

TOWN OF OCEAN BREEZE
MINUTES TOWN COUNCIL BUDGET WORKSHOP
AND SETTING OF TENTATIVE MILLAGE RATE
Tuesday, July 20, 2021, 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 Kevin Docherty and David Wagner
Absent: Council Members Bill Arnold and Terry 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 2021/2022 – Holly Vath, Town Financial Advisor** – President De Angeles introduced the Town Financial Advisor, Holly Vath, and stated that all questions were to be held until after her presentation.

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 and explained the recommended ad valorem millage rate for fiscal year 2021/2022.

President De Angeles asked the Mayor and the Council for questions regarding the proposed budget and the tentative ad valorem millage rate for fiscal year 2021/2022.

Mayor Ostrand asked if the Council travel budget for each member could be shared amongst fellow Council Members.

Vice-President Gerold asked the following questions:

- What was the status of the Town’s health insurance for the employees?
- What was the status of the ½ cent sales tax?
- Why did the Auditor’s fee go down?
- Was the Town canceling the \$23,000 special project?
- To have the three options for the millage rate explained.
- If the Town Council could revote on the feasibility study for \$5,000 when all Council present?

Council Member Gerold stated that he felt the Council travel expense budget should not be shared between fellow Council Members.

Councilmember Docherty asked what the status of the Town’s health insurance was for the employees and if the Town was to adopt the \$2.00 millage rate, what would be the tax rate for the residents at Seawalk.

Vice President Gerold asked Ms. Vath to explain how the revenue from the Seawalk permits was spent.

President De Angeles asked the public for questions regarding the proposed budget and the tentative ad valorem millage rate for fiscal year 2021/2022.

Craig Bisset, resident of Seawalk, asked about the \$23,000 special project line item and asked what streets were maintained by the Town.

Seawalk resident, Liz Reece, asked what services were provided by the Town.

Cathy Berry, Ocean Breeze Resort, questioned why the Town was spending \$5,000 to study a City Hall when the Town can use the Ocean Breeze Resort clubhouse for their meetings.

President De Angeles asked if there were any more questions. There were none.

Town Clerk, Pam. Orr, read the first question regarding the Council's travel budget.

Town Manager, Terry O'Neil, stated that 3 – 4 budget years ago, Council set a policy and dollar amount for each position. He continued that the current policy also allowed Council to approve, at a regular meeting, the ability to shift travel budget monies from one Council Member's and/or Mayor's travel budget to another. He also stated that if Council wanted to change the policy, Council would need to revisit this at a future meeting.

Vice-President Gerold asked that the current Travel Budget policy be revisited prior to adopting the proposed budget.

Town Clerk, Pam Orr, read the question about the Employee's Health Insurance.

Town Manager, Mr. O'Neil provided the history of the health insurance and explained that with the staffing changes, the employees no longer needed the Town to provide health insurance; which provided a cost savings to the Town, and salaries were adjusted accordingly.

Town Clerk, Pam Orr, read the question regarding the cost of the Audit decreasing.

Town Financial Advisor, Holly Vath, explained the Town did a Request For Proposal (RFP) for audit services. She explained that a new firm was selected and approved by the Council and the auditing services fee was now less.

Town Clerk, Pam Orr, read the question regarding canceling or keeping the special projects line item.

Ms. Vath, explained that there were three items budgeted in the special project line item – the rewrite of the Code of Ordinances was \$13,000, \$5,000 was budgeted for digitizing the Town's documents and \$5,000 was budgeted for the feasibility study for a new Town Hall.

Town Clerk, Pam Orr, read the question requesting Ms. Vath review the options for the millage rate as well as the cost from the reserves for the 2.20 millage rate.

Ms. Vath explained three options proposed in the millage rate and the cost from the reserves coinciding with each option. She also explained how the millage rates were calculated.

Town Clerk, Pam Orr, read the question regarding the feasibility study.

Mayor Ostrand explained the benefits of having a Town Hall. Town Manager, Mr. O'Neil stated that per the PUD West agreement, the Town had permission to use the Pineapple Bay Room for Town meetings.

President De Angeles asked what the need for a Town Hall would be once all the development was completed. Mayor Ostrand explained that a Town Hall would allow citizens and businesses to have functions without having to request permission from Sun Communities; along with staff having adequate office space. Vice-President Gerold asked if the Town had looked at the possibility of placing walls in the current Town office. Town Manager, Mr. O'Neil stated that the options of walls inside the Town office had not been considered.

Council member Wagner asked about the Town's cyber security. Town Manager, Mr. O'Neil confirmed that the Town was protected and stated the Town's exposure was very low given the Town's demographics. Town Clerk, Pam Orr, explained that she contacted Council Members when there were phishing or spam emails sent with directions not to reply or open attachments.

Council member Dougherty asked if the feasibility study for the Town Hall was limited to within the Town of Ocean Breeze. President De Angeles remarked that Vice-President Gerold requested that the feasibility study be discussed at a future Town Council meeting when all Council members were present.

Town Clerk, Pam Orr, read the question regarding a millage rate of 2.00 and the amount the Seawalk residents would pay in property taxes.

Town Financial Advisor, Holly Vath gave an example, stating that a millage rate of 2.00 with a home valued at \$350,000 with a \$50,000 exemption would cost a Seawalk resident taxes to the Town of approximately \$600.00 a year. She commented that at the current millage rate of 3.08 it costs Seawalk residents \$924.00 a year for a home valued at \$300,000. She continued that with the millage rate of 1.80, the annual taxes for the same home would be \$540.00 a year.

Seawalk residents asked what services were provided by the Town for the property taxes paid. Discussion ensued regarding the services provided by the Town.

Mayor Ostrand explained that the Town did not own any property and that the Town was a municipality with their own resolutions, laws, and permitting. Vice-President Gerold stated that the Town did not pay for the street lights in Ocean Breeze Resort, but did pay for the street lights in the Town along Indian River Drive. Discussion ensued regarding the Town services and the options upon build out.

Ms. Orr asked if anyone had any other questions regarding the special projects. A brief discussion ensued about the \$13,000 code re-write.

Ms. Orr stated there were no further questions to be answered regarding the proposed budget.

President De Angeles asked if there were any other questions from the audience.

Seawalk residents asked if the Town could assist with getting a left hand turn out of the Publix parking lot onto Skyline Drive.

Town Management Consultant, Mr. O'Neil stated that the Town could coordinate with the Plaza and possibly advocate to the County for a change to that intersection.

3. Resolution #313-2021 - A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2021/2022 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES.

Town Clerk, Pam Orr, read into the record Resolution #313-2021 adopting the tentative millage rate of 1.80 for the 2021/2022 fiscal year.

Vice President Gerold, seconded by Council Member Docherty, made a motion to adopt Resolution #313-2021, with a millage rate of 1.80.

Roll Call Vote: Yes: Docherty, Wagner, Gerold, De Angeles; Absent: Arnold, Locatis; No: None; Motion Passed - 4 - 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 – He had none.

7. Comments from Mayor Ostrand – She had none.

8. Announcements – President 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 9, 2021 at 10:30 am
- Regular Town Council Meeting – Monday, September 13, 2021 at 10:30 am
- Proposed Budget and Tentative Millage Hearing, Wednesday, September 15, 2021 at 5:01 pm
- Final Budget and Millage Rate Hearing, Wednesday, September 22, 2021 at 5:01 pm

9. Adjourn – Council Member Wagner, seconded by Council Member Docherty, made a motion to adjourn the meeting at 6:32 p.m.

All in Favor: Yes: De Angeles, Gerold, Docherty, Wagner; Absent: Arnold, Locatis; No: None; Motion Passed - 4 - 0

Respectfully Submitted,

Pam Orr
Town Clerk

Minutes approved: November 8, 2021