

Town Council Budget Workshop

August 25, 2025 at 3:00 PM

Howey-in the-Hills Town Hall

101 N. Palm Ave.,

Howey-in-the-Hills, FL 34737

MINUTES

Mayor Wells called the Town Council Budget Workshop to order at 3:00 p.m.

Mayor Wells led the attendees in the Pledge of Allegiance to the Flag.

Councilor Reneé Lannamañ delivered an invocation.

ROLL CALL

Acknowledgement of Quorum Present and Proper Notice Given

MEMBERS PRESENT:

Mayor Pro Tem Tim Everline | Councilor Jon Arnold | Councilor Reneé Lannamañ | Councilor David Miles | Mayor Graham Wells

STAFF PRESENT:

Sean O'Keefe, Town Manager | Tom Wilkes, Town Attorney | Rick Thomas, Police Chief | Michael Giddens, Police Lieutenant | Morgan Cates, Public Services Director | Amanda Moldan, Library Director | John Brock, Deputy Town Manager / Town Clerk

WELCOME AND INTRODUCTION OF GUESTS

None

AGENDA APPROVAL/REVIEW

Motion made by Councilor Lannamañ to approve of the meeting's agenda; seconded by Councilor Arnold.

Motion approved unanimously by voice vote.

Voting

Yea: Mayor Pro Tem Everline, Councilor Arnold, Councilor Lannamañ, Councilor Miles, Mayor Wells

Nay: None

PUBLIC QUESTION & COMMENT

Any person wishing to address the Mayor and Town Council and who is not on the agenda is asked to speak their name and address. Three (3) minutes is allocated per speaker. The general Public Question & Comment period will be limited to a maximum of thirty (30) minutes unless extended by the Presiding Officer.

Vance Jochim, County resident and author of a Lake County fiscal watchdog blog – County resident, Vance Jochim, spoke regarding the proposed wage increase. He cautioned that many residents are already struggling with rising costs such as HOA fees and property insurance and urged the Council to consider adopting the rollback rate. Drawing on his background as a corporate auditor and anti-corruption manager, he noted that the Florida Department of Justice is auditing local governments and that corporations are increasingly adopting “AI first” policies to reduce costs. He concluded that the salary increase appears excessive in the current economic climate and encouraged the Council to act with caution.

Roslyn Teharr, 1202 Lido Dr. – Town resident, Roslyn Terharr, spoke during public comment regarding the proposed raises. She expressed concern over a lack of enforcement on issues such as vehicles blocking sidewalks and one car that has remained on a jack for three weeks. She stated that police officers advised her such matters fall under code enforcement but questioned why the Code Enforcement Officer has not acted. She suggested the Town could save money by eliminating the position if duties are not being fulfilled. Mrs. Terharr also noted that the average cost of living increase is approximately 2.5%, considerably less than the raises under discussion.

Marie Gallelli, 1104 N. Tangerine Ave. – Town resident, Marie Gallelli, spoke during public comment, questioning the \$114,000 increase in salaries in one year as excessive for the Town’s size. She expressed concern about granting raises to recently hired employees without performance reviews, suggested delaying the hiring of a permit employee until demand exists, and noted that the Town Clerk’s salary has almost doubled in five years.

Carol Roque, 505 Mission Ln. – Town resident, Carol Roque, spoke during public comment urging the Council to vote against the proposed raises. She thanked Councilor Arnold for responding to residents’ messages but asked that future responses be less sarcastic in tone.

Diana Ballou, 1005 N. Tangerine Ave. – Town resident, Diana Ballou, read out loud an email that Town resident, Tina St. Clair, had sent out to all the Town Councilors earlier in the week, urging them to vote no on proposed raises for the Town’s employees.

Tom Pleis, 604 Avila Pl. – Town resident, Tom Pleis, opposed the proposed raises. He stated that, compared to his experience in larger cities, the salaries in a town of fewer than 2,000 residents seemed excessive. He suggested the Town could reduce costs by outsourcing law enforcement to the Lake County Sheriff’s Office or Florida Highway Patrol. Mr. Pleis also objected to what he described as a nearly 100% salary increase for a Town position since FY 2021, which he felt was unjustifiable.

Andi Everline, 1012 N. Lakeshore Blvd – Town resident, Andi Everline, stated that the proposed salary increases are excessive. She compared the raises to Lake County teacher salaries, noting that positions such as Library Assistant and Billing Clerk would earn nearly as much as teachers with bachelor’s degrees. She criticized the CPI plus tenure model as the wrong approach, arguing that tenure is being phased out in schools because it can reduce accountability. Mrs. Everline added that, during her teaching career, wages were frozen for multiple years, and when raises were granted, they were only about 2%, yet teachers continued to work hard. She concluded that the proposed raises are disproportionate.

Tom Ballou, 1005 N. Tangerine Ave. – Town resident, Tom Ballou, shared information on recent state employee pay adjustments. He noted that all state employees received a 2% raise with a \$1,000 minimum increase effective July 1, 2025, while law enforcement officers and firefighters received additional raises of 10–15% depending on years of service, with base pay for law enforcement raised to \$60,000 annually. He also highlighted that health insurance premiums for state employees and retirees remain unchanged.

Paul Redman, 109 N. Lakeshore Blvd – Town resident, Paul Redman, emphasized the importance of maintaining local law enforcement. He cautioned against outsourcing, noting that, when the UK centralized policing, it weakened communities, and he stressed the need to pay officers competitively to ensure future recruitment. On the budget, he argued that raises should not be automatic but instead tied to performance, value, and comparison with similar positions elsewhere. He urged the Council to treat the Town’s finances with the

same scrutiny as a business, rewarding efficiency and contributions but avoiding across-the-board increases that simply shift higher costs to residents.

Joshua Husemann, 671 Avila Pl. – Town resident, Joshua Husemann, spoke during public comment in support of staff raises. He observed that many Town employees are paid well below counterparts in other municipalities and argued that population size should not diminish the need to fairly compensate staff who are responsible for running the Town. He acknowledged concerns about the size of some proposed increases but emphasized that adjustments are necessary to bring salaries in line with comparable positions elsewhere. Mr. Husemann noted that his interactions with staff have been largely positive and praised their work ethic.

Christina Hawkins, 1110 N. Lakeshore Blvd. – Town resident, Christina Hawkins, gave up her comment time to allow County resident Vance Jochim time to speak again.

Vance Jochim, County resident and author of a Lake County fiscal watchdog blog – County resident, Vance Jochim, suggested that, when substantial salary increases are proposed, the Town should advertise and open the positions to competitive applicants at the new pay rate. He stated this would demonstrate fiscal responsibility and ensure the Town is attracting candidates with the skills needed for the higher compensation.

Joe McCollum, 122 W Magnolia Ave. – Town resident, Joe McCollum, questioned the justification for further salary increases. He noted that unresolved issues such as drainage and standing water remain unaddressed, making raises appear inappropriate. Citing data from the past five years, he highlighted significant cumulative increases for several positions, including 69% for the Town Clerk, 51% for a Library Assistant, and 40% for the Police Chief. He argued that, without clear evidence of retention problems or visible improvements in services, additional raises at this time seem excessive.

NEW BUSINESS

1. Discussion: Fiscal Year 2025-2026 Budget

Councilor Miles emphasized the need to balance fairness for both taxpayers and employees. He noted that the Town has experienced nearly 200% turnover in its police department during his tenure and pointed out that starting salaries for Howey's officers are about \$10,000 lower than for sheriff's deputies in neighboring Seminole County. He argued that, while the Town should avoid "huge raises," it must provide reasonable, competitive pay to retain quality employees, particularly as population growth and infrastructure demands, such as the planned new water plant, place greater responsibilities on staff.

Councilor Arnold presented demographic and financial data from outside sources, noting that Howey's median household income is among the highest in Lake County and that the Town's population has grown significantly in recent years. He projected that continued growth could require a police force of around thirty officers in the next decade and emphasized that retaining trained personnel would reduce turnover-related costs. He also highlighted the proposed millage reduction to 6.99, the first in a decade, as evidence of the Town's strong fiscal position.

Councilor Lannamañ expressed opposition to across-the-board increases of 7–10%, citing economic instability, sluggish home sales, and rising bankruptcy rates. Drawing from her experience with union contracts, she advocated limiting raises to the current Consumer Price Index of 2.7%. She warned that larger increases could prove unsustainable, forcing future layoffs, and cautioned against direct comparisons with larger municipalities such as Mascotte.

Mayor Pro Tem Everline stressed that councilors are responsible for maintaining the public trust and must listen to residents' concerns. He argued that proposed increases above 7% exceed those of nearby municipalities and pointed to stagnant housing sales in Howey as a sign of broader economic fragility. He noted that, while rollback provides only modest individual tax savings, it prevents tax increases, which is critical given the likelihood of future statewide property tax reforms.

Mayor Wells acknowledged that rollback does not reduce taxes but prevents them from rising and provided an example showing that the proposed 6.99 millage rate would save an example tax payer approximately \$238 compared to maintaining 7.5 mills. In his prepared remarks, he praised staff contributions across departments and defended the Town Clerk's compensation by emphasizing the multiple roles he performs, including Deputy Town Manager, HR, and IT. The Mayor raised concerns about online criticism harming morale and underscored the high costs of turnover. He introduced an alternative tenure-based raise model consisting of a 3% across-the-board adjustment plus 1% per year of service up to five years, with a special adjustment for the underpaid Library Assistant. This model, he explained, would reduce average raises from 7.62% to 4.97%, save over \$50,000, and generate a \$65,000 General Fund surplus, all while aligning with other Lake County municipalities, lowering the millage beyond rollback, and avoiding utility rate increases. He concluded by affirming confidence in Town staff and turned the discussion to the Town Manager.

Town Manager O'Keefe opened his remarks by expressing pride in the proposed budget, highlighting that, for the first time in years, the Town could lower the millage rate not only to rollback but beyond, while keeping sanitation, water, and wastewater fees flat. He explained that Council's statutory role is to approve departmental budgets rather than individual salaries and clarified that, while salary sheets are shared with councilors to illustrate how departmental totals are reached, they have not historically been part of the formal budget packet. He then outlined the two compensation alternatives under consideration: the first, a 7% increase across departments with 10% for directors and police officers and 12% for police supervisors, totaling about \$1.639 million in salaries (a 7.62% increase over FY25); the second, a longevity-based plan of CPI plus 1% per year of service up to five years, totaling about \$1.599 million (a 4.97% increase). He noted this option would save roughly \$39,000 after correcting a minor rounding error.

Mayor Pro Tem Everline questioned whether the practice of allocating lump sums by department, with internal discretion for distribution, had ever been clearly presented in budget meetings. Councilor Miles expressed concern about prior mid-year promotions that effectively created new positions and increased salaries without Council approval, suggesting that Council should have the authority to create new roles. He added that, while most employees now earn fair wages, the police department remains underpaid, and he advocated for at least CPI-level increases (around 3%) along with targeted 10% catch-up adjustments for police officers and supervisors.

Councilor Lannamañ concurred that CPI-based raises were appropriate and reiterated her concerns about fiscal prudence, suggesting a hiring freeze to avoid future layoffs. She also supported a modified approach of \$5,000 increases for police officers and \$7,500 for corporals and lieutenants, while cautioning against overcorrecting pay for positions such as the Library Assistant.

Mayor Pro Tem Everline emphasized his preference for modest across-the-board raises of about 3% paired with specific dollar increases for police officers to bring their pay in line with other municipalities. He agreed that adjustments for the lowest-paid library staff member could be considered but questioned a large percentage jump.

Councilor Arnold supported the idea of targeted increases for police, warning that, without competitive pay, other jurisdictions would continue recruiting Howey-trained officers. He also stressed the importance of reducing the millage rate as a visible response to residents' concerns.

The discussion continued with recognition that, while overall staff salaries have largely been brought to competitive levels, the police department requires additional catch-up measures to improve retention, and that adjustments must be balanced against the Town's fiscal responsibility and commitment to maintaining a lower millage rate.

Councilor Lannamañ asked Police Chief Thomas to clarify whether new officers serve a probationary period, and he confirmed it is one year by statute. Chief Thomas explained that raises have historically

been structured to take effect on October 1 to simplify administration and ensure funds remain available if an officer leaves. He strongly supported targeted increases for police, noting that law enforcement retention is challenged nationwide due to a “bidding war” over salaries and incentives. He emphasized that, while culture at Howey is positive, pay remains the key issue, with surrounding agencies offering higher starting salaries and signing bonuses.

Mayor Wells countered that comparisons with larger municipalities may not be appropriate, but Chief Thomas reiterated the need for a comprehensive salary study specific to Howey to determine competitiveness. Council discussion highlighted that even neighboring Town of Astatula, smaller than Howey, has attracted officers with higher pay.

Councilor Miles then made a motion to grant a 3% raise effective October 1, 2025, for all employees (including the Town Manager and the Police Chief), with the exception that all sworn police officers, corporals, and the lieutenants receive a 10% increase. He also proposed a restriction against adding any new staff positions not authorized in the FY 2026 budget, effectively eliminating the planned Building Permit Clerk role. Councilor Lannamañ seconded the motion.

Councilor Lannamañ requested a hiring freeze be added, but Councilor Miles declined, clarifying that existing positions could still be refilled but no new roles created. Debate followed regarding the Library Assistant’s pay. Mayor Wells argued she is grossly underpaid given her responsibilities and urged a special adjustment, while Councilor Lannamañ maintained that public safety roles carry greater risk and should remain the focus. Councilor Arnold suggested reallocating council stipends to support her salary.

Police Lieutenant, Michael Giddens, addressed the Council, stating he had not observed a culture problem in the police department and affirming that retention issues were primarily financial. He noted he would forgo a larger raise himself in favor of additional support for lower-paid officers. Discussion concluded with recognition that the adopted plan would save money compared to earlier proposals, creating a budget surplus. A roll call vote on Councilor Miles’ motion was then called.

Motion made by Councilor Miles to grant a 3% raise effective October 1, 2025, for all employees (including the Town Manager and the Police Chief), with the exception that all sworn police officers, corporals, and the lieutenants receive a 10% increase, and restricting the hiring of any new staff positions not authorized in the FY 2026 budget; seconded by Councilor Lannamañ. Motion passed with a roll call vote.

Voting

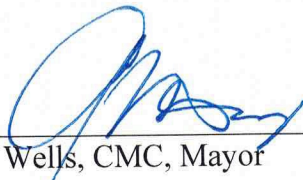
Yea: Mayor Pro Tem Everline, Councilor Arnold, Councilor Lannamañ, Councilor Miles

Nay: Mayor Wells

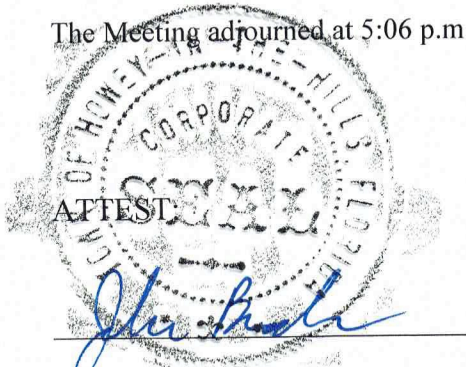
ADJOURNMENT

There being no further business to discuss, a motion was made by Councilor Lannamañ to adjourn the meeting; Councilor Arnold seconded the motion. Motion was approved unanimously by voice vote.

The Meeting adjourned at 5:06 p.m. | Attendees: 64



Graham Wells, CMC, Mayor



John Brock, Town Clerk