

TOWN OF OCEAN BREEZE
MINUTES OF THE TOWN COUNCIL MEETING
PROPOSED BUDGET AND TENTATIVE MILLAGE RATE
Wednesday, September 11, 2019 – 5:01 p.m.
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL – 5:01 p.m.

1. Call to Order – President De Angeles called the meeting to order at 5:01 p.m.

- Pledge of Allegiance – Mayor Ostrand led the Pledge of Allegiance
- Roll Call – Present: Mayor Karen Ostrand, President Kenneth De Angeles, Vice-President Ann Kagdis, Council Members Richard Gerold, Kevin Docherty, Terry Locatis and David Wagner
- Staff Present – Town Management Consultant, Terry O’Neil; Town Financial Consultant, Holly Vath; Town Clerk, Pam Orr and Bookkeeper/Clerical Assistant, Kim Stanton

2. Proposed Millage for Fiscal Year 2019/2020 – Ms. Vath explained the process to set the tentative budget and proposed millage rate and provided the Council with budget documents and worksheets.

President De Angeles asked that Option 1, with the millage rate of 4.8008 be considered.

Ms. Vath explained that the budget now before the Council was based on Option #2 (millage rate of 5.0678), which was set at the Budget Workshop. She stated that if the Town Council choose to adopt Option #1 at 4.8008 mills, this would reduce the budgeted revenue in the amount of \$9,329.00. She explained the effect on the reserve balance should adopt Option #2 be adopted.

Council Member Locatis suggested reviewing the Budget first.

Ms. Vath stated that, by law, the millage rate must be adopted first.

Mr. O’Neil suggested reviewing the budget changes since the workshop and then, review the millage rate options to establish a rate. He commented that the Town Council could then review the budget with the established millage rate.

Ms. Vath summarized the budget changes from the Budget Workshop Meeting held on July 29, 2019.

Council Member Locatis asked if Sun Communities would be incurring the costs of Fire/EMS on their tax bill.

Ms. Vath answered “yes.”

Council Member Locatis asked how this change would affect the residents.

Mr. O’Neil explained that Sun had always incurred this cost, but that in the past, fees for Fire/EMS were paid directly by the Town, and then Sun would reimburse the Town for their portion. He commented that Fire/EMS costs would now be remitted directly to the Martin County Tax Collector by Sun. He added that the MSTU rate could rise and fall, but that if that occurred, the Town’s costs would also rise and fall.

Council Member Locatis asked how this method would impact what the residents would be paying for those services.

Mr. O'Neil explained that it was at Sun's discretion to absorb the costs and then redistribute them on to the residents, and he added that the Town was not privy to the methods Sun utilized. He asked if these costs appeared in residents' bills from Sun Communities as a pass-through.

Council Member Locatis answered that he did not know.

Discussed ensued regarding the Fire/EMS services and fees.

President De Angeles asked for further questions from the Council.

Council Member Locatis asked about the 3% increase in hourly rate for part-time employees. He stated that gross payroll has increased 8.2% and asked if the Town was planning on adding more employees or increasing the hours of the current employees.

Ms. Vath explained that this was due to two things: 1) the employees would be working more hours, and 2) the 3% increase in the hourly rate. She explained that the workload had increased due to the two developing properties within the Town.

Vice-President Kagdis spoke about the time consuming and tedious issues that arise in the office, i.e. the permitted and un-permitted sheds.

Mr. O'Neil remarked that the permit fees would assist in offsetting the payroll expenditures for the Town's building operations.

Discussion ensued regarding the projected building permit fees.

Discussion ensued regarding the Accountant line item and the grant activities regarding the Indian River Drive Project.

President De Angeles asked for further questions or comments.

There were none.

Ms. Vath explained the proposed millage rates and the percentage changes from the rolled-back rate.

Discussion ensued regarding the Town's current projected fund balance at September 30, 2019.

Janet Galante, 217 NE Coastal Drive, asked about line item "private contributions" on Page 2.

Mr. O'Neil explained that in a prior year, Sun Communities made a one-time contribution to the Town for the cost of the Indian River Drive Project. He further commented on obligations of all the granting agencies involved.

President De Angeles asked for further comments from the public.

There were none.

President De Angeles asked for further comments from the Council Members.

Discussion ensued regarding the proposed millage rates.

Council Member Gerold, seconded by Vice-President Kagdis, made a Motion to adopt Option #1 with a millage rate of 4.8008.

Discussion ensued regarding the millage rate adoption, fund balance and possible emergencies.

Town Clerk, Pam Orr, read Resolution No.296-2019 into the record.

Roll Call Vote: Yes: De Angeles, Kagdis, Docherty, Gerold, Locatis, Wagner; Motion Passed: 6-0

3. Proposed Budget for Fiscal Year 2019/2020 – President De Angeles stated that the budget had been overviewed and discussed earlier in the meeting. He asked for further questions from the public.

Janet Galante, 217 NE Coastal Drive, Ocean Breeze, asked if the Town had any debt service.

President De Angeles answered “no.”

Ms. Galante spoke about the Town’s millage rate as compared to surrounding towns and cities.

President De Angeles asked for further comments or questions from the public.

There were none.

President De Angeles asked for further comments from the Council.

Council Member Gerold stated that with the new construction, the millage rate was anticipated to be lower in future years.

Vice-President Kagdis, seconded by Council Member Wagner, made a Motion to accept the proposed budget for Fiscal Year 2019/2020 as presented.

Council Member Locatis asked about the “Miscellaneous Income” line item.

Ms. Vath explained that the Town was collecting school impact fees for the Martin County School Board because of the D.R. Horton development and therefore, the “Miscellaneous Income” line item was for administrative cost to collect those fees.

Mr. O’Neil further explained the need for the line item stating that the Town would retain a 3% fee for the cost of collecting the impact fees from D.R. Horton and remitting them to Martin County School Board.

Discussion ensued regarding the “Miscellaneous Income” line item.

Council Member Locatis asked if an outside contractor was going to assist with the digitizing.

Mr. O'Neil answered that the task of digitizing would be a combination of efforts including in-house and outside labor. He stated that Staff would keep the Council apprised of the progress in planning.

Discussion ensued regarding digitizing the records.

Council Member Locatis asked about the "Building Code Compliance" line item and "Code Compliance Legal Services" line item.

Mr. O'Neil explained the line items of "Building Official," "Building Code Compliance" and "Code Compliance Legal Services".

President De Angeles asked for further comments from the Council.

There were none.

Town Clerk, Pam Orr, read Resolution No.297-2019 into the record.

Vice-President Kagdis, seconded by Council Member Locatis, made a Motion to accept Resolution No. 297-2019 adopting the budget for Fiscal Year 2019/2020.

Roll Call Vote: Yes: De Angeles, Kagdis, Docherty, Gerold, Locatis, Wagner; Motion Passed: 6-0

President De Angeles asked to discuss a candidate's forum at the October 14th meeting.

Discussion ensued.

Council Member Docherty, seconded by Council Member Wagner, made a Motion to hold a Candidate's forum at the October 14, 2019 Town Council meeting.

Discussion ensued regarding Candidates resumes, qualifications and the process to hold such a forum.

All in Favor: Yes: De Angeles, Kagdis, Docherty, Gerold, Locatis, Wagner; Opposed: None; Motion Passed: 6-0

4. Announcements – Meetings to be held at the Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze, Florida:

- Public Hearing for Adoption of Final Millage Rate and Budget for FY 2019/2020, Wednesday, September 18, 2019 at 5:01 pm.
- Regular Town Council Meeting, Monday, October 14, 2019 at 10:30 am.

5. Adjourn – Council Member Wagner, seconded by Council Member Gerold, made a Motion to adjourn the meeting at 5:57 pm.

All in Favor: De Angeles, Kagdis, Gerold, Docherty, Locatis, Wagner

Respectfully submitted,

Pam Orr
Town Clerk

June 8, 2020

Minutes approved