

Town Of Havana
1st Budget Workshop
June 30, 2026 – 5:00 p.m.
Meeting minutes

1. Call to Order

The June 30, 2026 Budget Workshop meeting was called to order by Mayor Pro Tem Howard McKinnon at 5:00 p.m. Invocation was led by Mayor Pro Tem McKinnon, followed by the Pledge of Allegiance.

2. Roll Call

A roll call confirmed the presence of the following council members including Penny Key, Tabatha Nelson, John Bryant, Mayor Pro Tem McKinnon. Mayor Eddie Bass, Matt Wesolowski, & Robert Mosby were not in attendance. A quorum was not needed.

3. Set Agenda

None

4. Recognition of Visitors

None

5. Consent Agenda Items

None

6. Old Business

None

7. New Business

a) Budget Workshop-Discuss Priorities

The purpose of the workshop was to begin discussions regarding the FY 2026-2027 budget and review the upcoming budget hearing schedule. The Town Manager and Chief of Police provided an overview of the proposed statewide property tax reform and its potential financial impact on the Town. The proposed constitutional amendment would not affect the FY 2026-2027 budget, but could significantly impact future fiscal years.

- Estimated impacts include:

Approximately \$150,000 reduction in revenues beginning FY 2027-2028 if approved.

Approximately \$250,000 reduction beginning FY 2028-2029 under the expanded homestead exemption.

Staff explained that a \$128,000 revenue loss represents roughly 10% of the Town's current Police Fund budget, illustrating the significant financial impact.

Council discussed that if the amendment passes, the Town may face difficult decisions regarding:

Service reductions, Adjustments to the millage rate, or other revenue alternatives.

It was noted that increasing the millage rate would place a greater tax burden on businesses and non-homesteaded properties due to the expanded homestead exemption.

Staff encouraged Council members to educate residents regarding the potential local impacts of the constitutional amendment.

Staff reviewed recent legislative changes affecting municipal millage rates.

- The Town's current millage rate is **3.000 mills**, generating approximately **\$350,000 annually** in ad valorem tax revenue.
- Municipalities remain subject to the statutory **10-mill cap**.
- New legislation requires municipalities to begin with the calculated **rollback rate**.
- Adoption of a millage rate above the rollback rate, but within the allowable limit, will now require a **two-thirds vote of the governing body** rather than a simple majority.
- Staff advised that certified taxable values were still pending from Gadsden County and updated revenue projections would be presented during the budget process.
- Staff advised that preparation of the upcoming budget remains challenging until final revenue estimates are available.
- Department heads submitted priority equipment and infrastructure needs for consideration. Discussion centered on identifying priorities while awaiting finalized revenue information.

Items discussed included:

- Underground primary electrical infrastructure
- Bank A transformer bushing replacement (estimated cost: **\$30,000**)
- Trip Saver/Line Defender protective devices
- Sewer jetter (estimated cost: **\$45,000**)
- Boom mower repairs
- Replacement or repair of the smaller bucket truck ("Taco")
- Various departmental tools and equipment
- Smart metering implementation
- Right-of-way vegetation management

Council emphasized the importance of maintaining the Town's electric utility infrastructure, recognizing it as one of the Town's most critical revenue-generating assets.

Staff provided an update regarding the Florida Department of Environmental Protection (FDEP) Consent Order.

- Dewberry Engineering has identified the Rural Infrastructure Grant Program as a potential funding source for required wastewater treatment improvements.
- Because the project addresses aging infrastructure under a regulatory consent order, staff believes it may be highly competitive for grant funding.
- The Town recently received an **\$850,000 state appropriation** for wastewater improvements.
- Staff will continue working with Dewberry Engineering and state officials to determine whether portions of the funding may be applied toward Consent Order requirements.

Council requested that Dewberry Engineering attend a future meeting to provide a detailed overview of the wastewater improvements and project priorities.

Council Member Bryant requested historical financial information to better understand the Town's financial trends.

Staff agreed to provide:

- Prior adopted budgets,
- Historical revenues and expenditures, and
- Departmental budget information for comparison during the July budget workshop.

Staff discussed the potential implementation of a smart metering system for electric, water, and gas utilities.

Potential benefits identified included:

- Improved meter reading efficiency
- Reduced labor requirements
- More accurate billing cycles
- Faster outage detection
- Enhanced customer service
- Ability to expand to prepaid utility billing in the future

Staff advised that implementation would likely occur in phases, beginning with a pilot project before expanding town-wide. Grant opportunities will continue to be explored to offset implementation costs.

Council discussed continuing to prioritize infrastructure improvements while balancing available revenues and maintaining quality services to residents.

Council continued discussing the potential implementation of a smart metering system for the Town's utility services.

Staff explained that multiple systems are being evaluated, ranging from more sophisticated and expensive platforms to more cost-effective solutions appropriate for a municipality the size of Havana. One option discussed would utilize a hub meter capable of collecting data from surrounding meters through Bluetooth technology, reducing overall infrastructure costs.

Additional discussion included:

- Potential opportunities to utilize existing communication infrastructure from neighboring utilities.
- The significant costs associated with establishing the network infrastructure, including servers, antennas, and information technology requirements.
- The long-term operational benefits, including improved efficiency, reduced staff time dedicated to meter reading, and enhanced customer service.

Staff indicated that additional information and cost comparisons would be presented during future budget discussions.

Staff shared a request from administrative personnel regarding improvements to the customer service counter area to provide additional security and prevent unauthorized access behind the counter.

It was noted that the improvement would likely be a minor project and could potentially be completed by Town staff.

Staff discussed the need for an additional licensed meter-reading device.

Discussion included:

- The Town currently possesses an additional handheld device.
- A software license would need to be purchased before the device could be placed into service.
- The estimated cost of the license is approximately **\$1,000**.
- Providing an additional licensed device would improve the efficiency of monthly meter reading operations.

Staff expressed hope that funding could be identified within the current fiscal year to activate the device.

Additional discussion focused on Public Works equipment needs.

Items discussed included:

- Repair or replacement of the sewer flushing/pump-out equipment.
- Evaluation of repairs needed for the boom mower.
- Determining whether repairing aging equipment would be more cost-effective than replacement.
- Exploring rental options for specialized equipment when practical.

Staff agreed to provide additional information at a future workshop, including repair estimates, replacement costs, equipment values, and expected service life.

Council discussed the need to repaint downtown parking spaces and curbs.

Staff advised that:

- Downtown striping remains on the Public Works priority list.
- Staffing limitations have delayed the project due to competing operational responsibilities, including utility maintenance and meter reading.
- Public Works continues to work toward completing the project as staffing permits.

Council expressed interest in completing at least portions of the downtown striping as resources allow.

Staff advised that more detailed budget information would be available once:

- Certified taxable values are received from Gadsden County.
- Revenue projections are finalized.
- Additional cost estimates for capital equipment and infrastructure projects are completed.

Council agreed to continue prioritizing capital needs while balancing available revenues and operational requirements.

8. Public Hearings

None

9. Information Items

a) Report by Town Manager

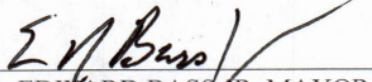
None

b) Report by Town Council Members

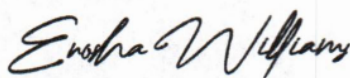
None

10. Adjournment (By Vote)

Mayor Pro Tem McKinnon Adjourned the budget workshop at 5:45 p.m.


EDWARD BASS JR., MAYOR

ATTEST:


Enosha Williams, Town Clerk

