

HAVANA TOWN COUNCIL
FY2024 - 1st Budget Workshop
July 12, 2023 @ 6:30 p.m.

The council meeting was called to order by Mayor Loughmiller at 6:30 p.m.

Invocation by Councilman Reed followed by Pledge of Allegiance:

Roll Call:

Member(s) Present: Penny Key, Tabatha Nelson, Nick Bert, Tim Loughmiller (Mayor), Lawrence Reed, Eddie Bass and Kendrah Wilkerson (Town Manager)

Member(s) Absent: Dwight Vickers (Mayor Pro Tem)

VISITORS: N/A

OLD BUSINESS: N/A

Workshop Presentation -

The Town Manager provided an overview of the items listed in the Agenda and answered the Town Council's questions regarding all items relative thereto. Budgetary items that were discussed include but were not limited to the following: *Please note that this is intended to be a rough draft and will change before the final budget is produced. The budget attached is not balanced, not intended to be final and feedback from tonight's workshop will alter this budget.

1. Discuss and identify (for vote at the 7/25/23 meeting) an acceptable maximum Proposed Ad Valorem rate increase
2. Discuss fire service expenses and the potential for a Fire Service Fee

3. Salary increases, new positions, holding positions open
4. Ideas to increase revenue and reduce expense going forward

Millage

Kendrah Wilkerson (Town Manager) recommends that the Council set FY2024 Millage at no less than 2.50 mills which would equate to \$239,488. This is an increase of .25 mills over FY2023 rate of 2.25 mills, however it would be lower than the next highest Gadsden County rate which is Chattahoochee. The County will notify residents of our first budget hearing date. During the budget process, we can easily reduce the rate but it is time consuming and expensive to notify residents to increase the rate. Please note - to increase the millage from 2.25 to 2.50 (or more) would require a unanimous vote of ALL SEVEN Council Members at the two budget hearings in September. All members must vote and all must agree to the increase. After general discussion, Council Members agreed that 2.50 was max for this budget cycle.

Fire Service Expenses

Kendrah Wilkerson (Town Manager) explained that the Havana Volunteer Fire Department has suffered in the last several years from a lack of funding. The County provided \$49,397 in funding in FY23 for Fire Service Support. In return, Havana VFD provides fire services, through the use of volunteers, out in the County. Though all residents pay the same county ad valorem tax rate, the only fully paid Fire Department is located in Quincy. We haven't seen as much volunteer participation as we have had in the past and the fire station, trucks, and firefighters themselves need additional funding to ensure a sustainable future. Six of the eleven VFD in Gadsden County experienced a decline in their (our) ISO rating. One VFD that didn't lose its ISO rating is located in Chattahoochee. Currently, Chattahoochee charges a \$2 per month fire fee for residential and \$3 fire fee for commercial. The city pays \$20 to each firefighter that responds to a fire. If Havana followed suit, we could recognize the following revenue to cover expenses related to paying FF for call response, upgrading equipment, and providing incentives for firefighters to get certified.

Town Council Comments:

Councilman Bert: Is there any way we can assess our whole service area, if the Town can't maybe the county can. Assess the Fire Service fee, because then we can make it a dollar fee instead of two.

Potentially. There are ways to do that, there are different assessments, and we can even do special taxes. Which is harder than focusing on Havana Service area. I think if even if we just did Havana service area and a dollar fee, we would have enough to cover the calls that we had and conservatively the stipends if the concern is the cost. But I agree that there are rest incomes and neighborhoods that come to mind when it comes to fire services.

Councilman Bert: Tallavana, there's a lot of people out there.

Councilwoman Key: So, the way that you're talking about, the Town residents will pay but they're paying to cover everyone including those outside because the volunteer goes to everybody.

So, it's 5 driving mile, so we're talking about billed customers. We do have water customers outside the town limits. This is more than just the town limits but if its outside the town limits and they also don't have utilities then those are the folks not covered in this initiative. We can rework it, but in general this is the best way to get revenue to cover the fire service fee.

Councilman Bass: I think they deserve it.

Councilwoman Key: I do too. That's the hard part, I think they deserve more than 20 dollars but we have to consider expenses.

Councilman Bass: You can be enjoying a nice meal and there goes that beeper and you have to rush out the door to fight a fire.

Mayor Loughmiller: A lot of them probably won't take the 20 dollars.

Public Comments: I want the equipment, I want repairs to the fire house, I want new fire gear.

Councilman Bert: We want a better ISO rating we have to pay for it, we want a better service we have to pay for it.

Councilwoman Key: Exactly.

Councilman Bass: If we do the assessment the fire department itself can decide whether they want to draw money for going to the fire or for equipment.

Mayor Loughmiller: Some of the funds could be used for recruitment. Gets some new people.

Councilman Bass: You have an executive board for the fire department, right? They can make those decisions.

Public Comment:

Councilwoman Key: The coverage area extends out of the city limits, but we do get county funding so we can look into adding some of those funds as well.

Councilman Bert: They do, and we pay that also.

Town Manager: So is this something that we might be willing to attempt.

Councilman Reed: I think it's a good idea because it works for Chattahoochee. Before then there wasn't any participation but now it looks like they have more than enough, maybe get

some equipment fixed. We need to be recertified so the insurance rates go back down. I think we need to do the two dollars and reduce it next year if we need to.

Town Manager: Potentially council can pass an ordinance and set the fee by resolution and adjust the rate sheet as needed based on resolution change.

Councilman Bass: I'd like it stay at every month and maybe entertain votes for how the funds are spent if the funds aren't spent.

Councilwoman Key: Yes there's going to be complaints but when I lived in Tallahassee at the county line there was a quarterly fee of 40 dollars or so that was added on every quarter. It's fees but we have a volunteer fire department with people who aren't getting paid and we need new equipment. So if the funds aren't utilized can we decide how the funds can be spent down the line? And I say we lock the fee in across the board to stay consistent>

Town Manager: So I'll go ahead and include that 2 dollars. We aren't voting now, we have 2 chances to vote on it. The Fire Chief has agreed to provide quarterly updates, as part of that he can provide feedback on how much money is in the account vs how much has been spent and let us know if its working or not. After a year if it isn't then we can look at other solutions.

Councilman Bert: On paying the fireman Are we talking about certified firemen receiving the pay or anybody.

Councilman Bass and Councilman Reed: Anybody who shows up and helps fight the fire.

Town Manager: I would hate to have two people show up and only the certified get paid. There are dedicated long term members that are volunteers and servants of the community.

Councilman Reed: When you show up to a fire you need the right equipment and tools and folks are looking for answers. When they see that this will help I don't think they will mind especially with the insurance rates going up.

Personnel Expense:

Kendrah Wilkerson (Town Manager) explained that the draft budget includes the following: Town staff increases (excluding HPD) of \$1700 if employees make less than \$40,000 and \$1200 if employees make more than \$40,000. Previously, cost of living increases were \$1000 / \$1500 but given how much all living expenses have increased, this seems insufficient. Each tier was increased by \$200. Admin also cut all part time salary expense for a cost savings of roughly \$25,000.

Water Department

Kendrah Wilkerson (Town Manager) expressed the need of One (1) over-hire position in the Water Department (\$17 per hour) funded at half a year (Salary + Fringe = \$23,423). This two-person department anticipates both long time water dept

personnel completing drop within one month of each other, two years from now. The Town must plan ahead to ensure continuity of operations and transfer of system knowledge from the current staff to future Water Dept.

Police Department

Funding for the Police Chief position is set at 2/3 year, with the plan to hold open the Chief position from January - April to allow each in-house candidate to act as Chief for a period of two months. This allows our interested internal candidates the opportunity to "test-drive" the Chief role and allows the Town to save 1/3 of our annual Chief salary. This provides a savings of \$37,827. If the Council does not wish to delay filling the Chief's position upon his retirement, we will have to establish a plan to increase revenue by \$37,827 or cut other costs by that same amount. HPD Salary Increases: Civilian/Dispatcher = \$1200 / \$1700 and Sworn = \$1500 LT / \$2500 OFC & SGT. The new starting salary would be \$42,691 (\$2500 increase over last year) and each salary year would increase accordingly so as not to cause compression. Discussions regarding possibly reducing staff to cut costs and if the Town can remain safe with one Officer on shift took place at the end of the Budget workshop.

Town Council Comments:

Councilman Bert: Why don't we hold it open for 3 months for each one, that would be more cost savings, instead of 2? Give it a half a year total.

Town Manager: Yeah, we could rework the numbers, but I'll defer to the Chief.

Chief: Either one of the two that has expressed interest would certainly be capable of performing the duties for whatever amount of time.

Town Manager: So I'll rework those numbers and have those ready to discuss by the next meeting.

Town Manager: We also made some adjustments from last years budget to allow some increases.

Councilman Bert: How close are we.....To being the lowest?

- The Chief provided an overview and feedback regarding Havana PD being the lowest paid in Gadsden County and decisions being made to improve that and retain personnel and the budget for Gadsden County not being shared. He entertained additional questions from the Council and would compile numbers to provide to everyone. *Refer to audio for further information*

Other Large Cost Increases

OMI - Jacobs - requested a contractual increase of \$20,843

FMIT (Property/WC/Liability) - anticipated increase of 50% (budgeted at 40%)

FRS / Health insurance increases

Transformers - continual increases and multi-year delay in getting equipment

Priority List Updates - Things that have been completed and what's in progress

Budget Deficit - Able to balance the budget as is, will have to make adjustments for next year's budget. Next year's FMPA forecast and cutting costs with staff reductions.

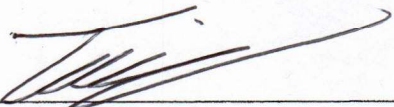
Town Council Comments:

- The Chief provided an overview and feedback regarding Havana PD being able to function and perform duties with only two Officer's on shift and the dangers that might present to the public and the Officers should an emergency arise. He answered additional questions from the Council and reiterated doing whatever is necessary to get the job done.

***No official votes occurred, and certain portions of the presentation were agreed upon and while other portions required further discussion, additional information and/or updates regarding pending contracts/grants prior to budgetary adjustments. Items will be revisited at 2nd Budget workshop.**

Recognition of Council: N/A

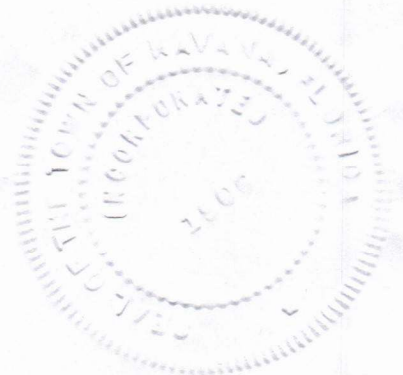
Motion to adjourn was made by Councilman Bert and Seconded by Councilman Bass.
Motion carried.



Tim Loughmiller, Mayor

ATTEST:

Fredrick Green Jr, Town Clerk



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APPROVED



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