<u>Town Council Members Present</u>
Zane Teeters, Jr. – Mayor
Cheryl Marinelli, Vice Mayor
Councilwoman- Kay MacQueen
Councilwoman – Susan Richert
Councilwoman- Kim Hanawalt

<u>Town Staff</u>
Charles Jacien, Town Clerk
Wally Hoagland, Police Chief
David Langley, Attorney

1. Call to Order

Mayor Teeters called the Budget Workshop to order at 5:00 p.m.

Pastor Steve Lee delivered the invocation, followed by the Pledge of Allegiance.

2. Roll Call

Present: All Members present

A quorum was present, and proper notice of the workshop was confirmed.

Also present were Town staff, Town Attorney David Langley, Police Chief Hoagland, and Vince Tagliana, Director of Governmental Advisory Services with James Moore.

3. Proposed Fiscal Year Budget

Mr. Tagliana provided an overview of the State of Florida's budget adoption process. He explained that the Town must certify its proposed maximum millage rate and first budget hearing date in early August so the information can be included on the Truth in Millage, or TRIM, notices mailed to property owners.

The millage rate advertised on the TRIM notice establishes the maximum rate the Town may adopt. The Town may subsequently reduce the rate during the budget process but generally cannot increase it above the advertised rate.

Mr. Tagliana reported that the Town's taxable property values increased approximately 18.8 percent over the prior year.

The proposed budget was prepared using an anticipated millage rate of approximately 6.55 mills, which is near the rollback rate. It was explained that this rate would represent an estimated 5.04 percent reduction in the tax rate paid by property owners while generating approximately 17.8 percent more revenue due to increased property values and growth.

The proposed budget reflects an approximately 11.9 percent reduction in operating expenditures compared with the prior fiscal year.

4. Employee Compensation and Benefits

The proposed budget includes:

- A 3 percent wage increase for Town employees.
- No separate cost-of-living adjustment in addition to the 3 percent increase.
- An anticipated 11 percent increase in employee health insurance costs.
- Continued payment by the Town of 100 percent of individual employee health insurance premiums.

Mayor Teeters emphasized that the Town-funded health insurance and Florida Retirement System benefits should be considered when comparing Town compensation with wages offered by other local governments.

The Town currently pays approximately $111,000 annually for employee health insurance and approximately $224,600 toward employee retirement benefits.

5. Departmental Budget Reductions

Council Member MacQueen suggested considering an across-the-board 10 percent reduction in departmental budgets to prepare for possible future reductions in property-tax revenue.

Council discussed the difficulty of applying a uniform reduction to departments with significant payroll, public-safety, equipment, maintenance, and emergency-repair obligations.

It was noted that departmental appropriations establish spending authority but do not require departments to spend the full amount budgeted.

6. Police Department Staffing

The proposed Police Department budget was prepared based upon full staffing. The department currently has two vacant officer positions, and no immediate decision has been made regarding filling those positions.

Council discussed whether the vacancies should remain unfilled while the Town evaluates future revenue and staffing needs.

It was noted that:

- One officer serves as the School Resource Officer and is funded through the School Board.
- The Police Chief has administrative responsibilities in addition to law-enforcement duties.
- Reducing staffing could decrease proactive patrols, traffic enforcement, property checks, and other self-initiated activity.
- The Police Department records approximately 1,600 self-initiated contacts or activities per month.

Mayor Teeters reported meeting with representatives of the Lake County Sheriff's Office to obtain an independent assessment of the Town's policing needs and activity levels. He clarified that the meeting was informational and was not conducted for the purpose of selecting Sheriff's Office personnel or immediately eliminating the Town Police Department.

The Police Chief will continue evaluating staffing assignments and departmental needs. Council expressed general support for taking a measured approach before filling the two vacant positions.

7. Future Property-Tax Changes

Council discussed proposed state constitutional and legislative changes that could substantially increase homestead exemptions beginning in future fiscal years.

Mr. Tagliana explained that the proposed changes would not affect the upcoming fiscal year but could begin affecting Town revenue in Fiscal Year 2027–2028, with a greater impact in Fiscal Year 2028–2029.

Town staff advised that the effect could be significant because a large percentage of homes in Astatula are valued below the proposed exemption thresholds.

Council agreed that the Town should begin planning for potential future reductions in ad valorem revenue while maintaining necessary services and adequate reserves.

8. Solid-Waste Services

Council discussed a requested rate increase from the Town's solid-waste contractor. The contractor has requested an increase of approximately 5.5 percent.

The proposed budget currently recognizes a potential increase of approximately 5 percent for TRIM and budgeting purposes. Town representatives intend to negotiate the increase and seek a lower rate more closely aligned with the Consumer Price Index.

9. Proposed Maximum Millage Rate

Council discussed establishing a maximum advertised millage rate that would provide flexibility during the remainder of the budget process.

The preliminary consensus was to advertise a maximum millage rate of 7.000 mills and continue working toward a final adopted rate of approximately 6.55 mills or lower, if financially feasible.

The proposed maximum millage rate will be presented for formal action at the August Council meeting.

No formal vote was taken during the workshop.

10. Budget Hearing and Workshop Dates

Council established the following proposed dates:

- **Second Budget Workshop:** August 20, 2026, at 5:00 p.m.
- **First Budget Hearing:** September 10, 2026, at 5:01 p.m.

Mr. Tagliana confirmed that the first budget hearing cannot begin before 5:00 p.m. and that the September 10 date appeared to comply with the statutory budget calendar.

Town staff will coordinate the required notices, advertisements, and final hearing schedule.

11. Adjournment

There being no further discussion, Mayor Teeters closed the Budget Workshop at **5:41 p.m.**

Approved: ____________________

Date: 8-11-2026

Attest: ____________________
Town Clerk