



Town Council Workshop Meeting (Mid-Year Budget Review)

**May 02, 2023 at 11:30 AM
Howey-in-the-Hills Town Hall
101 N. Palm Ave.,
Howey-in-the-Hills, FL 34737**

MINUTES

Mayor MacFarlane called the Town Council Meeting to order at 11:30 a.m.
Mayor MacFarlane led the attendees in the Pledge of Allegiance to the Flag.
Councilor Reneé Lannamañ delivered an invocation.

ROLL CALL

Acknowledgement of Quorum

MEMBERS PRESENT:

Councilor Reneé Lannamañ | Councilor David Miles | Councilor George Lehning (arrived 3 minutes late) | Mayor Pro Tem Marie V. Gallelli | Mayor Martha MacFarlane

STAFF PRESENT:

Sean O'Keefe, Town Administrator | John Brock, Town Clerk | Tom Wilkes, Town Attorney | Abigail Herrera, Finance Supervisor | Rick Thomas, Police Chief | Azure Botts, Code Enforcement Officer | James Southall, Public Utilities Supervisor | Morgan Cates, Public Works Director | George Brown, Police Lieutenant

NEW BUSINESS

1. Discussion: Mid-Year Budget Review

Mayor MacFarlane asked Abigail Herrera, Finance Supervisor, to introduce and explain this item. Sean O'Keefe, Town Manager, summarized and explained each of the Town's fund accounts.

Mayor Pro Tem Gallelli recommended removing "Ron" from the description of any of the Building Official object codes.

Councilor Miles recommended splitting Engineering and Planning fees, which were currently both listed under 001-519-316. Councilor Miles also suggested that the Town should investigate bringing the Building Official position in-house rather than continuing to contract it out to Alpha Inspections. Councilor Miles recommended that the Town purchase the Purchase Order and Encumbrance Accounting module from Black Mountain Software. This software module would cost the Town \$1,400.

Councilor Miles stated that the Finance Supervisor had supplied him with the fund balances (balance sheet), not just the income statements (revenue and expenditure). Councilor Miles shared copies of the Balance Sheet that he had received from the Finance Supervisor with the other Town Councilors.

Councilor Miles stated he would like to see the Town change the way it does budget adjustments. Councilor Miles would like to see the Town just do budget adjustments at the account total level, not the object code level. Councilor Miles stated that making budget adjustments at the account level would both save staff and the Council a lot of time and effort for minor budget issues (significantly reduce the number of budget adjustments). Councilor Miles also emphasized that it would allow the Council to be able to focus on truly significant changes.

Councilor Miles reiterated three things that he would like to see happen: 1) He would like the Town to purchase the Purchase Order / Encumbrance Accounting software module from Black Mountain Software for \$1,400; 2) Splitting of the Object code for Planning and Engineering fees currently under 001-519-316; and 3) Change the way the Town makes budget adjustments, so that it is done at the Account level and not the Object level.

Councilor Miles stated that, to use the Encumbrance system, the Council would need to pass a Resolution during the first meeting in October to create the appropriate amount of encumbrances that would roll forward. The Town would need to have the amount appropriated in the following fiscal year along with an initial budget for that following year.

Mayor MacFarlane called a recess to the meeting at 1:15 p.m.

Mayor MacFarlane called the meeting back from recess at 1:26 p.m.

Councilor Miles questioned why the Public Works Department was purchasing a vehicle under the Infrastructure fund. There was a consensus that the purchasing of this vehicle should not be under Infrastructure and should not use Infrastructure funds. The purchase of the Public Works truck should be budgeted to 001-539-650.

Councilor Miles stated that the Town needed to have a wastewater impact fee set up and would like to see this added to a future Town Council agenda. It was suggested that perhaps there could be a two-tiered wastewater impact fee, since there are some developments that have already paid for ERUs through the Central Lake CDD.

PUBLIC COMMENTS

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.

Tim Everline, 1012 N. Lakeshore Blvd. – Mr. Everline had questions about the ARPA funds. Mr. O’Keefe explained that the ARPA funds were in the Town’s accounts, and they were planned to be used for operating expenses and capital expenses this year and will be fully spent this year. Mr. Everline stated that the citizens would like to have the ability to follow how funds like ARPA have been spent. Mr. Everline also had questions about Library Capital Expenses, the expenses from the pier renovation project, transportation funds (and how it was spent on salaries), and Special Events funds.

Todd Hawkins, 1110 N. Lakeshore Blvd. – Mr. Hawkins questioned if the Town’s reserve fund’s interest amounts were being maximized.

Councilor Lehning stated that, in the future, he would like a simplified report with more of a summary view, for himself and the public.

Police Chief, Rick Thomas, stated that he had received a grant last year for the Town to purchase two vehicles and some equipment this year. Chief Thomas stated that the Police Department had gone over budget for the purchase of the two cars by \$16,075 and would like the Town Council to appropriate this amount from the Police Department Impact fees for this overage.

Chief Thomas explained that during last year's budget process the grant in question was accounted for in revenues, but not in expenditures. The expenditures were never accounted for in the budget, as there was some confusion over project codes. Chief Thomas explained that, due to this error, the Police Department had reallocated \$77,857 to this situation. Chief Thomas stated that there was still \$44,017 remaining that would need to be accounted for and would like Council to find a resolution to resolve this.

Chief Thomas stated that the Town Manager had told him not to hire another full-time officer right now, even though it had been approved in the previous budget. Chief Thomas stated that he had hired the position, but because of the Town Manager, he had to walk that back and he was embarrassed by this. Chief Thomas stated that he was appealing to the Town Council to remedy this situation.

Mr. O'Keefe stated that the Police Department's budget has already been increased by \$110,000 from the start of the fiscal year to the day of the meeting.

Councilor Miles asked how soon the part-time officer can be moved to full-time. Mr. O'Keefe stated that this could happen as soon as the Mid-Year Budget Amendment Resolution is passed.

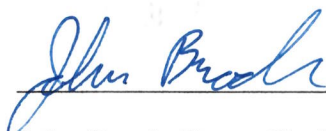
Chief Thomas stated that he also objected to the Code Enforcement's vehicle insurance and fuel budget amount being pulled out of the Police Department's Budget and having it moved under the Code Enforcement's account. There was a consensus that this would not occur until the next fiscal year.

ADJOURNMENT

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

The Meeting adjourned at 2:24 p.m. | **Attendees: 28**

ATTEST:



John Brock, Town Clerk

Mayor Martha MacFarlane