

TOWN OF OCEAN BREEZE
MINUTES FINAL BUDGET AND PROPOSED MILLAGE RATE HEARING
Wednesday, September 21, 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 Absent: Council Member Terry Locatis
 - Staff Present – Town Management Consultant, Terry O’Neil; Town Financial Consultant, Holly Vath, Town Clerk, Kim Stanton; and Administrative Assistant Shannon Roger

2. Proposed Millage Rate for Fiscal Year 2022/2023 – Financial Advisor - Holly Vath

Mayor Ostrand discussed the line item for a Martin County Sherriff’s deputy to be present at all Council meetings. She commented that due to a cost increase, she recommended that the line item could be kept in the budget without utilizing the service until after the election. She stated that it would give the new Council time to review the cost and she recommended reducing the millage rate from 1.2 to 1.0 mills.

Council Member Wagner responded that a 1.2 millage rate was .2 mills below what had been recommended by the Town’s Financial Advisor. He emphasized the concessions the Town had made regarding to lower the millage rate in previous years, as well as the need for a large reserve.

President De Angeles asked for questions from the public.

Liz Reese, a Seawalk resident, thanked the Council Members, Mayor Ostrand, Town Manager Consultant Terry O’Neil, Financial Advisor Holly Vath, and Town Clerk Kim Stanton for welcoming the residents of Seawalk to the Town. Ms. Reese then asked that the millage rate be lowered to 1.0 mills, as Seawalk paid for 61.5% of the budget. She again thanked the Town Council for listening to the concerns of the residents of Seawalk. She asked about the reserve and the Town’s financial uncertainty related to the reserve.

Discussion ensued regarding lowering the millage rate to 1.0 mills.

Town Manager Consultant Terry O’Neil explained that as this is the Final Budget meeting and as such the millage rate and budget would be finalized today.

A Seawalk resident thanked the Council Members for considering a lower millage rate, and inquired about alternative sources of revenue as a means of approaching a fairer taxing system.

President De Angeles responded that the Town had been working on the millage issue and remarked that it had been consistently reduced.

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

Vice President Gerold stated that he was opposed to a 1.2 millage rate and that he believed the millage rate could be lowered to 1.0 mills. He commented that as the pandemic receded, he was hopeful that the Town would receive more income from the State from gasoline taxes and other sources of revenue.

Council Member Wagner stated that lowering the millage rate from 1.2 mills would go against the recommendation of the Town's Financial Advisor, however he did sympathize with residents of Seawalk, and would vote for 1.0 mills.

Vice President Gerold asked Town Financial Advisor, Holly Vath, to confirm that lowering the millage rate to 1.0 mills would reduce the Town's reserve by \$12,000.00.

Ms. Vath confirmed the reduction in the reserve as a result of lowering the millage rate. She explained the Town's reserve in greater detail.

Discussion ensued regarding lowering the millage rate to 1.0 mills

Sandy Keblbck, a resident of Seawalk, thanked Town Clerk Kim Stanton, Financial Advisor Holly Vath, and Mayor Karen Ostrand for answering her questions about the Town's reserve. She also asked if the Town was using the reserve to pay for any legal fees.

Town Management Consultant Terry O'Neil explained that the reserve had been used in the past to pay legal fees, as the reserve could be used to pay for unexpected expenses.

Discussion ensued about the reserve.

Council Member Arnold mentioned the Seawalk HOA fees and their correlating reserve.

Vice President Gerold, seconded by Council Member Docherty made a motion to approve the millage rate of 1.0 mills.

Roll Call Vote: Yes: Wagner, De Angeles, Arnold, Gerold, Docherty; Absent: Locatis; No: 0 Motion Passed 5-0

Town Clerk, Kim Stanton, read Resolution #325-2022 into record: A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE TENTATIVE FINAL LEVYING OF AD VALOREM TAXES FOR THE FISCAL YEAR 2022/2023; PROVIDING FOR AN EFFECTIVE DATE.

Vice President Gerold, seconded by Council Member Docherty made a motion to approve Resolution No. 325-2022

Roll Call: Yes: Gerold, Docherty, Arnold, De Angeles, Wagner; Absent: Locatis; No: 0; Motion passed 5-0

3. Proposed budget for Fiscal Year 2022/2023 – Financial Officer- Holly Vath

Ms. Vath stated that at the last public meeting the Town adopted a budget of \$298,730.00 and that there had been no changes since the last meeting; however, the updated millage rate which would change the utilization of the Town's reserves.

President De Angeles asked for comments from the public.

A resident from Seawalk asked if the Town had liability insurance to cover legal fees.

Town Management Consultant, Terry O'Neil, explained that the Town did have liability insurance and the legal fees mentioned earlier regarding the reserve were in specific cases of ordinance or PUD violations and would be paid from the reserve. He further explained that as the Town did carry liability insurance and any lawsuits and legal fees stemming from such were paid by the insurance company.

Discussion ensued regarding line items in the budget.

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

There were none.

Town Management Consultant, Terry O'Neil, asked President De Angeles to make a motion to vote on leaving the security line item in the budget until January, with a caveat of not utilizing the expenditure so that the newly elected Council members could review it.

Council Member Wagner, seconded by Council Member Arnold, made a motion to leave the security line item in the budget until the new Council had an opportunity to review it.

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

Town Management Consultant, Terry O'Neil, asked that Town Clerk, Kim Stanton, read Resolution No. 328-2022 into the record with the final budget figure before the Council voted.

Town Clerk, Kim Stanton, read Resolution No. 328-2022 into the record – A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2022/2023; PROVIDING FOR AN EFFECTIVE DATE.

Council Member Arnold seconded by Council Member Docherty made a motion to approve the proposed budget for fiscal year 2022/2023.

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

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

- Regular Town Meeting Monday October 10, 2022 at 10:30AM
- Canvassing Board Meeting Wednesday November 9, 2022 at 10:00AM
- Regular Town Meeting Monday November 14, 2022 at 10:30AM

5. Adjourn – Council Member Arnold, seconded by Council Member Wagner, made a motion to adjourn the meeting at 5:42pm

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

Respectfully Submitted,

Kim Stanton
Town Clerk

Minutes Approved: November 14, 2022