

**TOWN OF OCEAN BREEZE TOWN COUNCIL
TENTATIVE BUDGET AND
PROPOSED MILLAGE RATE HEARING
AGENDA**

Wednesday, September 16, 2020 - 5:01 p.m.
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL

***PLEASE TURN OFF CELL PHONES –
SPEAK DIRECTLY INTO MICROPHONE***

1. Call to Order

- Pledge of Allegiance
- Roll Call

2. Proposed Millage for Fiscal Year 2020/2021 –Holly Vath,
Town Financial Consultant

- a. Percentage increase in millage over the rolled-back rate is _____%.
- b. Comments from the public
- c. Comments from the Council
- d. Resolution No. 306-2020 to adopt the tentative millage rate

3. Proposed Budget for Fiscal Year 2020/2021 – Holly Vath,
Town Financial Consultant

- a. Overview of Budget
- b. Comments from the Public
- c. Comments from the Council
- d. Resolution No. 307-2020 to adopt the tentative budget

4. Announcements –

- Public Hearing for Adoption of Final Millage Rate and Budget for FY 2020/2021
Wednesday, September 23, 2020 at 5:01 pm
- Regular Town Council Meeting – Monday, October 12, 2020 at 10:30 am

5. Adjourn

Town of Ocean Breeze

Changes from setting tentative millage rate

- The 2021 budget for the scanning project is \$2,500, which will be used for software, technical assistance, and temporary labor if needed. When considering utilizing an external vendor to do the scanning, it was determined Town staff would still have to spend significant time sorting and classifying documents for those unfamiliar with the Town. It was decided it was more cost effective for the project to be completed with existing staff.
- State Revenue Sharing and Half Cent Sales Tax increased with the revised projections issued by the State on August 25. Both these state revenue sources have a population component in the distribution formula. The population has increased from 163 to 303.
- Workers compensation increased due to annual increases after the workers compensation audit. The independent contractors are considered when performing the audit.
- General Liability and property insurance had a slight increase and funds were added in case the Town has to insure the Town sign to be located at the Publix Plaza.
- Building permit fees were increased with a corresponding increase in building official costs which is a net effect of zero.
- Removed election expenses.
- Added \$1,800 for mowing Parcel A approximately 12 times a year.
- Dues were increased for the Treasure Coast Council of Local Governments and the Florida City Clerk's Association.
- Health insurance costs increased 8.9%
- Council travel expenses was reduced from 9,000 to 4,300 a savings of \$4,700.
- Added \$300 for the Town's 60th anniversary recognition.

Summary of Budget Changes from FY2020 to FY2021

Revenue

- Reduced state shared revenue with expected decline in sales tax revenue statewide. The Revenue estimating conference is next week which may then necessitate a further reduction before the final budget hearings in September.
- Millage rate reduction

Expenditures

- Added monthly cell phone stipend for Council members.
- Rent increase per agreement.
- Additional costs for website maintenance, internet access and computer security.
- Reduction in office equipment. Purchased updated computers and a fire proof filing cabinet in 2020.
- Reduced cost of digitizing special project. Mainly will be done with existing staff. Additional equipment was purchased in 2020.
- Additional cost for building official services.
- 3% increase in hourly rate for part time employees

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2021**

	<u>GENERAL FUND</u>	<u>TOTAL BUDGET</u>
<u>BALANCE BROUGHT FORWARD</u>	<u>37,884</u>	<u>37,884</u>
<u>ESTIMATED REVENUES:</u>		
Taxes:		
Ad valorem taxes (Millage per \$1,000 equals 3.6800)	\$ 152,526	\$ 152,526
Sales, use and fuel taxes	43,000	43,000
Intergovernmental revenue	22,200	22,200
Licenses and permits	85,900	85,900
Interest and other earnings	6,000	6,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>309,626</u>	<u>309,626</u>
TOTAL ESTIMATED REVENUES AND BALANCES	<u>347,510</u>	<u>347,510</u>
<u>EXPENDITURES:</u>		
General government	276,310	276,310
Public safety	66,200	66,200
Transportation	5,000	5,000
Capital outlay	-	-
TOTAL EXPENDITURES	<u>347,510</u>	<u>347,510</u>
RESERVES	<u>-</u>	<u>-</u>
TOTAL APPROPRIATED EXPENDITURES AND RESERVES	<u>\$ 347,510</u>	<u>\$ 347,510</u>

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.

**TOWN OF OCEAN BREEZE
GENERAL FUND DETAIL
FISCAL YEAR 2021**

	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Estimated</u>	<u>2021</u> <u>Budget</u>
Revenue				
<u>General revenue</u>				
312100 Ad Valorem	183,987	\$ 167,755	168,300	\$ 152,526
314200 Local communications services tax	6,334	6,500	5,850	5,600
322004 Charges for service	73,567	-	-	
335120 State revenue sharing	13,994	13,800	12,420	18,600
335140 Mobile home tags	1,908	1,600	1,800	2,100
335150 Alcoholic beverage licenses	1,468	1,450	1,450	1,500
335180 1/2 Cent Sales Tax	15,287	15,000	13,500	31,400
Gas tax		10,000	10,000	6,000
338200 Occupational licenses	272	150	150	150
361000 Interest income	901	1,000	1,000	1,000
361100 Government grants	74,960	-	-	
362000 Private contributions	45,825	-	-	
369000 Miscellaneous income	5,177	10,000	7,500	5,000
Total General Revenue	<u>423,680</u>	<u>227,255</u>	<u>221,970</u>	<u>223,876</u>
<u>Building revenue</u>				
322000 Building permits	108,931	110,000	97,000	85,000
322001 Fire inspections	1,070	1,200	750	750
Total Building revenue	<u>110,001</u>	<u>111,200</u>	<u>97,750</u>	<u>85,750</u>
Total Revenue	<u><u>533,681</u></u>	<u><u>338,455</u></u>	<u><u>319,720</u></u>	<u><u>309,626</u></u>

**TOWN OF OCEAN BREEZE
GENERAL FUND DETAIL
FISCAL YEAR 2021**

	2019	2020	2020	2021
	Actual	Budget	Estimated	Budget
Expense				
General Government				
513150 Gross Payroll	73,984	83,750	80,000	86,265
513155 PTO Accrual	283	-		-
513297 Grant Management Consultant	33,420	-		-
513301 Management Consultant	25,461	28,000	26,000	28,000
513302 Rent	11,790	12,050	12,050	12,390
513304 Communications / Website	8,750	6,925	6,925	14,565
513305 Engineering	-	2,500	1,000	2,500
513306 Accountant	21,640	8,000	6,000	8,000
513308 Insurance W/C	636	700	700	2,200
513309 Insurance Package	8,654	9,600	9,714	10,300
513311 Public Advertising Notices	1,762	4,000	1,500	4,000
513312 Office Equipment, Supplies and Maintenance	8,873	9,300	9,300	9,250
513313 Postage	595	670	800	670
513315 Audit	18,500	20,000	18,500	20,000
513316 Utilities	542	720	720	720
513317 Dues	1,346	1,500	1,500	1,350
513318 Mileage Reimb. - Clerks	487	1,300	750	1,300
513319 Council expenses, conferencces & travel	5,131	9,000	4,000	4,300
513321 Election Expenses	-	1,200	525	-
513820 Contributions	400			
513322 Special Projects (digitize records, update codes)	-	25,000	5,000	15,500
514100 Legal Counsel	22,719	24,000	30,000	24,000
514200 Computer Services		1,200	1,200	3,600
531110 Payroll Taxes - Fica	4,587	5,190	5,000	5,350
531111 Payroll Taxes - Medicare	1,073	1,210	1,100	1,250
531112 Other Payroll Taxes & Benefits	18,113	20,800	19,100	20,800
Total General Government	268,746	276,615	241,384	276,310

**TOWN OF OCEAN BREEZE
GENERAL FUND DETAIL
FISCAL YEAR 2021**

	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Budget</u>	<u>2020</u> <u>Estimated</u>	<u>2021</u> <u>Budget</u>
Public Safety				
522300 M.C. Fire Rescue	75,070	-	-	-
524200 Building Official	23,153	15,000	15,000	30,000
524210 Building Code Compliance services	-	15,000	15,000	15,000
524220 Code Compliance legal services	-	20,000	5,000	20,000
524300 Fire Safety Inspector	905	1,200	300	1,200
Total Building	<u>99,128</u>	<u>51,200</u>	<u>35,300</u>	<u>66,200</u>
Physical Environment				
531000 Grants - Contract Labor	<u>32,121</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation				
Street lights and street maintenance	<u>-</u>	<u>-</u>	<u>6,600</u>	<u>5,000</u>
Capital Outlay				
555000 Furniture & Equipment	<u>1,249</u>	<u>6,000</u>	<u>2,200</u>	<u>-</u>
Total Expense	<u><u>401,244</u></u>	<u><u>333,815</u></u>	<u><u>285,484</u></u>	<u><u>347,510</u></u>
Beginning Fund Balance	218,541	350,978	350,978	385,214
Fund Balance net increase (decrease)	132,437	4,640	34,236	(37,884)
Ending Fund Balance	350,978	355,618	385,214	347,330

**TOWN OF OCEAN BREEZE
COUNCIL EXPENSES, CONFERENCES AND TRAVEL
FISCAL YEAR 2021**

Mayor		
	Conferences and Travel	2,500
President		
	Conferences and Travel	500
Vice President		
	Conferences and Travel	500
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Total		4,300

TOWN OF OCEAN BREEZE
PROPOSED MILLAGE RATES (FOR DISCUSSION ONLY)
September 30, 2021

	<u>Proposed Millage</u>	<u>OPTION 1</u>	<u>OPTION 2</u>	<u>OPTION 3</u>	<u>CURRENT YEAR ROLLED BACK RATE</u>
Estimated taxable value	\$ 43,628,710	\$ 43,628,710	\$ 43,628,710	\$ 43,628,710	\$ 43,628,710
Taxable Value Increase					
Divide by 1,000	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
	\$ 43,628.71	\$ 43,628.71	\$ 43,628.71	\$ 43,628.71	\$ 43,628.71
Millage rate	3.6800	3.4300	3.1900	3.0800	4.4564
Ad valorem taxes	\$ 160,553.65	\$ 149,646.48	\$ 139,175.58	\$ 134,376.43	\$ 194,426.98
Collection allowance	5%	5%	5%	5%	5%
Budgeted ad valorem taxes	\$ 152,526.00	\$ 142,164.00	\$ 132,217.00	\$ 127,658.00	\$ 184,706.00
Other Revenue	157,100.00	157,100.00	157,100.00	157,100.00	
Expenditures	347,510.00	347,510.00	347,510.00	347,510.00	
Current year proposed rate as a percent change of rolled-back rate	-17.42%	-23.03%	-28.42%	-30.89%	0.00%
Approximate impact on General Fund reserve balance (original)	(37,884)	(48,246)	(58,193)	(62,752)	

**TOWN OF OCEAN BREEZE
FUND BALANCE ANALYSIS FOR GENERAL FUND**

Fund balance @ 9/30/05	\$ 97,592
FY 2006 increase in fund balance	104,129
Fund balance @ 9/30/06	201,721
FY 2007 increase in fund balance	52,656
Fund balance @ 9/30/07	254,377
FY 2008 increase in fund balance	11,117
Fund balance @ 9/30/08	265,494
FY 2009 increase in fund balance	20,391
Fund balance @ 9/30/09	285,885
FY 2010 decrease in fund balance	(77,364)
Fund balance @ 9/30/10	208,521
FY 2011 decrease in fund balance	(8,550)
Fund balance @ 9/30/11	199,971
FY 2012 increase in fund balance	38,399
Fund balance @ 9/30/12	238,370
FY 2013 increase in fund balance	39,600
Fund balance @ 9/30/13	277,970
FY 2014 increase in fund balance	13,499
Fund balance @ 9/30/14	291,469
FY 2015 increase in fund balance	29,562
Fund balance @ 9/30/15	321,031
FY 2016 decrease in fund balance	(35,329)
Fund balance @ 9/30/16	285,702
FY 2017 decrease in fund balance	(27,303)
Fund balance @ 9/30/17	258,399
FY 2018 decrease in fund balance	(39,862)
Fund balance @ 9/30/18	218,537
FY19 increase in fund balance	132,441
Fund balance @ 09/30/2019	350,978
FY20 Projected increase in fund balance	34,236
Projected fund balance @ 09/30/2020	385,214
FY21 Projected increase in fund balance	(37,884)
Projected fund balance @ 09/30/2021	347,330

TOWN OF OCEAN BREEZE
Historical Data

Fiscal Year	Tax Year	Taxable Value	% Change	Millage Rate	% Change	Taxes Levied
2010	2009	25,169,019		2.2459		56,527
2011	2010	22,067,810	-12.32%	2.6295	17.08%	58,027
2012	2011	25,837,183	17.08%	4.6799	77.98%	120,915
2013	2012	25,358,595	-1.85%	4.7910	2.37%	121,493
2014	2013	23,710,720	-6.50%	5.0619	5.65%	120,021
2015	2014	23,024,907	-2.89%	4.9472	-2.27%	113,909
2016	2015	23,251,369	0.98%	3.9814	-19.52%	92,573
2017	2016	27,446,576	18.04%	5.2177	31.05%	143,208
2018	2017	27,177,478	-0.98%	5.4750	4.93%	148,797
2019	2018	30,024,441	10.48%	6.3826	16.58%	191,634
2020	2019	36,782,181	22.51%	4.8008	-24.78%	176,584
2021	2020	43,628,710	18.61%	3.6800	-23.35%	160,554



RESOLUTION NO. 306-2020

A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TAXES FOR THE TOWN OF OCEAN BREEZE, MARTIN COUNTY FOR FISCAL YEAR 2020/2021; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Ocean Breeze of Martin County, Florida, on September 16, 2020 adopted Fiscal Year 2020/2021 Tentative Millage Rate following a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Town of Ocean Breeze of Martin County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within Martin County has been certified by the County Property Appraiser to the Town of Ocean Breeze as \$43,628,710.00.

NOW, THEREFORE, BE IT RESOLVED by the Town of Ocean Breeze of Martin County, Florida that:

1. The tentative FY 2020/2021 operating millage rate is _____ mills, which is less than the rolled-back rate of 4.4564 mills which is _____ decrease.
2. The voted debt service millage is 0%.
3. This Resolution will take effect immediately upon its adoption.

DULY ADOPTED at a public hearing this the 16th day of September, 2020 at _____ p.m.

TOWN OF OCEAN BREEZE TOWN COUNCIL

Karen M. Ostrand, Mayor

Kenneth De Angeles, President

Attest:

Pam Orr, Town Clerk



RESOLUTION NO. 307-2020

A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA, ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2020/2021; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Ocean Breeze of Martin County, Florida, on September 16, 2020 held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Town of Ocean Breeze of Martin County, Florida tentatively set forth the appropriations and revenue estimate for Budget for Fiscal Year 2020/2021 in the amount of \$ _____.

NOW, THEREFORE, BE IT RESOLVED by the Town of Ocean Breeze of Martin County, that:

1. The Fiscal Year 2020/2021 Tentative Budget be adopted.
2. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED at a public hearing the 16th day of September, 2020 at _____ p.m.

TOWN OF OCEAN BREEZE TOWN COUNCIL

Karen M. Ostrand, Mayor

Kenneth De Angeles, President

Attest:

Pam Orr, Town Clerk

TOWN OF OCEAN BREEZE
MINUTES TOWN COUNCIL BUDGET WORKSHOP
AND SETTING OF TENTATIVE MILLAGE RATE
Monday, July 22, 2020, 5:01 p.m.
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL

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 – Mayor Karen M. Ostrand, President Kenneth De Angeles, Vice-President Richard Gerold, Council Members Bill Arnold, Kevin Docherty and David Wagner (by phone) Absent: Council Member Locatis
- Staff Present – Town Management Consultant, Terry O’Neil; Town Attorney, Rick Crary; Town Clerk, Pam Orr; Bookkeeper/Clerical Assistant, Kim Stanton; Town Financial Advisor, Holly Vath

2. Budget Workshop – Budget & Tentative Ad Valorem Millage Rate for Fiscal Year 2020/2021 – Holly Vath, Town Financial Advisor – Ms. Vath provided the Council with budget documents and worksheets to be used to develop the preliminary ad valorem rate. She reviewed the Summary of Budget Changes from FY2020 to FY 2021 and explained the reasons for the proposed changes.

She took questions from the Council. Discussion ensued regarding the monthly cell phone stipend for Council members, the decline in revenue sharing from the State of Florida due to the corona virus, the revenue estimating conference reports forthcoming, Council expenses for conference and travel, the proposed overall budget and the Communications/Website line item.

Council Member Docherty, seconded by Council Member Wagner, made a Motion to expense the Council Members cell phones and/or laptops into the budget at the rate of \$85.00 per month.

President De Angeles asked for public comments regarding a cell phone stipend for Council members and the Mayor.

Deirdre Henry stated that she was in favor of the stipend.

Roll Call Vote: Yes: De Angeles, Docherty, Wagner; No: Gerold, Arnold; Absent: Locatis; No: None;
Motion Passed - 3 - 2

President De Angeles asked if Attorney Crary could prepare a waiver for the Council Members who did not want to receive the cell phone stipend.

Mr. O’Neil answered that he would share this information with Attorney Crary to find out if this would be required. He stated that staff, at the beginning of each year, would learn whether a Council Member would be submitting for reimbursement. He added that he would check with the Town Attorney to see if there was a form that was required.

Ms. Stanton stated that historically, the Town’s Financial Advisor suggested that the Town Clerk document certain Council Members that did not wish to be reimbursed for various out-of-pocket expenses.

Discussion ensued regarding the millage rate, Council expenses for conferences and travel line item, fund balance reserves, the Covid-19 virus, Special Projects line item, outsourcing digitizing versus in-house digitizing.
President De Angeles asked staff what the cost of digitizing the records would have been if that project had been outsourced.

Mr. O'Neil answered that staff would develop those figures and bring it back before the Council at the next budget hearing.

Discussion ensued regarding the general fund balance analysis and the impacts on the general fund reserve balance with the proposed millage rates options, the current state of emergency due to the Covid-19 virus, proposed decrease in the millage rate, historical millage rates, expenditures and revenue, staff recommendations regarding millage rate options and historical fund balance data.

President De Angeles asked for public comments.

There were none.

Council Member Wagner, seconded by Council Member Docherty, made a Motion to adopt Option #1 with a millage rate of **3.6800**.

3. Resolution #305-2020 - A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2020/2021 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES.

Town Clerk, Pam Orr read the resolution into the record adopting the tentative millage rate for the 2020/2021 fiscal year of the Town of Ocean Breeze, Florida of **3.680**.

Council Member Wagner, seconded by Council Member Docherty, made a Motion to adopt Resolution #305-2020.

Roll Call Vote: Yes: De Angeles, Gerold, Arnold, Docherty, Wagner; Absent: Locatis; No: None; Motion Passed - 5 - 0

4. Comments from the public on topics not on the Agenda – President De Angeles asked for comments from the public on topics not on the Agenda.

There were none.

5. Comments from the Council on topics not on the Agenda – President De Angeles asked for comments from the Council on topics not on the Agenda.

There were none.

6. Comments from Town Management Consultant - Terry O'Neil – There were none.

7. Comments from Mayor Ostrand – There were none.

8. Announcements – Council Member De Angeles announced the following meetings to be held at Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze, Florida:

- Regular Town Council Meeting – Monday, August 10, 2020 at 10:30 am
- Regular Town Council Meeting – Monday, September 14, 2020 at 10:30 am
- Proposed Budget and Tentative Millage Hearing, Wednesday, September 16, 2020 at 5:01 pm
- Final Budget and Millage Rate Hearing, Wednesday, September 23, 2020 at 5:01 pm

9. Adjourn – Council Member Arnold, seconded by Council Member Docherty, made a motion to adjourn the meeting at 6:13 p.m.

All in Favor: Yes: De Angeles, Gerold, Arnold, Docherty, Wagner; Absent: Locatis; No: None; Motion Passed - 5 - 0

Respectfully Submitted,

Pam Orr
Town Clerk

Minutes approved: _____