

Town Of Havana

Budget Workshop & Special Council Meeting

July 8, 2025 – 6:00pm

Meeting minutes

Call to Order

The meeting was called to order by Mayor Pro Tem Lawrence Reed at 6:00pm. Invocation was led by Mayor Pro Tem Reed followed by the Pledge of Allegiance.

Roll Call

A roll call confirmed the presence of the following council members including Councilwoman Penny Key, Mayor Bass (via telephone), Mayor Pro Tem Lawrence Reed, Councilman McKinnon, and Councilman Matt Wesolowski, ensuring a quorum for the meeting. Councilwoman Tabatha Nelson and Councilman Landon Seymour was not in attendance.

Recognition of Visitors

None

Request to Set the Agenda

Councilwoman Key made motion to set the agenda for the July 8, 2025 Budget Workshop and Special Council Meeting. Councilman Wesolowski seconded and motion carried.

Consent Agenda Items

None

New Business

2nd Budget Workshop

Ms. Wilkerson shared that in the council packet is the proposed budget for the upcoming fiscal year and noted it is a draft and not balanced. Items to discuss are max millage (no vote tonight but vote will be at the last meeting in July). Max millage is set in the draft budget at the current 3.0 mills. Included in the packet are some scenarios if the Town goes higher. There are some variables outstanding in the budget that we do not have numbers for. We were told by insurance via email that property insurance rates may come down but we do not know how much liability and workers comp will go up. She recommends to set the mills as high as needed as it is easier and less expensive to come down in the budget process compared to going higher. She does recommend holding at 3.0 mills if at all possible. Councilwoman Key inquired as to when we will get those numbers. The Town Manager shared that according to the agent, the property taxes should go down by 10% but we have not received the actual numbers.

Public Safety – Fire Department funding has suffered over the past years but thankfully due to community contributions most capital expenses are covered. However, to keep in mind that the new PSC (Public Safety Complex) will have some new expenses and estimate numbers are included in the budget to hopefully cover double expenses and also a possible debt payment if needed.

The draft budget does include a \$2K salary increase for all full-time town employees. There are some expenses increases to note such as health insurance increase of almost 9% of which the Town pays all except \$100 [paid by the employee] and FRS rates increased July 1, 2025.

Medical Facility in the budget includes \$7500 for major repairs to the building. The contract that is being reviewed at this time includes major repairs that the Town is responsible for and that will be any repairs over \$5K.

Utilities – Water department normally is a two (2) person department but currently has four (4). This is due to our two (2) senior staff in this department are both retiring 11/30/2025. The over staffing has been to continuity of knowledge. It will go back to a two (2) person staffing upon retirement of these two (2) staff members. 5% revenue increase minimum for water based on requirement of the debt agreement. This budget is based on the minimum increases. These rate changes will be discussed at the end of the month during council meeting. The rate increase for sewer is 10% and that is consistent with the increase last year. Please note that even with this increase sewer is not self-sustaining and will require a transfer from another utility. Other options to make it self-sustaining that are being looked at is possibility of bringing it in-house. Jamey Jones from City of Newberry came up and completed a site visit and has offered his help in the future to bring it in-house if council decides to do this. Electric Department budget is currently based on a 1.5% increase. Included in the packet is a sample utility bill showing the proposed rate increases. The Town Manager paused to allow Mayor Bass' call in to the meeting. Ms. Wilkerson again reviewed the previous points of changes in the proposed budget. She shared that included is a list of Project Priority List and the status of the items to keep the council up to date. A notable change to the draft budget is from previous audit request to correct garbage collection where historically it was run through General Fund Revenue as a net and both revenue and expense was in the same line. It is being split out as separate revenue and expense lines. The net is the same but it does look different. Allocated some expense of the Street Supervisor salary to Water as he has been acting as supervisor over this department. Salary turnover has also freed up some salary dollars for reallocation. Applied for some sizable grants and are not included in the budget as it would appear that we have a huge budget increase and that would be directly related to grants. She will review at the end for council's information. Open to review any other items. Ms. Wilkerson will continue to finalize numbers to present a fairly complete budget for the August budget workshop in order that council can review, ask questions and make a confident decision.

David Wesolowski, 310 N Main ST, inquired as to what the line item is for zoning and why it has increased and where is the money coming from. Havana needs to get with the sewer guy and look at alternate sources instead of taxing the base of people that live paycheck to paycheck. He shared past increases and how expensive it is for the citizens and businesses.

Councilman Wesolowski inquired as to why the zoning fee has increased. Ms. Wilkerson shared that we have fees and these are budget and not actual. The Town has been trying to review these fees so that they cover the Town's cost and to have more accurate numbers in budget. The Town may make a little money offset staff time but generally speaking it is an offset. The budget numbers are in place to cover the potential costs. These are based on volume and no way to predict. It is not a money-making venture. Councilman Wesolowski inquired to where does this extra money go. Ms. Wilkerson shared that it is a number that is trying to cover any expenses.

Mayor Pro Tem asked if any further discussion and none stated. Budget Workshop portion was closed at 6:25pm.

Old Elementary School – Foreclosure Process & Risk

The Town Attorney, Jody Finklea, approached the podium and stated that the Town Council had previously requested that research be done to provide information as to what the foreclosure process may look like and the costs involved. Risks involved in code enforcement actions fall under one of two categories. An action can be filed and completed in 6-9 months with a cost of \$5-\$10K and they usually result in a settlement default and no real litigation. The other category of cases takes on a life of their own and can last for years and high litigation costs. These depend entirely on how much the owner wants to fight the action. The prevailing party gets all of their attorney fees and court costs paid. It is important in a code enforcement action that all procedures, notice and processes have been complied with. All resolutions must be certified copies. Councilman Wesolowski inquired if our copies were certified copies. The attorney stated he believes they were but all would need to be

reviewed. Leins search would be conducted to confirm if any other liens against the property. A quick search has been completed and none are showing at this time. Also, Mr. Finklea shared that the Town has an Ordinance that covers foreclosure code enforcement and that is Ordinance 379 which was adopted in 2019. All cases that he reviewed in standard foreclosure processes fall under Florida Statute Chapter 162. They are not under a stand-alone ordinance. This may present another element if the decision is made to move forward.

How does this process work and look? Mr. Finklea shared that after liens have been filed for three (3) months, you can file a foreclosure action. As a last administrative action, the Town would adopt an authorization to proceed with foreclosure authorizing whomever is going to conduct the litigation to file this and it will state the specific time frame for the owner to bring the property up to requirements. This gives the property owner one last opportunity to make good. If this is not done, then the foreclosure action is filed in Circuit Court. He reiterated that there are numerous foreclosure cases in South Florida that have taken years of litigation. Once the litigation is complete and if the Town prevails, the Town will receive a final judgement from the court which is the amount of the lien and all attorney fees and court costs. Then a request is made to the Tax Collector to conduct a foreclosure sale. Typically, these are done electronically and anyone can place a bid. The Town would bid the amount of the final judgement. If no other bidders, then the Town wins. The Town would not get any money but the property in exchange. If other bidders, the highest bidder will get the property and pay the bid amount into the registry of the court. The Town would get the final judgement monies. It normally takes a couple of months after the final judgement is received from the court.

If there is a bankruptcy filing in the process at any point, the process stops. You cannot proceed if the current owner is in bankruptcy. Currently, the current owner is not in bankruptcy and it is an LLC. They have not paid the 2024 property taxes currently.

Mr. Finklea shared that he is not a litigator. His advisement is for the Town to hire a litigator. He would also recommend that he review the file to ensure that all documentation is in order before proceeding with any foreclosure.

Ms. Wilkerson requested confirmation from the attorney that if the Town is not the prevailing party, then the Town would be responsible for not only the Town's legal fees but also the owner's fees. Mr. Finklea did confirm that this is a true understanding.

Mayor Pro Tem Reed shared that the Town does need to do something and he does understand that it is a huge risk for the Town. Is there anything else that the Town can do to make the owner fix this property? Mr. Finklea stated nothing except taking on the safety measure and add to the lien. There is also a special assessment that the Town could adopt which includes the costs of safety measures, etc. and then the assessment is billed through the property appraiser's office directly to the property owner. This would still mean an outflow of funds from the Town initially. Mayor Pro Tem stated that as much as he wants something done, he is hesitant to put the Town at risk. Mr. Finklea also shared that about a year ago, the assessed value on the two parcels was at \$1.1 million and today it is at \$860K. The value has definitely gone down. Councilman McKinnon agrees that the risk is too great. Councilman Wesolowski stated that at some point, something has to be done. The attorney confirmed that the lien has to be met for the exchange of the property. Councilman Wesolowski inquired if there are quick processes and Mr. Finklea stated yes. Councilman McKinnon stated that with the history and refusal of offers, it is too great of a risk. Councilwoman Key stated that it is important to remember that the estimate the Town received at the beginning for demolition was over \$700K. Councilman Wesolowski reiterated that there have been offers from interested parties even in disrepair.

After much discussion among the council, Mayor Eddie Bass, made the recommendation to have the attorney review all information and ensure that it is complete. Then find an attorney in Tallahassee that handles foreclosure, and request them to review and make a recommendation to the Town. Mr. Bass shared the name Charles Gardner. He also stated that the Town would need to pay for these services but at least we would know.

Councilwoman Key made the motion to have the attorney review the documentation and have Mr. Gardner come and present. Councilman McKinnon seconded and motion carried.

David Wesolowski, 310 S Main ST, stated he attends foreclosure auctions monthly and he has never seen a town or municipality actually bid on an item. He shared that from what he has seen that this is when they want to

protect their fees. Another suggestion he would like to make is to send it to three firms and let them all make an assessment. He shared that when the court learns of how patient the Town has been with this property owner, the court will be on the side of the Town. He does not think the Town has to bid. He shared that when he discussed this with an attorney over a year ago, that it would be less than \$5K and really closer to \$3K.

Mayor Pro Tem Reed inquired of Mr. Wesolowski if he was one of the people that made an offer and if he was turned down. Mr. Wesolowski stated his offer was to the Town and to pay legal fees and he also had previously made an offer to the owner and it is his understanding that all offers that have been made to the owners were turned down including his.

Zoning Process Discussion

Ms. Wilkerson shared after zoning questions and concerns were raised by a building owner at the May council meeting, Town Council instructed staff to provide information on our zoning ordinances and the zoning application process. A workshop was held on 6/24/2025 to explain Business Tax License, Zoning Certificates and Central Business District, along with the ordinances that support, guide and regulate that process. This agenda item provides for Council discussion on these ordinances. If Town Council wishes to amend any of the three ordinances, it must be done via ordinance. Councilwoman Nelson is ill tonight and unable to attend. She did send in a written statement and asks for council's approval for the clerk to read the statement. The Town Clerk read the statement sent in by Councilwoman Nelson for the record.

Councilman Wesolowski stated that the statement from Councilwoman Nelson contradicts what Ms. Wilkerson shared at the last meeting. He stated that it was stated the Town loses money charging the \$270.00. Ms. Wilkerson shared that the \$270 is for the zoning application and what Councilwoman Nelson is referring to is the Business Tax License Fees. Councilman Wesolowski shared that he feels that it is more the zoning process. Councilman McKinnon stated that his understanding that this is about the \$270.00 zoning application fee and then the Town uses Apalachee Regional Planning Council to review and also some concerns about Central Business District. He shared that he does agree that there could be some streamlining with regards to the Central Business District. However, he cannot support eliminating the zoning process because it is needed for a review of what is allowed in the Town. Majority of contractors and business are honorable but there are some that are not. Mayor Pro Tem Reed stated that he agrees with Councilwoman Nelson that the Town needs to leave it as is.

David Wesolowski, 310 N Main ST, stated that the zoning workshop was advertised as participation is encouraged but no one was allowed to speak. He stated he is not sure who made this decision, whether it was the council or the person that did not want it on the agenda. However, the only person that did get to speak was the person that did not want it on the agenda, Ms. Wilkerson. Ms. Wilkerson stated that the decision was made by Mayor Bass. The data he requested that he emailed to the council to be presented was not provided. He has received information that the Town currently has 276 licenses and 116 of them are for out-of-town businesses. Mr. Wesolowski feels that the problem is with the business tax licensing and the \$270 zoning fee. He stated he initially shared that the licensing should be automatic and let them open up shop. He stated that he has data that shows where some people were made to pay and some were not. He feels too much discretion in this. He also shared that the \$270 fee and process does not change the zoning or anything of what anyone can do in any area. The City of Tallahassee did away with it since the State already regulates. Information he has been provided does not show one license being denied which shows we are not protecting ourselves.

Councilman McKinnon shared that there is a difference in zoning and business license. The concept of zoning is reviewing a proposal that someone wants to come in whether it is a business or building a house and has nothing to do with the annual business tax licensing. City of Tallahassee has a zoning process. This process is to protect the neighbors. Councilman Wesolowski shared that it was stated that we do not pay ARPC the \$270 fee but by the hour which in some instances the Town may make a little money but, in some cases, the Town loses money. He asked the question, why isn't this process handled in-house? Councilman McKinnon stated that the expertise is needed and the Town does not have it. Councilman Wesolowski inquired about Off the Rails and parking compared to the occupancy. Councilman McKinnon shared that there are downtown parking lots that can accommodate. Councilman McKinnon agrees that some changes can be made but we need a process. Mayor Bass agrees that we need a process and he feels it should stay. The Town Manager stated that the

suggestion was made to bring it in-house. However, we must have the expertise to do this. It is less expensive to pay \$20K to ARPC annually compared to \$80K for a planner. The Town does this with water. We use an outside company for their water operator licensing and expertise because we do not have the expertise in-house. Much discussion was on this subject and all council members agree that they want Town of Havana to thrive and grow. Councilman Wesolowski is very concerned that these processes hurt the "Mom n Pop" business and local people and due to the red-tape the impression does not help or support these people.

David Wesolowski, 310 Main ST, requested to speak again on this matter. Mr. Wesolowski shared that he had two (2) tenants that wanted to come in and the same type business. The Town told the 2nd tenant that he would be required to complete the same process and pay the fee also. Due to this concern, this started the discussion that the process needs to be streamlined. Most recently for the first time ever, he had four (4) tenants that were not charged the application fee and he thinks it is because Councilwoman Nelson hair salon and Roosters Roasters did not pay a fee. All four (4) were issued a license. A week later all four (4) were told there was a mistake made and they needed to pay and must pay by Monday. He feels this fee is stupid and if someone does not do what they need to do, then the Town could repeal the license. He requests that if the council does not appeal, he recommends at least streamlining. Ms. Wilkerson stated for the record that Councilwoman Nelson came to the Town and requested an application, of which she completed and paid the fee for her businesses. All review process was completed same as with any business. A council member has not and will not be allowed to avoid this process. She shared that Mr. Wesolowski did send an email about making changes. She replied that there is always room for improvement in every process and would be willing to work with him and talk about it but it was not broken and not a priority at that time but it could be discussed later. Then he came and spoke at council which started this discussion and workshop. She does feel process could be improved but she does not feel it is broken. There was at least one person that did not pay the fee and were called back and instructed that no Town Staff have the authority to not charge a fee that is directed by the Town Council. It was explained that in order for consistency they would need to pay the fee. Until the council changes the process or fees, this will continue to be enforced. Please keep in mind that business tax licensing is totally separate from the zoning process and fee.

After much discussion, Councilman Wesolowski made the motion to make the zoning fee \$50.00. No second. The Town Manager, emphasized that \$50 does not cover some zoning applications, such as lot splits. She asked should be do "do cost to serve". Councilman Wesolowski reiterated he wants people to come to Havana. He feels the "red-tape" needs to be cut and it needs to be streamlined to help small businesses.

Mayor Pro Tem requested a decision. Councilman Wesolowski made the motion to move to the next meeting. No second.

Mayor Bass made the motion to stay with what we have and move on. Councilwoman Key seconded. All council were in favor with the exception of Councilman Wesolowski who was opposed.

Medical Facility Update

Ms. Wilkerson stated this is an update on the status of the medical facility. The Town is still working through some things but since the last meeting update, the Town staff have replaced two (2) leaking faucets, working on repairing the lighting in the facility and also reached out to the locksmith that rekeyed the building to inquire if there is a way to add a separate locking mechanism for the front door so that it may be locked from the inside. They stated based on the age and the metal bars on the inside there is no way to install without damaging the door. She is requesting that if anyone has any other door company suggestions, please let the Town know.

Since the last meeting, the manager has met with Edna Hall at the facility and she has some ideas for fundraising and she has met with the doctor. Other citizens and even Dr. Browning has some people that are willing to assist as well. Any funds raised would be held by the Town and be used specifically for the repairs of the medical center in a specific account earmarked for this. Dr. Browning has been in the facility working on consolidated rooms for repairs. She shared that the Town is continuing to work through the punch list and complete the inexpensive items. However, there are several items that are expensive and these funds are not in the budget.

Karen Kent, 102 E 5th AVE, was the building in code when Dr. Newberry was in practice. The Town Manager shared that it is her understanding that he had been practicing for so long that he was grand-fathered in and allowed to. Dr. Newberry was also required to maintain the building and the Town should have been inspecting. However, the Town has not done that in many years. Mrs. Kent stated that the Town needs a doctor and he is willing to come in and practice and he should not be burdened with this. She shared that people in this town have the monetary ability to participate if they knew and also some that may be willing to donate labor or other. Councilman Wesolowski and Mayor Pro Tem agreed.

Dr. Cameron Browning stated he is very much appreciative of this opportunity. He is thankful for the building being provided but he was under the impression that it would have already been taken care of. This is the Town's building and the community and the Town benefits from these repairs. Also, in his contract he will be responsible for the upkeep while he is practicing in the building. His desire is to provide a safe environment for citizens to come and receive care. It is not just a regulatory requirement. He is requesting that the Town of Havana work with him and the others so that the funds may be held at the Town. Councilman Wesolowski agrees that Dr. Browning should get his own bids and if he desires for the Town to be a mediator of the funds. Mayor Pro Tem requested an update on the fundraising. Dr. Browning shared that they are working on different options for individuals to donate and their names will be placed on the donor wall. Dr. Browning is requesting information on who and where the donations may be made.

Councilman McKinnon made a motion for an account to be set up for the donations to be made for the Medical Facility. Councilman Wesolowski seconded and motion carried.

Mayor Pro Tem inquired as to if the Town would be doing any type of ceremony of the opening of the Medical Facility and the donations. Ms. Wilkerson stated that the Town will do whatever the council instructs.

David Wesolowski, 310 N Main ST, agrees with what Councilwoman Nelson stated but also agrees with the doctor that the Town is going to come together. Events are being planned by Edna Hall.

Councilwoman Key reiterated how this Town shows support.

Recognition of Council Members

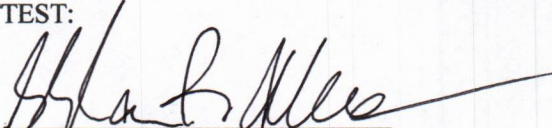
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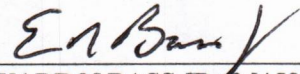
Motion to Adjourn

Councilman Wesolowski made motion to adjourn the July 8, 2025, budget workshop and special council meeting. Councilman McKinnon seconded, and motion carried.

Mayor Pro Tem Reed adjourned the meeting at 7:40pm.

ATTEST:


Shrylan R. Alexander, Town Clerk


EDWARD N BASS JR, MAYOR

