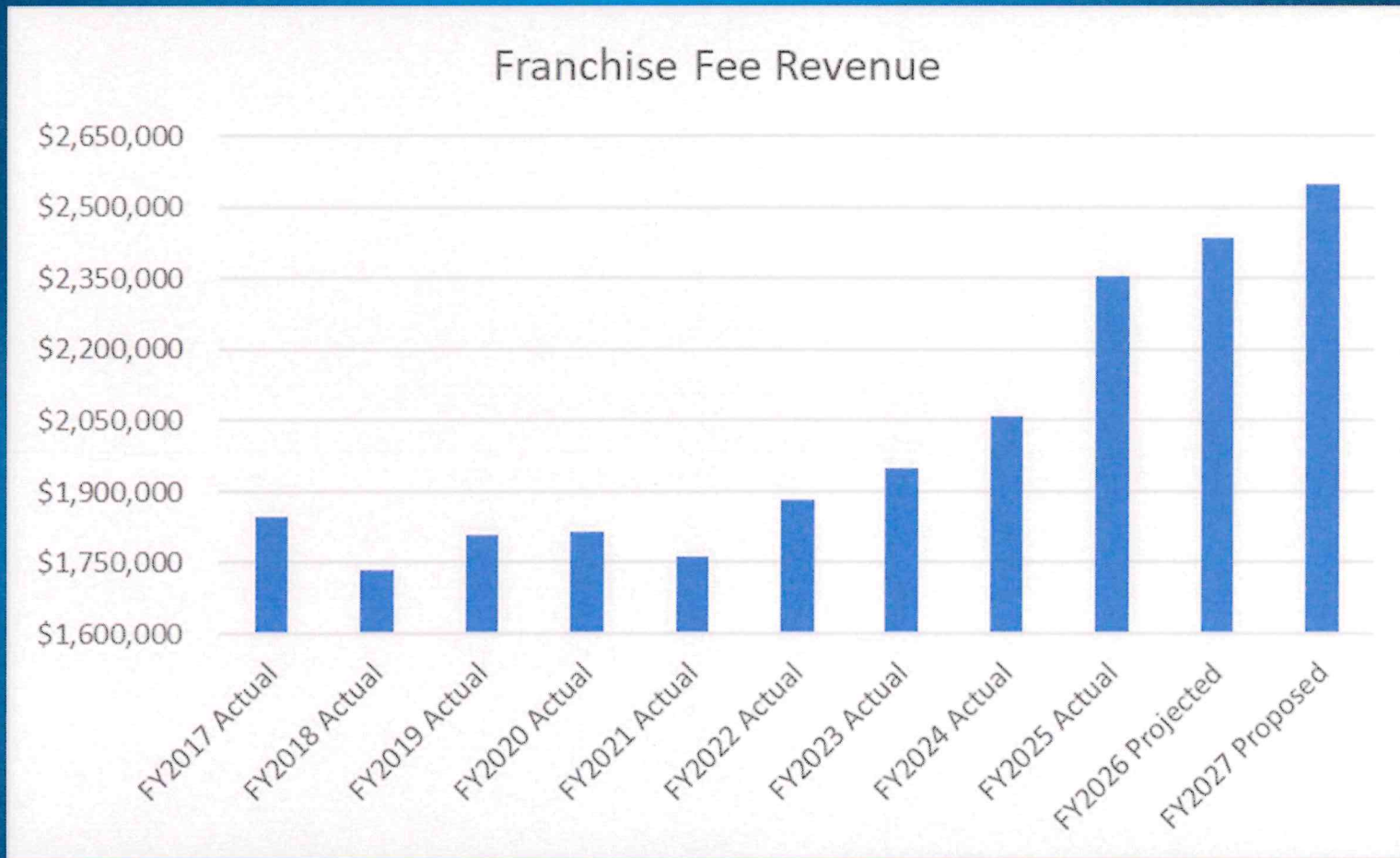
# Property Tax Revenue



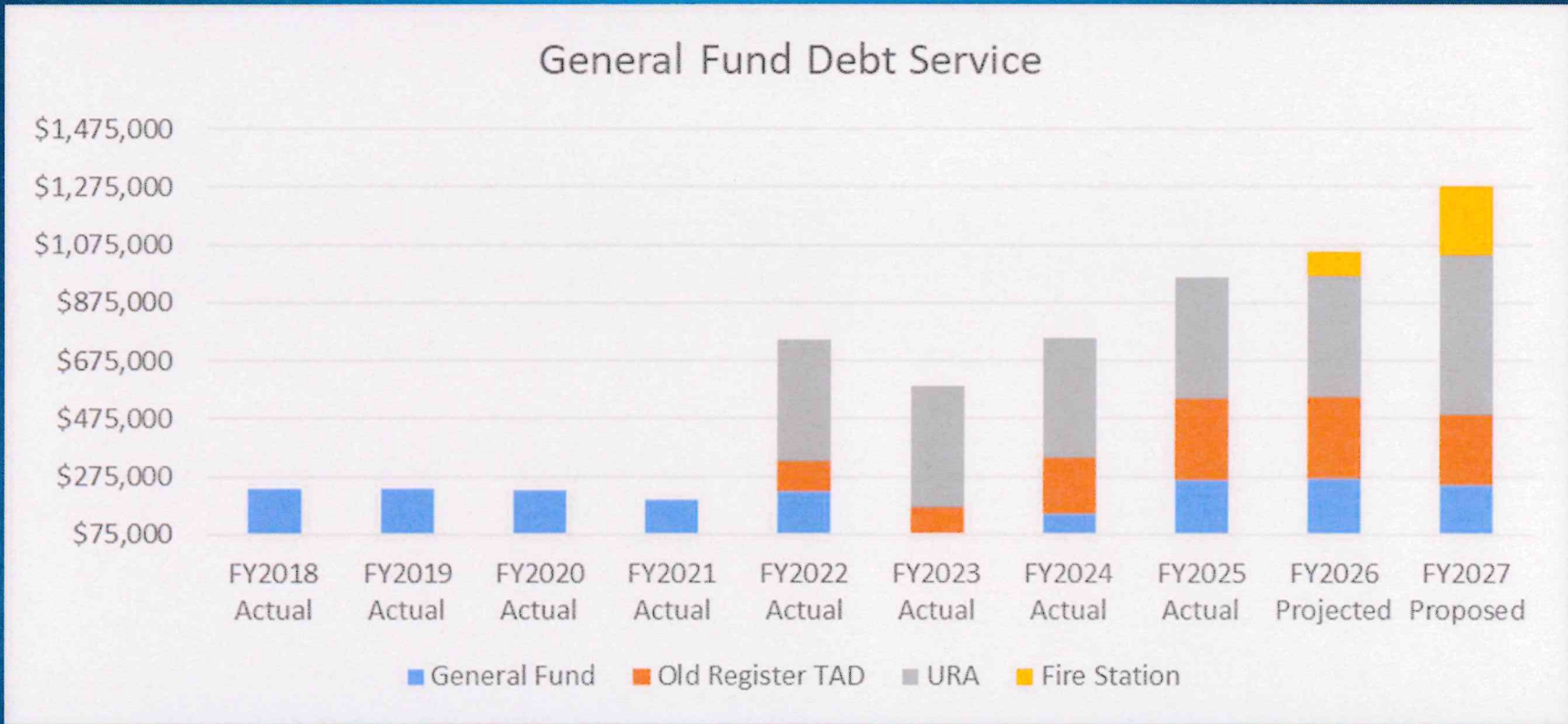
# Vehicle Tax Revenue



# Franchise Fee Revenue

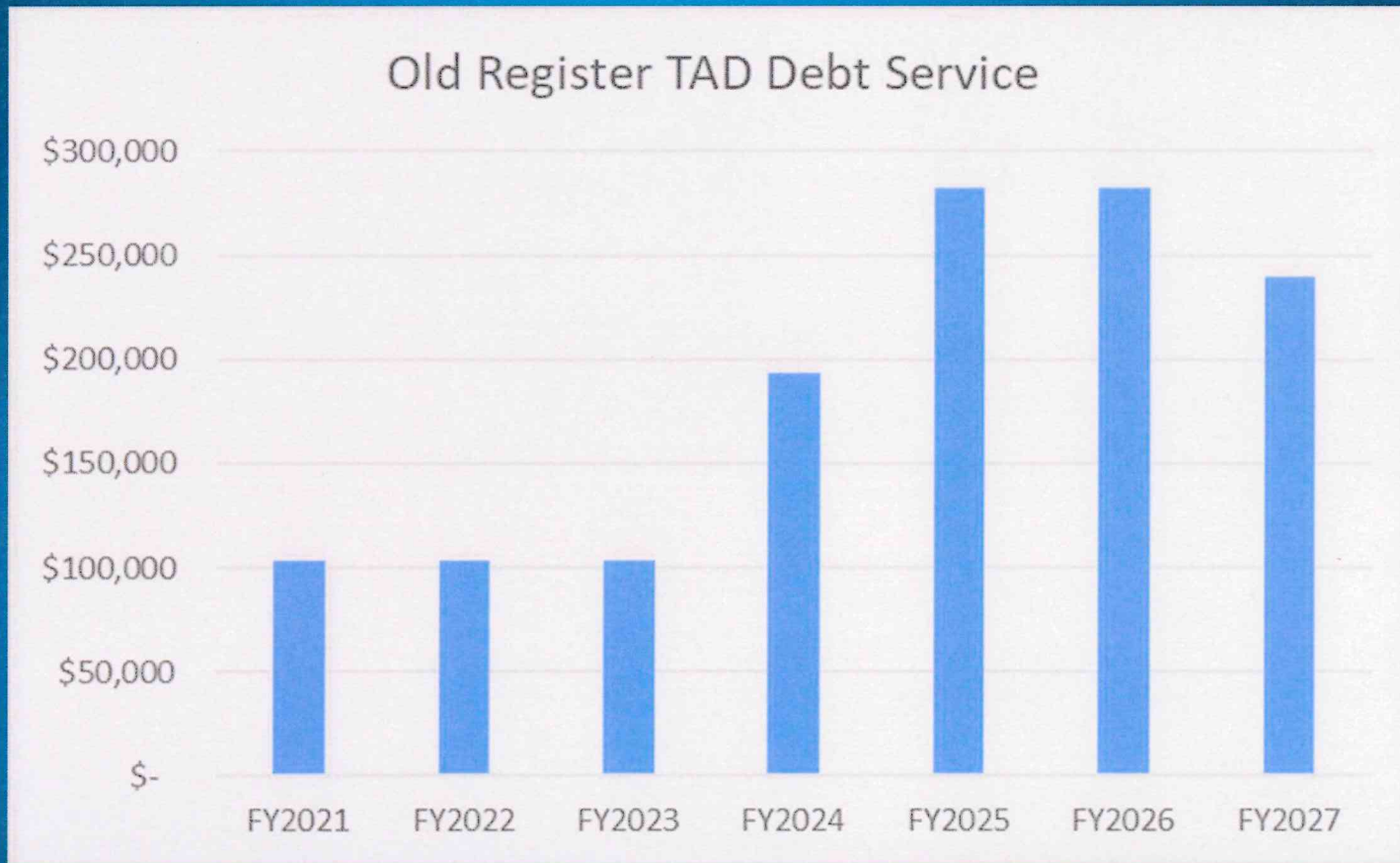


# General Fund Debt Service



# Old Register TAD Debt Service

18



# Balancing the Budget

19

- ▶ \$205,210 in Fund Balance Used to Balance the General Fund
- ▶ Increase in Expenditures in the General Fund raises the dollar amount required to meet the targeted 25% Fund Balance

# Fund Balance Comparison

20

Fund	FY2024 Ending <u>Fund Balance</u>	FY2025 Ending <u>Fund Balance</u>
General Fund	\$ 7,467,391	\$ 6,855,566
Fire Fund	\$ -	\$ 291,829
Water and Sewer Fund	\$ 16,608,496	\$ 19,012,148
Stormwater Fund	\$ 7,739,587	\$ 8,240,262
Gas Fund	\$ 10,197,065	\$ 10,109,113
Solid Waste Collection Fund	\$ 5,076,162	\$ 4,630,093
Solid Waste Disposal Fund	\$ 1,042,113	\$ 1,514,911
Total	<u>\$48,130,814</u>	<u>\$50,653,922</u>

# General Fund Highlights

21

- ▶ 75.7% of the General Fund and Fire Budget is Salary and Benefit Costs
- ▶ Increased Expenditures:
  - ▶ Salaries and Benefits \$803,581
  - ▶ Police Flock Equipment \$170,000
  - ▶ Electricity – Street Lights \$100,000
  - ▶ Credit Card Fees \$80,000
  - ▶ FUSUS Annual Contract \$80,000
- ▶ Increase transfer to Fire Fund (from \$3,200,000 to \$7,485,550)

# Proposed Fund Appropriation Levels – Includes Transfers

22

	FY2026 Adopted Budget	FY2027 Proposed Budget	Difference from FY 2026 Adopted
General Fund & Fire Fund	\$ 32,209,155	\$ 33,829,905	5.0%
Water and Sewer Fund	\$ 11,995,030	\$ 12,353,990	3.0%
Stormwater Fund	\$ 961,270	\$ 1,016,545	5.8%
Gas Fund	\$ 6,244,615	\$ 5,816,450	-6.9%
Solid Waste Collection Fund	\$ 5,551,960	\$ 5,593,960	0.8%
Solid Waste Disposal Fund	\$ 4,707,435	\$ 5,218,905	10.9%
	<u>\$ 61,669,465</u>	<u>\$ 63,829,755</u>	<u>3.5%</u>

# Statesboro Fire Service Fund

23

**\$8,643,670**

- Fire Station 3 – anticipated online in late Summer 2026 – **SPLOST** Funded
- Completed study for feasibility of a Fire Fee
- 69 Fire Fighters – versus loss of Fire District
- 4 Dispatchers – Fire Ground Management

# Statesboro Fire Service Fund

24

- Loss of Fire District Tax - \$2.755 million
- Expiration of SAFER grant
- Loans from Enterprise Funds to be repaid over ten years:
  - Water Sewer Fund: \$1,800,000
  - Solid Waste Collection Fund: \$707,000
  - Natural Gas Fund: \$680,000

# Water & Sewer Fund

**\$12,353,990**

- No increase in Water/Sewer rates proposed.
- Future Wastewater Treatment Plant (\$100,000,000)

# Stormwater Fund

26

**\$1,016,545**

- No increase in Stormwater rates proposed
- Maintain fund reserve
- Implement essential capital projects

# Natural Gas Fund

27

**\$5,816,450**

- No increase in Natural Gas rates proposed
- Continue to pursue opportunities for expansion and system growth
- Continue to study expansion of main trunk line to increase available capacity

# Solid Waste Collection Fund

28

**\$5,593,960**

- No increase in Solid Waste Collection Fees proposed
- Continue to meet increasing service demand

# Solid Waste Disposal Fund

29

**\$5,218,905**

- No increase in Solid Waste Fund proposed
- Expand Inert Landfill

# Capital Project Priorities

30

- ▶ Housing Rehabilitation
- ▶ Sewer Installation in Unserved Areas
- ▶ Enhance roadways, install sidewalks, and improve intersections to accommodate growth

# In Summary – 2027 Budget

31

- ▶ The City's budget is financially sound
  - ▶ Strong reserves in enterprise funds
  - ▶ Continued growth in property values
  - ▶ This budget reflects nominal tax base increase from new developments

# In Summary – 2027 Budget

32

- ▶ General Fund
  - ▶ Balancing the Budget using General Fund Balance will take \$205,210
  - ▶ Increase in Expenditures in the General Fund raises the dollar amount required to meet the targeted 25% Fund Balance
  - ▶ Fund Balance for FY 2026 will be less than the 25% target due to the increase in transfer to the Fire Department

# In Summary – 2027 Budget

33

- ▶ City must continue to expand the tax base
- ▶ Voluntary annexations add to tax base.
- ▶ New commercial and retail developments help to grow tax base
- ▶ City has currently approved zoning for new residential units and commercial requests

# Final Conclusion

34

To balance the City's Budget for Fiscal Year 2027 will require a 3.835 mill increase. This increase is due to the County's decision to dissolve the Fire District. The increase will be offset next year by the FLOST funds, which are estimated at 3.5 million.

# Final Conclusion

35

## Example: House Value of \$250,000

<b>House Value</b>	<b>\$ 250,000.00</b>	<b>\$ 250,000.00</b>
Millage Rate	8.625	12.46
40% Assessed Value	\$ 100,000.00	\$ 100,000.00
Homestead Exemption	<u>\$ (2,000.00)</u>	<u>\$ (2,000.00)</u>
Taxable Value	<u><u>\$ 98,000.00</u></u>	<u><u>\$ 98,000.00</u></u>
Taxes	\$ 845.25	\$ 1,221.08
Current Millage Rate - Taxes	0.008625	

Annual Increase: \$375.83

Monthly Increase: \$31.32

This increase will be offset in FY 2028 by FLOST funds

# Questions?

36

Public Hearing: June 2

Budget Adoption: June 16