



## **Town Council Budget Workshop**

**August 07, 2025 at 1:00 PM  
Howey-in-the-Hills Town Hall  
101 N. Palm Ave.,  
Howey-in-the-Hills, FL 34737**

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### **MINUTES**

Mayor Wells called the Town Council Budget Workshop to order at 1:01 p.m.  
Mayor Wells led the attendees in the Pledge of Allegiance to the Flag.  
Councilor Jon Arnold 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 (via Zoom) | Councilor David Miles | Mayor Graham Wells

### **STAFF PRESENT:**

Sean O'Keefe, Town Manager | Mike Giddens, Police Lieutenant | Public Utilities Supervisor, James Southall | Morgan Cates, Public Services Director | Rick Thomas, Police Chief | John Brock, Deputy Town Manager / Town Clerk

### **WELCOME AND INTRODUCTION OF GUESTS**

None

### **AGENDA APPROVAL/REVIEW**

Mayor Pro Tem Everline stated that he would like to add a discussion on allowing him to attend the Florida League of Cities Annual Conference.

**Motion made by Councilor Miles to add Councilor Everline's suggestion of discussing sending himself to the Florida League of Cities Annual Conference; seconded by Mayor Pro Tem Everline. Motion denied by voice vote.**

### **Voting**

**Yea:** Mayor Pro Tem Everline, Councilor Miles

**Nay:** Councilor Arnold, Councilor Lannamañ, Mayor Wells

**Motion made by Councilor Miles to approve the agenda with two additions: 1. Discuss adding into the upcoming year's budget legislative cost center of the general fund for members to attend meetings. 2. Any**

discussion related to salaries be placed at the end of the agenda so that the Council will have adequate time to discuss other matters; seconded by Councilor Arnold. Motion approved by voice vote.

**Voting**

**Yea:** Councilor Arnold, Councilor Miles, Mayor Wells

**Nay:** Mayor Pro Tem Everline, Councilor Lannamañ

**Motion made by Councilor Miles to allow Councilor Lannamañ to participate and vote in meeting remotely via Zoom; seconded by Mayor Pro Tem Everline. Motion approved unanimously by voice vote.**

**Voting**

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

**Marie Gallelli, 1104 N. Tangerine Ave.** – Town resident, Marie Gallelli, raised several detailed questions and concerns about various line items in the proposed budget. She inquired about a reported 10% increase in director salaries, to which it was clarified that this applied to department heads including the Police Chief, Public Services Director, Library Director, and the Town Clerk/Deputy Town Manager. She confirmed the finger pier project had been excluded from the budget and questioned significant increases in executive salary line items. The Town Manager explained that prior budgets had distributed salaries across multiple funds, but the current format consolidated them for transparency. Councilor Miles supported the change as a long-requested improvement.

Mrs. Gallelli also asked about a large increase in a general fund expenditure category, which was attributed to \$200,000 in capital design costs covered by impact fees. She queried small recurring charges like bank fees, and the Mayor explained that most fees were associated with the \$250,000 line of credit used for boardwalk completion.

Additional concerns included the \$35,000 part-time finance technician position, identified as the payroll role handled by Russ Casson, and audit-related expenses. The Mayor explained the Town would no longer be paying \$20,000 for an external accountant to assist with the audit, since the current finance supervisor was qualified to prepare it.

Regarding memberships, Mrs. Gallelli questioned the choice of BJ's over Costco, and the Mayor noted convenience and personal preference. She also asked about an increase in debt service; the Mayor and Councilor Miles clarified that the rise was due to higher principal payments on the State Revolving Fund loan, even though interest costs were decreasing.

Finally, Mrs. Gallelli questioned the rationale behind a 7% raise for employees, noting that industry standards are typically 3–4%. The Mayor responded that some details may change and that they would be discussed further. She also raised a concern about a specific 27% pay increase for a library staff member, Hannah. The Mayor and Town Manager defended the increase, explaining that Hannah's current wage of \$15.25/hour was below other assistants in Town operations and that the raise to \$19.25/hour still left her underpaid relative to her responsibilities and peers. Mrs. Gallelli emphasized she respected the work being done but was advocating for responsible stewardship of public funds.

**Andi Everline, 1012 N. Tangerine Ave.** – Town resident, Andi Everline, addressed Council at the beginning of the meeting to express two concerns. First, she stated that she was offended by religious references being made during the Town meeting's Invocation, emphasizing that government and church should remain separate and that such behavior violated the spirit of respect outlined in the Council's code of ethics. Second, she urged Council



and the Town Manager to exercise greater fiscal responsibility as stewards of taxpayer dollars. She voiced concerns about proposed salary increases that exceed the Consumer Price Index (CPI) and cautioned that the struggling economy could make future tax increases burdensome for residents. She concluded by stating that many citizens are dissatisfied with how the Town is currently being managed.

**Tina St. Clair, 135 E. Central Ave.** – Town resident, Tina St. Clair, raised questions regarding salary and staffing increases. She requested a five-year history of each Town position, including annual salary levels and any added positions, in order to better understand the acceleration of costs. She expressed concern that, in her review, salaries and staffing have risen significantly since 2021 despite limited growth in the tax base, noting that Talichet and Venezia are largely built out. The Town Manager explained that such information would require a public records request, though it would consist of multiple existing documents rather than a single report. Mrs. St. Clair emphasized that residents want to see the actual numbers, particularly given that information circulating online appears inaccurate.

Councilor Miles agreed that the request was reasonable and directed the Town Manager to prepare such a report for the next meeting. Mayor Wells added that, while development is maturing, there has still been notable new construction, including closings in Venezia and the build-out of Talichet. He noted that this growth produced roughly \$200,000 in new ad valorem revenue, allowing the proposed millage rate to be lowered symbolically to 6.99 mills, while bring the Town up to fourth place countywide.

**Rodney Tate, 1003 Hamlin Ave.** – Town resident, Rodney Tate, inquired about the basis originally used to establish salaries for the Town Manager and other staff positions. The Town Manager explained that many salaries had remained unchanged for years prior to his hiring, but that more recent adjustments have been guided by a salary study conducted for the City of Mascotte. Howey-in-the-Hills was included in that study as a comparable municipality based on cost of living, proximity, and size. Mr. Tate questioned the comparability, noting Mascotte's population of approximately 8,000 versus Howey-in-the-Hills' much smaller size. Mayor Wells clarified that, while Mascotte is larger, the study also looked at municipalities closer in size, such as Montverde and Astatula. He further explained that, although exact comparisons are difficult, many Town employees in smaller municipalities perform multiple responsibilities that, in larger cities, are divided among several staff members.

Councilor Miles then reminded attendees that detailed discussion of salaries was scheduled for later in the agenda, emphasizing that the public comment period was intended for input rather than debate. The Mayor reiterated that residents are encouraged to state their opinions, but the Council will deliberate on those points during the designated discussion. Mr. Tate and other residents agreed to revisit the subject later in the meeting.

**Carol Roque, 505 Mission Ln.** – Town resident, Carol Roque, addressed Council briefly to express her frustration. She stated that she regretted some of her past votes after observing recent Council actions and questioned the need for every department to have an assistant. She urged Council to take seriously the concerns of taxpayers who attended the meeting and warned that residents are "mad as hell" and unwilling to tolerate the situation much longer. She concluded by emphasizing that Council must listen to its constituents.

Mayor Pro Tem Everline read out loud a letter from Town resident, Trey Purser. This letter stated:

*To: Town Council Members*

*From: Trey Purser, 1104 N Lakeshore Blvd., Howey in the Hills, FL 34737 - Ph: 407-758-9563*

*As a 44 year resident of Howey and 2-Terms (8 years) past Town Council member, I can appreciate the challenges and complexities of the budget process that you are facing.*

*Each of you has taken on a role in town government that most people are not willing to do, evidenced by the lack of citizens choosing to run for office in the last few elections. For that, I thank you.*

*All of you have promised to be fiscally responsible and conservative stewards of your constituents/taxpayers' hard earned tax dollars.*

*Some of you are new to the council and had no hand in crafting the last 3 to 4 years of budgets. However, you do have to take responsibility and accountability for this upcoming budget.*

*FULL DISCLOSURE: I voted for and was supportive of the change in the Town Charter to create the position of Town Manager. I felt at the time that Howey needed a full time, day-to-day manager. Ultimately, this position should be fully accountable to the Town Council, and the Council is fully accountable to the Citizens/Taxpayers. I must admit that I now have a serious case of "Buyers Remorse"...*

*It seems that instead of "managing" the budget, we have managed to grow the budget disproportionately.*

*It appears that while all other government entities are looking to reduce the amount of overhead and staff, we are NOT. The State of Florida has even formed a "DOGE" arm that as of July 1, has begun auditing both counties and cities for waste, fraud, and abuse of the taxpayers money. It is also well documented that there is a move at the state level to reduce or even remove property taxes. How will you be able to handle those possibilities?*

*Upon a simple analysis of the growth of salaries and wages for "administrative" positions, we have been told that we are not competitive with other similar towns. One only has to do a ChatGPT search of the Florida League of Cities information to see that our people are well compensated when compared to cities of our size and revenue resources. I urge you to do a little deeper research and not just take the word of the Town Manager.*

*Many citizens/taxpayers in Howey are on fixed income or social security and do not receive the kind of financial increases that have been enacted in the past and are being proposed for 2025-2026.*

*The majority of businesses and governments (including the federal government) use either the Cost of Living Allowance (for social security benefits) or the Consumer Price Index when considering pay increases.*

*At the risk of violating the old adage that says, "Figures don't Lie, but....." Please consider the following:*

*Cost of Living Allowance (COLA) for Social Security Benefits (most years <3.0%) - 2025 2.5%*

*Consumer Price Index (CPI): Since 2018 the average has been 2.78% per year.*

*Increases for Town of Howey: Since FY 2022 and including proposed increase*

Position		\$ change/ or % increase
Town Manager	New position created in 2022	\$122,173.84
Town Clerk		59%
Town Hall Supervisor		55%
Utilities Clerk		68%
Executive Assistant	New position created in 2025	11.3% (\$46,737)
Public Works Director		62%
Code Enforcement Officer		73%
Finance Supervisor	New position	11% (\$77,792)
Police Chief		73%



Library Director	73%
Library Assistant	67%

*Number of Total Employees:*

FY2021	16 Full Time and 6 Part Time = 22 Total
FY2025	26 Full Time and 5 Part Time = 31 Total

*How can these numbers be justified to the taxpayers and are they sustainable??*

*In addition to the growth of the administrative costs, other areas of concerns regarding management of the town include:*

- *Reconfiguration of Citrus Ave curve: this expense was questionable in the first place and hardly justified and someone needs to be held accountable for the failure to follow through on all aspects.*
- *Unfinished paving of Gardenia. Why the delay in completing this project? Who is ultimately responsible for following to completion?*
- *Why was the Town Manager allowed to take extended leave to be with his family in Italy? This should have been a PTO issue and should never have been approved by Council. You have set a precedent that could cause problems in the future.*
- *Code Enforcement should not be a Full Time position. How long does it take to drive around town? Besides Code Enforcement is “hand cuffed” by some of our current codes. There needs to be a serious review of the codes regarding junk car parking, boat parking, and travel trailer parking. The town is beginning to look like a junk yard.*
- *The purchase of 2 new “ATV” vehicles for the police department is a bit over the top.*

*I could go on and on, but it would take too long.*

*First and most importantly your fiduciary responsibility is to the Taxpaying Citizens. Please stand up and hold town management accountable for every tax dollar.\*

***LOWER THE TAX MILLAGE EVEN LOWER THAN THE ROLLBACK... WE EXPECT IT.***

Councilor Jon Arnold noted that, while he agreed with much of Mr. Purser’s earlier input, he was troubled by Mr. Purser’s reliance on ChatGPT, which he described as a discredited platform prone to fabricating information. He cited a recent case in which Morgan & Morgan had to withdraw filings after discovering that ChatGPT generated fictitious legal precedents.

Mayor Pro Tem Everline reminded Council that he had previously distributed information from the Florida League of Cities.

Councilor Miles added that, while resident input is always welcome, it is ultimately the Council’s responsibility to deliberate and make decisions. He referenced his role in prioritizing improvements to North Citrus Avenue, citing his own experiences with dangerous traffic conditions there. He noted that legal preparations were completed and asked when construction would begin.

Public Services Director, Morgan Cates, responded that the contractor intends to finish work on Gardenia Street first, but that project has been delayed by heavy rain and utility companies failing to relocate lines as required. Once Gardenia is complete, construction on North Citrus will begin, likely within a few weeks.

The Mayor then redirected discussion back to public comment.

**Bill Reid, 411 N. Lakeshore Blvd.** – Town resident, Bill Reid, questioned the Town’s continued focus on library expansion. He noted that the library had been expanded only four or five years ago and suggested it was already



sufficient for current use. The Town Manager explained that the existing size meets today's population needs, but that planning and design must account for projected growth five to ten years in the future. He further clarified that the current \$200,000 design study would be funded entirely through county library impact fees, which are reimbursable and designated solely for library purposes; if Howey-in-the-Hills does not use the funds, they will be allocated to another municipality.

Mr. Reid asked whether residents would have input on the expenditure of construction, and the Town Manager confirmed they would. Mr. Reid expressed concern that the library may be serving more as a school than as a community library, citing reports of homeschooling groups using the facility. He questioned whether favoritism might influence the emphasis on library funding and urged the Town to carefully consider priorities before committing to significant new expenditures.

**Clay Ormsbee, 301 N. Lakeshore Blvd.** – Town resident, Clay Ormsbee, raised concerns about the planned \$450,000 project at the intersection of Citrus Avenue and State Road 19 near the Howey Mansion. He questioned whether there was any history of accidents or motor vehicle violations at that location to justify such a large expenditure, noting that safety concerns are usually the basis for major road changes. Councilor David Miles responded that, while there is currently no stop sign at the corner, one will be added as part of the project. He acknowledged that the road itself is in very poor condition, which has been a factor in moving the project forward. Mr. Ormsbee reiterated his request for accident history, asking the Police Chief if there was any record of incidents that would warrant a redesign of the intersection.

**Kathy Coleman, 1004 N. Citrus Ave.** – Town resident, Kathy Coleman, spoke in support of the Citrus Avenue project, noting that she lives directly across from the Howey Mansion and is well aware of the hazards on that road. She explained that visibility when exiting her driveway is poor, and she and her husband must take extra precautions due to speeding vehicles around the curve. She also stated that much of the roadway in that area, along with the waterline serving nearby homes, had been mistakenly placed on her private property and that of her neighbors due to a surveying error years ago.

Councilor Miles elaborated that the road and waterline serving approximately 200 homes were constructed across private property without easements, making relocation into the proper right-of-way necessary. He added that the original right-of-way was split between Town and County ownership and followed an erratic path, which required legal work to correct. The project will not only improve safety but also allow for the creation of three additional lots, contributing to the Town's tax base. He further noted that Citrus Avenue, a major entryway to Howey-in-the-Hills and home to its most visible landmark, the Howey Mansion, had long been in poor condition and was likely the worst road in Town.

Mrs. Coleman reiterated her support, stating that near-miss accidents are frequent and that she is eager for the project to be completed. Mayor Wells thanked her for her comments and emphasized that the road reconstruction and relocation are being funded through discretionary surtax revenues rather than ad valorem property taxes, aside from some legal costs related to correcting the right-of-way.

## **NEW BUSINESS**

### **1. Discussion: Fiscal Year 2025-2026 Budget**

Town Manager, Sean O'Keefe, opened the second budget workshop by reviewing changes since the prior session. He highlighted that this was the first year in some time in which the Town was proposing lowering the millage rate below rollback, held water and wastewater rates steady, and avoided increases in sanitation costs while still addressing staff adjustments. He expressed satisfaction that the budget reduced some expenditures while providing necessary corrections. Key revenue updates included revisions to state revenue sharing, gas tax estimates, and a reduction in expected millage revenue due to lowering the rate to 6.99 mills. On expenditures, adjustments included salary increases for department directors, police supervisors, and new officers; corrections to the Town Manager's salary; health insurance adjustments; and reductions in police overtime and Town Council raises. Some projects, such



as basketball court resurfacing and a pier, remained excluded. The general fund showed a small surplus of roughly \$8,500.

Councilor Miles then began a detailed review of revenues. He questioned whether utility service tax projections for water were too conservative, noting seasonal fluctuations in usage. He also raised concerns about the absence of natural gas utility tax receipts from TECO, suggesting a review of the franchise agreement and tax collection practices. Discussion followed regarding the electric utility franchise, tree trimming practices, and the possibility of requiring undergrounding of lines during franchise renewal. Councilor Miles also argued that revenues from developer fees, cemetery lots, alcohol licenses, and sales tax were underestimated. He pressed for clarification on interfund transfers, and Finance Supervisor, Oscar Ojeda, explained that portions of staff salaries are allocated proportionately across the water, wastewater, and building services funds, with building fund percentages capped by statute.

Councilor Miles noted that, while residents have expressed concern over staffing increases, three of the five new positions in recent years were police school resource officers, and the Town's population has nearly doubled since 2016. He argued that the overall increase in positions was proportionate. Council discussed the timing of hiring a new building services staff member, with Mayor Wells clarifying that the budget authorizes the position but hiring may be delayed until permits increase.

Mayor Pro Tem Everline asked whether Lake County could assume responsibility for the Town library. The Town Manager, drawing on his prior service as Deputy Director of the Lake County Library System, explained that the county has no interest in taking over municipal libraries, as doing so would require staffing commitments and additional costs. Instead, the Town benefits from membership in the county cooperative system, receiving over \$50,000 annually and gaining access to shared resources, book transfers, and systemwide databases. Councilor Miles commended the cooperative model as innovative and efficient, noting the cost savings it provides compared to standalone systems.

The discussion then turned to the police department budget. Councilor Miles began by commending the reduction in the Town's police retirement contribution, which decreased from \$171,000 to \$99,000, effectively offsetting the cost of proposed salary increases. He clarified several line items, including fuel, vehicle purchases, and equipment. Police Chief, Rick Thomas, explained that the \$55,000 budgeted for the coming year was for new servers, as the current ones are at the end of their service life. Councilor Arnold asked whether cloud storage was an option, but Chief Thomas noted that, while some vendors are approved, federal guidelines prohibit storing personal data in the cloud.

Councilor Miles praised the overall police budget, which came in lower than the previous year despite salary increases. Councilor Arnold suggested reexamining overtime costs, which he noted were nearly equivalent to a full-time officer, and proposed shifting code enforcement duties back into the police department. He argued that police officers conducting code enforcement could enhance community engagement while providing flexibility when covering absences or surges in workload. Chief Thomas recalled prior difficulties with that arrangement, while the Town Manager pointed out pros and cons, noting that residents may not always appreciate being approached by an armed officer for minor code issues. Nevertheless, Councilors Arnold and Miles agreed it was worth considering for a future budget year, with a possible phased-in approach by FY27.

Mayor Pro Tem Everline highlighted the \$82,000 annual cost of maintaining a separate code enforcement function and expressed interest in cost savings. Councilor Arnold emphasized that his proposal envisioned code enforcement as an additional duty for existing officers rather than a dedicated reassignment, enhancing visibility and early detection of problems.

The Mayor then questioned Chief Thomas about planning for server replacements, noting that federal or state grants, previously used for police vehicles, might have been pursued for this purpose. Chief Thomas explained that the Town missed the most recent grant cycle and therefore must budget the



replacement, as further delays risk violating compliance standards. Mayor Wells urged that the purchase be delayed, if possible, until grants could be secured in the next cycle.

Mayor Pro Tem Everline asked about the impact of reducing police overtime by 15%, to which Chief Thomas responded that the cut would primarily reduce collaboration with neighboring agencies at municipal events, though he did not expect it to harm day-to-day operations. Councilor Arnold reiterated his broader vision of officers sharing code enforcement responsibilities as part of their community policing role, which he believed would deter crime, reduce overtime, and build stronger resident connections.

The Mayor concluded by requesting Chief Thomas provide Council with vendor quotes and statutory requirements for server replacement. With no further questions, discussion of the police budget was closed, to be revisited during the upcoming salary debate.

Following the conclusion of the police department budget discussion, the Town Manager suggested moving forward with other funds, beginning with the legislative cost center. Councilor Miles proposed adding \$2,000, split between travel/per diem and training/education, to better support council and staff attendance at conferences, citing this year's higher-than-budgeted expenses. Mayor Wells explained that expenses had been elevated due to multiple IEMO courses requiring hotel stays, which would not recur next year. Councilor Arnold emphasized the importance of ensuring Town representation at regional and state events, recommending that the mayor or a designated representative attend regularly to maintain Howey-in-the-Hills' visibility. Mayor Pro Tem Everline also stressed the importance of participation, particularly given his role on a legislative action committee, and expressed frustration over a prior disagreement about council approval of outside commitments. After discussion, Council agreed to reallocate \$2,000 from the legislative donations line, traditionally used for local scout groups, to travel and training, leaving the overall budget unchanged. A straw poll was taken and the measure passed on a 4-1 vote, with Mayor Wells dissenting.

Council then turned to administrative costs. Councilor Miles questioned why the executive assistant position was budgeted under financial administration rather than the town manager's office. The Town Manager explained that the role supports multiple departments and was placed in financial administration for clarity. Mayor Wells added that grouping administrative staff together avoids confusion in tracking managerial costs. Mayor Pro Tem Everline inquired about the "Think Tank" subscription, which was explained as a professional organization for city managers. Insurance costs were also discussed, with Council agreeing to consolidate coverage in a single line item for clarity.

Moving to legal services, some municipalities contract for legal services on a flat-fee basis, but the consensus was that hourly billing is more common and provides better responsiveness. Council also discussed rebidding professional service contracts on a five-year rotation, noting that the attorney and auditor were currently under review, with engineering to follow.

Finally, the comprehensive planning budget was addressed. Councilor Miles questioned why the allocation for engineering was reduced compared to planning. The Town Manager explained that the adjustment reflected current-year usage, with the planner engaged more frequently than the engineer. Mayor Wells clarified that costs related to developer-driven work are recaptured through pass-through fees, while the budgeted amounts cover only Town use. Councilor Miles suggested restoring \$15,000 for planning to begin defining a location for a future municipal complex, noting the need to prepare for long-term facility development.

When discussion returned to the Public Works budget, Mayor Pro Tem Everline raised a question about the significant increase in life and health insurance costs. The Town Manager explained that this was not due to new hires but rather the result of consolidating all Public Works personnel into one cost center, where previously they had been divided among Public Works and Transportation in the General Fund, and the Water Fund. Councilor Miles then questioned a \$32,000 line item for building



improvements, noting only \$3,500 had been spent year-to-date. The Town Manager and Town Clerk clarified that the funds were for window replacement, which was already under contract, while \$25,000 in the next fiscal year was earmarked for safety glass and door replacements. Councilor Miles expressed concern about investing further in an aging building, suggesting only minimal work be done until the Town is able to replace it. The Town Manager acknowledged the long-term issue but emphasized the need for safe, functional facilities in the interim.

Discussion moved briefly to sanitation services, where Councilor Miles reminded the Town Manager not to execute future waste contracts without an “out clause”. The Town Manager noted an expected 5% increase from GFL but said the budget did not propose passing the increase to residents. Councilor Arnold suggested the Town consider providing in-house sanitation service once its population reaches around 5,000, citing service quality, storm resilience, and smaller truck sizes that could reduce road damage. The Town Manager confirmed that prior analyses showed in-house service was not cost-effective but he committed to re-examining the issue when the contract next expires. Councilors generally agreed it was worth exploring.

Stormwater maintenance was briefly discussed, with Councilor Miles noting that a project in the current year’s budget would not be completed before year-end due to supply delays. He stressed that such costs should be encumbered and carried forward rather than re-budgeted to avoid diminishing reserves.

The cemetery fund was acknowledged as being largely maintained by staff without separate billing.

In Parks and Recreation, Councilor Miles questioned why \$50,000 budgeted in the current year had been reduced to zero for the coming year. The Town Manager explained this was related to the “finger pier” project, which had been removed for next year but partially completed this year, accounting for the expenditures. Councilor Miles expressed concern about the condition of other piers, noting some should be removed for safety. The Mayor confirmed that one pier had been listed in the Capital Improvement Plan, but funding would have to be reprioritized.

Council then reviewed the fire truck restoration project under Historical Preservation, with \$20,000 allocated for parts and supplies. Chief Thomas explained the difficulties in sourcing parts for the 1948 vehicle, which is being restored with assistance from a local technical school. He noted that while progress was being made, the timeline depended on student schedules.

At this point, Mayor Wells observed that the meeting had reached its two-and-a-half-hour mark and requested a motion to extend.

**Motion made by Councilor Arnold to extend the meeting until 4:30 p.m. and have a 5-minute recess; seconded by Mayor Pro Tem Everline. Motion approved unanimously by voice vote.**

#### **Voting**

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

**Nay:** None

Mayor Wells called for a 5-minute recess at 3:41 p.m.

Mayor Wells reconvened the meeting at 3:50 p.m.

After a brief recess, the Mayor commented that Councilor Lannamañ had a prior engagement and would be dropping from the call shortly. Council proceeded to the enterprise and special revenue funds, beginning with the Water Fund (401). Mr. O’Keefe and Mr. Southall clarified that “penalty charges” are late fees while “utility meter fines” relate to meter tampering; interest revenue is projected lower due to declining fund balance as capital is deployed. A small transfer from the Wastewater Fund covers proportional payroll for shared staff. Expenditures were reclassified to show Repairs & Maintenance

(Line 460) separately from Other Contractual Services (Line 340); the latter is elevated this year due to design costs payable to HALFF for Water Plant No. 3. The design is substantially complete and the bid opening is scheduled for Tuesday, August 12 at 2:15 p.m. at Town Hall as a public meeting for reading and recording bids only. Members discussed cash-flow for the \$5 million reimbursable state grant; Mr. O'Keefe indicated liquidity may be fronted by Drake Point and Cedar Creek per their agreements. Council requested a cash-flow projection, current year ending balances and FY25 inflows/outflows by fund, for the August meeting.

In the Wastewater Fund (402), a large R&M Equipment line reflects lift-station bypass pumps and related parts that slid into next year due to procurement lead times. Public Utilities Supervisor, James Southall, reported the Talichet HOA lift station asset transfer was complete, bringing those facilities into Town ownership under code.

Council flagged that the Police Retirement Fund presentation requires negative signs to correctly show decreases in both revenue and expenditure.

Turning to Infrastructure, Transportation and Building Services funds (150/152/155), members confirmed boat ramp and East Holly Street resurfacing are programmed for FY26; however, Councilor Miles suggested reprioritizing from East Holly to streets in poorer condition, especially North Valencia (and potentially North Georgia, North Tangerine, and roads leading into North Dixie). Staff will return with a brief presentation on current pavement rankings and options at the next Council meeting. The Transportation Fund's Contractual Services line covers routine road operation and maintenance repairs (e.g., pothole repairs); state revenue sharing was updated upward, with a portion dedicated to transportation. In the Building Services Fund, transfers out to the General Fund were explained as allowable percentages of position costs (e.g., Town Hall Office Supervisor 50%, Clerk 15%, Finance staff 15%, Town Manager 10%). Inspection revenue timing lags vendor invoices by roughly two months; the Town's margin is recorded on a separate revenue line, and a new position is budgeted in this fund.

Council briefly revisited the salary-study framework. Members noted concerns about comparability and timing and agreed substantive salary deliberations should occur in a dedicated evening workshop to maximize public participation. By consensus, Council scheduled a third budget workshop focused on salaries for Monday, August 18 at 6:00 p.m.

## **ADJOURNMENT**

**There being no further business to discuss, a motion was made by Councilor Miles to adjourn the meeting; Mayor Pro Tem Everline seconded the motion. Motion was approved unanimously by voice vote.**

The Meeting adjourned at 4:39 p.m. | **Attendees: 41**

ATTEST:

John Brock, Town Clerk

Graham Wells, CMC, Mayor