

TOWN OF OCEAN BREEZE
MINUTES TENTATIVE BUDGET AND PROPOSED MILLAGE RATE HEARING
Wednesday, September 14, 2022 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, David Wagner; Bill Arnold
 - Staff Present – Town Management Consultant, Terry O’Neil; Town Financial Consultant, Holly Vath, Town Clerk, Kim Stanton; and Administrative Assistant, Shannon Roger

2. **Presentation regarding methods of appraisal and other property tax assessment issues**– Martin County Property Appraiser, Jenny Fields, CFA and Chief Deputy Karl Andersson, introduced themselves and explained the services and responsibilities of the Martin County Property Appraisers office as well as the valuation process.

Mr. Andersson asked if there were any questions.

A resident from Seawalk asked about the difference in taxing the modular homes vs. RVs at the Resort.

Mr. Andersson clarified that the entirety of Ocean Breeze Resort’s tax base is on income, and further clarified that residents pay monthly lot rent, which is used by the Property Appraiser in the valuation process.

Discussion ensued regarding the registration process for modular homes.

A resident from Seawalk asked why the modular homes were not taxed as Tangible Property.

Mr. Andersson explained that the homes cannot be taxed twice, and residents paid a yearly registration fee to the Tax Collector’s office, similar to an automobile registration fee.

Discussion ensued about other mobile/modular home communities in Martin County and the ownership of lots vs. Ocean Breeze Resort lot ownership.

President De Angeles asked if the Council had any questions or comments.

There were none

Terry O’Neil, Town Management Consultant, asked Mr. Andersson if Martin County assessed ad valorem taxes on modular homes at their discretion or were they following Florida statutes.

Mr. Andersson confirmed that the Martin County Property Appraiser was following Florida statutes to assess ad valorem taxes on the modular homes.

3. **Proposed Millage for Fiscal Year 2022/2023** – Holly Vath, Town Financial Advisor.

Ms. Vath explained how State shared revenues were calculated, how the millage rate was set, and explained how the millage rate affected the Town reserves.

Liz Reese, a resident of Seawalk, questioned the need for a large reserve and referenced neighboring municipalities such as Indiantown, Stuart, and Jupiter who have a much smaller, or zero, reserves.

Council Member Wagner responded that the reserve is there should the Town need to operate for two months without an income and stated that in the past the reserve was larger.

Mr. O'Neil commented that Town revenue was not collected consistently, and confirmed that the reserve amount had been reduced significantly. He added that the Town had been able to reduce the millage rate compared to previous years. He clarified that the reserve for The City of Stuart was in direct proportion to its revenue.

Discussion ensued regarding the Town's reserve and its purpose.

Ms. Vath reiterated the need for the reserve, since not all of the Seawalk properties would not be assessed on the Martin County tax rolls until January 2023.

Ms. Reese, Seawalk, disputed the need, and the cost, of a Martin County Sherriff's Deputy at Town Council meetings, and asked that the millage rate be lowered.

Discussion ensued regarding the cost and necessity of a Martin County Sherriff's Deputy at Town Council meetings.

A resident of Seawalk inquired about the cell phone stipend for Town Council members.

Discussion ensued regarding the cell phone stipend for Town Council members.

A Seawalk resident asked if it were possible to broadcast future meetings on the internet via Zoom.

President De Angeles inquired as to the cost of broadcasting future meetings on the internet.

Ms. Vath responded that costs would include a camera, storage, and maintenance of the records due to public records laws.

Discussion ensued regarding Martin County Fire and Rescue and all related costs to the Town.

Ms. Reese again requested that the millage rate be lowered to .9 mills due to the lack of services from the Town.

A resident of Seawalk asked if residents of Ocean Breeze Resort paid for Martin County Sherriff, Fire, and Emergency Services.

Mr. O'Neil responded that Sun Communities had an agreement with Martin County to be taxed for Martin County Sherriff, Fire, and Emergency Services based on the number of residents at the Resort.

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

There were none.

Mayor Ostrand inquired about the reserve should the millage rate be lowered from the proposed 1.2 mills to 1.0 mills.

Ms. Vath responded that the current proposed rate was 1.2 mills, and in order to lower the rate a motion from the Town Council was required. Ms. Vath referenced the meeting packet.

Council Member Wagner seconded by Council Member Arnold made a motion to set the tentative millage rate at 1.2 mills.

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

Kim Stanton, Town Clerk, read Resolution No. 325-2022 into record: A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE TENTATIVE LEVYING OF AD VALOREM TEXES FOR THE FISCAL YEAR 2022/2023; PROVIDING FOR AN EFFECTIVE DATE.

A Seawalk resident asked why the millage rate is 1.2 mills.

Council Member Wagner responded that the Town required money to operate.

Discussion ensued regarding the millage rate and the neighborhood of Seawalk leaving the Town.

Council Member Locatis, seconded by Council Member Wagner, made a motion to adopt Resolution No. 325-2022.

Roll Call: Locatis, Wagner, De Angeles, Docherty, Gerold, Arnold; No: 0; Motion Passed 6-0

Council Member Locatis seconded by Council Member Wagner made a Motion to adopt Resolution No. 326-2022

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

4. Proposed Budget for Fiscal Year 2022/2023 – Ms. Vath gave an overview of the budget and explained that the estimated expenses were \$298,730.00.

Ms. Vath asked for comments from the public.

A Seawalk resident asked if there was possibility of dissolving the Town.

Discussion ensued regarding meeting attendance.

Discussion ensued regarding the Millage rate.

Discussion ensued regarding the presence of a Martin County Sherriff's Deputy at Town Council meetings.

Vice President Gerold noted the upcoming election and open seats on the Town Council.

Discussion ensued regarding the meeting time for the monthly Town Council meetings.

Mr. O'Neil reminded the Council of the budget Resolution and asked that the Town Clerk read the Resolution into record.

Town Clerk, Kim Stanton, read Resolution No. 326-2022 into the record: A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE TENTATIVE BUDGET FOR FISCAL YEAR 2022/2023; PROVIDING FOR AN EFFECTIVE DATE

Council Member Locatis, seconded by Council Member Arnold made a Motion to adopt Resolution No. 326-2022.

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

5. Discussion of alternate revenue sources – Town Management Consultant Terry O’Neil –

Mr. O’Neil mentioned two utility based alternative revenue sources which could prove to be a more equitable tax arrangement, and significantly lower the ad valorem rate. He clarified that these revenue sources could not be utilized until October 2023, and ordinances would need to be passed. He added that he would continue to collect information on the alternative revenue streams to ensure its usefulness for the Town.

A resident of Seawalk asked if residents of the Resort pay for water and sewer.

Mr. O’Neil responded that the Resort paid the County and the Resort passed the cost along to the residents by way of lot rent. He then reiterated the need to research alternative revenue sources to lower the ad valorem rate.

6. Announcements-

- Final Budget and Proposed Millage Rate Hearing for FY 2022/2023 Wednesday, September 21, 2022 at 5:01PM
- Regular Town Council Meeting – Monday, October 10, 2022 at 10:30AM
- Canvassing Board Meeting – Wednesday, November 9, 2022 at 10:00AM
- Regular Town Council Meeting – Monday, November 14, 2022 at 10:30AM

7. Adjourn – Council Member Wagner, seconded by Council Member Docherty, made a motion to adjourn the meeting at 6:06 pm

All in Favor: Yes: De Angeles, Gerold, Locatis, Wagner, Docherty, Arnold; Motion Passed 6 - 0

Respectfully Submitted,

Kim Stanton
Town Clerk

Minutes approved: November 14, 2022