

**TOWN OF OCEAN BREEZE  
REGULAR TOWN COUNCIL MEETING  
AGENDA**

June 12, 10:30 am  
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, President De Angeles**

- Pledge of Allegiance
- Roll Call

**2. Approval of Minutes –**

- Regular Meeting, Monday, May 8, 2023  
(Motion, second, public comment, all in favor)

**3. Request motion to Accept and Transmit F/Y 2021-2022 Audit Report to appropriate state-level Government agencies – Mark Bymaster, Audit Manager, Nowlen, Holt & Miner, PA**  
(Motion, second, public comment, roll call)

**4. Florida League of Cities Hometown Hero Award(s) Recognition of Mayor Ostrand – President Ken De Angeles**

**5. Comments from the public on topics not on the Agenda**

**6. Comments from the Council on topics not on the Agenda**

**7. Comments from Town Management Consultant, Terry O'Neil**

**8. Comments from Mayor Ostrand**

**9. Announcements –** The next Regular Town Council meeting will occur on Monday, July 10 at 6:00PM All Meetings are held at the held at the Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze Florida

- Budget Workshop and Setting of Tentative Millage Rate, Wednesday, July 26, at 6:00PM
- Regular Town Council Meeting Monday, August 8, 10:30AM
- Proposed Budget and Tentative Millage Hearing, Wednesday, September 13, 2023 at 6:00PM
- Final Budget and Millage Rate Hearing, Wednesday, September 20, 2023 at 6:00PM

**10. Adjourn (Motion, second, all in favor)**

\*All meetings including all Budget meetings will be held at The Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Town of Ocean Breeze

TOWN OF OCEAN BREEZE  
MINUTES REGULAR TOWN COUNCIL MEETING  
Monday, May 8, 2023  
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 6:00 p.m.
  - Pledge of Allegiance – Mayor Ostrand led the Pledge of Allegiance
  - Roll Call – Present Mayor Karen M. Ostrand, President Kenneth De Angeles, Vice-President Bill Arnold, Council Members Kevin Docherty, Gina Kent, Sandy Keblbeck-Kelley  
Absent – Council Member Elizabeth Reese
  - Staff Present –Town Management Consultant, Terry O’Neil; Kim Stanton, Town Clerk;  
Administrative Assistant, Shannon Roger  
Absent - Town Attorney, Rick Crary
2. **Approval of Minutes** – Vice-President Arnold, seconded by Council Member Kent, made a motion to approve the minutes for the regular meeting on April 10, 2023.

President De Angeles asked for public comments. There were none.

All in Favor: Yes: De Angeles, Arnold, Kelley, Kent, Docherty; No: None; Motion Passed – 5-0

3. **Budget to Actual Report – January 1, 2023 – March 31, 2023** – Town Clerk, Kim Stanton, read the memo from Town Financial Consultant, Holly Vath, into the record.

President De Angeles asked for a motion to approve the Budget to Actual Report.

Vice-President Arnold, seconded by Council Member Docherty, made a motion to approve the Budget to Actual Report.

President De Angeles asked for any additional comments from the public. There were none.

All in Favor: Yes: De Angeles, Arnold, Reese, Kent, Docherty; No: None; Motion Passed – 5-0

4. **SECOND READING: ORDINANCE NO. 336-2023 – AN ORDINANCE OF THE TOWN OF OCEAN BREEZE, FLORIDA, AMENDING SECTION ONE OF ORDINANCE NO. 273-2017 THEREBY CHANGING THE DATE UPON WHICH NEWLY ELECTED TOWN OFFICIALS ARE SWORN INTO OFFICE; PROVIDING FOR REPEAL OF LAWS IN CONFLICT, SEVERABILITY, APPLICABILITY, AND PROVIDING FOR AN EFFECTIVE DATE.**

Town Clerk, Kim Stanton, read Ordinance No. 336-2023 into the record.

President De Angeles asked for a motion to approve Ordinance No. 336-2023.

Council Member Arnold, seconded by Council Member Docherty, made a motion to approve Ordinance No.336-2023.

President De Angeles asked for comments from the public. There were none.  
Roll Call: Yes: Kelley, Kent, Docherty, De Angeles, Arnold; No: None; Motion Passed: 5-0

## **5. Comments from the public not on the agenda.**

Scott Staub, a resident of Seawalk, spoke to the Council regarding his ongoing issue with two additional irrigation zones that were connected to his home irrigation system that water common areas; and that his water bills have been over \$200.00 a month. He went on to request the removal of the two irrigation zones, a reimbursement/credit for the water bills, as well as an inquiry as to why these were connected to his irrigation system.

President De Angeles asked Town Management Consultant Terry O'Neil if the irrigation issue fell under D. R. Horton or the Seawalk HOA.

Town Management Consultant Terry O'Neil responded that the irrigation issue was a Town issue, and it was among many issues that would be brought to the attention of D. R. Horton before the close-out of the Seawalk development. He went on to say that the Town had hired an independent Landscape Architect to review the PUD and perform an analysis of compliance by the developer. He added that the Town was still holding the bond on the Seawalk project to address outstanding issues that had to be resolved, irrigation included. He continued that the Town had met with their legal staff to outline the list of issues, including irrigation, to find out if a more formal action would be needed to ensure compliance.

Mr. Staub thanked Mr. O'Neil for his assistance and added that some of his Seawalk neighbors had cracks in their slab or settling issues. He went on to say that on April 22, 2023 he requested a Compaction Report from Town Permit Processor, Pam Orr, and on April 24, 2023 she provided him with copies of emails from the Town of Ocean Breeze to D. R. Horton requesting Compaction Reports. He expressed his concern with cracked slabs and settlement issues.

President De Angeles asked Town Management Consultant Terry O'Neil if he was aware of the slab/settlement issues in Seawalk.

Mr. O'Neil acknowledged that he was aware of the settling issues, and the Town had insisted on receiving compaction reports on all of the units in Seawalk. He then reminded The Town Council, and the public, that the developer chose to use third-party Private Providers in the development of the homes at Seawalk, which was legal under Florida Statutes.

President De Angeles asked for comments from the public. There were none.

## **6. Comments from the Council on topics not on the agenda.**

Vice President Arnold informed the Council and Public of an upcoming Blood Drive that would be taking place at the Ocean Breeze Resort on Friday, May 12, 2023.

Council Member Docherty stated that Scholarship Bowling League had just ended, and he thanked the Council Members for their ongoing support.

## **7. Comments from Town Management Consultant Terry O'Neil.**

Mr. O'Neil reminded the Council that they authorized the hiring of a mechanical engineer to independently address complaints regarding air conditioning and insulation from residents at Seawalk. He reminded Council Members that the Town had hired Wojceiszak and Associates who would be advising the Town, and consulting with the Town Building Official, on the air conditioning issues at Seawalk, as well as the Town's obligation to intervene under the Florida Building Codes, should that be the case.

President De Angeles asked if the cost is recoverable from D. R. Horton or would it be the sole responsibility of the Town.

Mr. O'Neil stated that the Town was responsible and the costs for the mechanical engineer were not recoverable.

Town Clerk, Kim Stanton, stated that there had been two Budget Amendments to put the funds in place.

Council Member Kent asked Town Management consultant Terry O'Neil if the roof leaks in Seawalk were being addressed.

Mr. O'Neil confirmed that The Town was aware of five complaints of roof leaks, and on four of the homes they had been resolved. He continued that the builder had gone to four homes and the Town Building Official had reviewed the repairs, and that they were done to the satisfaction of the homeowners. He added that the Town had met with an attorney regarding the roof leaks, and that the attorney was preparing guidance for the Town and its obligations.

Council Member Keblbeck-Kelley asked if D. R. Horton was involved in the roof leaks.

Mr. O'Neil confirmed that D. R. Horton, and the roofing contractor who performed the work, were involved.

Vice President Arnold asked if there was just one roofer on the Seawalk project.

Mr. O'Neil confirmed that there was one roofer.

## **8. Comments from Mayor Ostrand.**

Mayor Ostrand reminded Council Members of an upcoming luncheon hosted by the Treasure Coast Regional League of Cities on Wednesday, May 17. She discussed the upcoming Blood Drive on Friday, May 12, and encouraged everyone to donate.

President De Angeles presented the upcoming meetings for 2023:

- Regular Town Council Meeting Monday, July 10 at 6:00 pm
- Regular Town Council Meeting Monday, August 8 at 10:30 am
- Regular Town Council Meeting Monday, September 11 at 10:30 am
- Budget Workshop and Setting of Tentative Millage Rate, Wednesday, July 26 at 6:00 pm
- Proposed Budget and Tentative Millage Rate Hearing, Wednesday, September 20 2023 at 6:00 pm
- Final Budget and Millage Rate Hearing, Wednesday September 20 2023 at 6:00 pm

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

Mayor Ostrand spoke about her recent trip to Tallahassee for The Florida League of Cities.

**9. Announcements** – The next regular Town Council Meeting will be held on Monday June 12, 2023 at 10:30 a.m. at the Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze.

President De Angeles asked for a motion to adjourn.

Vice President Arnold, seconded by Council Member Docherty, made a motion to adjourn.

Meeting adjourned at 11:02AM

Minutes approved: \_\_\_\_\_



# Town of Ocean Breeze

Item # 3

June 2, 2023

Nowlen, Holt & Miner, P.A.  
Certified Public Accountants  
515 North Flagler Drive, Suite 1700  
West Palm Beach, FL 33401

This representation letter is provided in connection with your audit of the financial statements of the Town of Ocean Breeze, Florida, which comprise the respective financial position of the governmental activities and the major fund as of September 30, 2022, and the respective changes in financial position for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of June 2, 2023, the following representations made to you during your audit.

## Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 22, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

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email: [townclerk@townofoceanbreeze.org](mailto:townclerk@townofoceanbreeze.org) • website: [townofoceanbreeze.org](http://townofoceanbreeze.org)

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Town of Ocean Breeze, Florida is contingently liable, if any, have been properly recorded or disclosed.
- 11) We have not completed the process of evaluating the impact that will result from adopting Governmental Accounting Board Statements (GASB) No. 91, 94, 96, 99, 100, and 101 as discussed in Note 1 to the financial statements. The Town of Ocean Breeze, Florida is therefore unable to disclose the impact that adopting GASB No. 91, 94, 96, 99, 100, and 101 will have on its financial position and the results of its operations when the Statements are adopted.

#### **Information Provided**

- 12) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the Town of Ocean Breeze, Florida from whom you determined it necessary to obtain audit evidence.
- 13) Minutes of the meetings of Town Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects the Town of Ocean Breeze, Florida and involves—
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- 17) We have no knowledge of any allegations of fraud or suspected fraud affecting the Town of Ocean Breeze, Florida's financial statements communicated by employees, former employees, regulators, or others.

- 18) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 19) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 20) We have disclosed to you the names of the Town of Ocean Breeze, Florida's related parties and all the related party relationships and transactions, including any side agreements.

**Government-specific**

- 21) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 23) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 24) The Town of Ocean Breeze, Florida has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 26) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 27) As part of your audit, you assisted with preparation of the financial statements, disclosures, and preparation of the Annual Financial Report to be filed with the Florida Department of Financial Services. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements, disclosures, and the Annual Financial Report to be filed with the Florida Department of Financial Services.
- 28) In order to provide oversight of the financial statement preparation services provided by you at an appropriate level, we have established effective review policies and procedures including the performance of the following functions:
  - a) Reconcile general ledger amounts to the draft statements utilizing grouping schedules provided by you.
  - b) Review all supporting documentation and explanations for journal entries you proposed and approve the entries.
  - c) Review and approve schedules and calculations supporting amounts included in the notes to the financial statements.

- 29) The Town of Ocean Breeze, Florida has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The Town of Ocean Breeze, Florida has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
- 33) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 34) All funds that meet the quantitative criteria in GASBS No. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 36) Investments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 40) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 41) Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 42) We have appropriately disclosed the Town of Ocean Breeze, Florida's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 43) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

- 45) We have determined that the Town does not provide any benefits that qualify as significant other post employment benefits under GASB 75 and therefore did not obtain an evaluation of other post employment benefits.
- 46) No Impact Fee Affidavit is required to be reported in compliance with Section 163.31801, Florida Statutes.
- 47) During the fiscal year ended September 30, 2022, the Town has not met any of the following financial emergency conditions specified in Section 218.503(1), Florida Statutes:
- a) Failure within the same fiscal year in which due to pay short-term loans or failure to make bond debt service or other long-term debt payments when due, as a result of a lack of funds.
  - b) Failure to pay uncontested claims from creditors within 90 days after the claim is presented, as a result of a lack of funds.
  - c) Failure to transfer at the appropriate time, due to lack of funds:
    - 1. Taxes withheld on the income of employees; or
    - 2. Employer and employee contributions for:
      - i. Federal social security; or
      - ii. Any pension, retirement, or benefit plan of an employee.
  - d) Failure for one pay period to pay, due to lack of funds:
    - 1. Wages and salaries owed to employees; or
    - 2. Retirement benefits owed to former employees.
- 48) During the fiscal year ended September 30, 2022 the Town expended less than \$750,000 in federal awards and less than \$750,000 in state financial assistance, and the Town is not required to have a Federal Single Audit or a State Single Audit.
- 49) We understand that it is management's responsibility to monitor the Town's financial condition, and that your financial condition assessment was based in part on representations made by management and the review of financial information provided by management.



Karen M. Ostrand  
Mayor



Kim Stanton  
Town Clerk

# **TOWN OF OCEAN BREEZE, FLORIDA**

**FINANCIAL STATEMENTS WITH INDEPENDENT  
AUDITOR'S REPORT THEREON**

**FISCAL YEAR ENDED SEPTEMBER 30, 2022**

TOWN OF OCEAN BREEZE, FLORIDA  
SEPTEMBER 30, 2022

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## NOWLEN, HOLT & MINER, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

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### INDEPENDENT AUDITOR'S REPORT

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The Honorable Mayor and Members of the Town Council  
Town of Ocean Breeze, Florida  
Jensen Beach, Florida

#### Report on the Audit of the Financial Statements

##### *Opinions*

We have audited the accompanying financial statements of the governmental activities and the major fund of the Town of Ocean Breeze, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Ocean Breeze, Florida's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Town of Ocean Breeze, Florida, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

##### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Ocean Breeze, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

##### *Change in Accounting Principle*

As described in Note 1 and Note 6 to the financial statements, the Town of Ocean Breeze, Florida implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, during the year ended September 30, 2022. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Ocean Breeze, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Ocean Breeze, Florida's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Ocean Breeze, Florida's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2023, on our consideration of the Town of Ocean Breeze, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Ocean Breeze, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Ocean Breeze, Florida's internal control over financial reporting and compliance.

*Nowlen, Holt & Miner, P.A.*

West Palm Beach, Florida  
June 2, 2023

Town of Ocean Breeze, Florida  
Management's Discussion and Analysis  
September 30, 2022

As management of the Town of Ocean Breeze, Florida (Town), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2022. The information contained in the Management's Discussion and Analysis is intended to highlight significant transactions, events and conditions and should be considered in conjunction with the Basic Financial Statements.

**Financial Highlights**

- The assets of the Town exceeded its liabilities at September 30, 2022 by \$614,375 (net position). Of this amount, \$471,040 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's operations decreased net position by \$79,623.
- Governmental fund balances decreased by \$75,810 or 11.2 percent.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-wide financial statements: The government-wide financial statements are designed to provide readers with a broad overview of the Town, in a manner similar to a private-sector business. The statement of net position presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements consist of the balance sheet of the governmental funds as well as the statement of revenues, expenditures and changes in fund balance of the governmental funds. The Town consolidated the two governmental funds, the General Fund and Special Revenue Fund, into the General Fund. The governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Town of Ocean Breeze  
Statement of Net Position – Governmental Activities  
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
Current and other assets	\$ 611,455	\$ 683,220
Capital assets	22,671	15,303
Total assets	<u>634,126</u>	<u>698,523</u>
<b>LIABILITIES</b>		
Current liabilities	8,570	4,525
Noncurrent liabilities	11,181	
Total liabilities	<u>19,751</u>	<u>4,525</u>
<b>NET POSITION</b>		
Invested in capital assets	11,490	15,303
Restricted	131,845	226,050
Unrestricted	471,040	452,645
	<u>\$ 614,375</u>	<u>\$ 693,998</u>

Town of Ocean Breeze  
Changes in Net Position – Governmental Activities  
September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>REVENUES:</b>		
Program revenues		
Charges for services	\$ 37,789	\$ 241,985
General revenues		
Property taxes	64,211	128,845
Other general revenue	93,319	70,464
Investment earnings	4,137	604
Total revenues	<u>199,456</u>	<u>441,898</u>
<b>EXPENSES:</b>		
Program expenses		
General government	226,440	229,425
Public safety	45,863	40,745
Transportation	6,092	8,117
Interest on long-term liabilities	684	
Total expenses	<u>279,079</u>	<u>278,287</u>
Increase/(Decrease) in net position	(79,623)	163,611
Net position, beginning	693,998	530,387
Net position, ending	<u>\$ 614,375</u>	<u>\$ 693,998</u>

### Governmental Activities

The Town's net position decreased by \$79,623 for 2022. Total revenues decreased by \$242,442 while expenses increased by \$792 from the prior year which is mainly attributed to the following:

- \$204,196 decrease in charges for services of which \$190,679 was building permit fees due to the completion of the Seawalk development.
- \$64,634 decrease in property taxes.
- \$17,392 decrease in employee benefits.

### Governmental Funds

The purpose of the Town's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable resources. At September 30, 2022, the Town's Governmental Funds reported ending fund balance of \$602,885, which was a \$75,810 decrease in comparison to the prior year. Of this amount, \$320,694 or 53 percent is unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable (\$20,544) or restricted or assigned for specific purposes (\$261,647).

### Budgetary Highlights

The General Fund exceeded budget expectations by \$36,721. The General Fund expenditures were below appropriations by \$23,454 while revenue was less than expectations by \$12,768.

### Capital Assets and Debt

Capital assets: The Town's investment in capital assets for its governmental activities at September 30, 2022, amounts to \$22,671 (net of accumulated depreciation and amortization).

Town of Ocean Breeze  
Capital Assets  
(net of depreciation and amortization)

	<u>2022</u>	<u>2021</u>
Lease asset - buildings	\$ 3,591	\$
Lease asset - equipment	6,828	
Improvements and equipment	12,252	15,303
Total capital assets	<u>\$ 22,671</u>	<u>\$ 15,303</u>

Debt. The Town has no debt outstanding at September 30, 2022 except for a lease liability with a balance of \$11,181.

**Economic Factors and Next Year's Budgets and Rates**

For fiscal year 2023, the Town Council adopted a General Fund budget of \$298,730 representing a \$26,025 decrease from the final budget for fiscal year 2022.

The Town will see an increase in the property tax base as the Seawalk homes have been completed. Property taxes represent approximately 38 percent of the 2023 budgeted operating revenues of the Town. The balance of revenues comes from intergovernmental revenues, licenses, and permits.

**Requests for Information**

This financial report is designed to provide a general overview of the Town's finances and to demonstrate the Town's accountability. Questions concerning information provided in this report or requests for additional financial information should be directed to the Town Clerk at the Town of Ocean Breeze, Florida, PO Box 1025, Jensen Beach, Florida 34958 or telephone (772) 334-6826.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Statement of Net Position**  
**September 30, 2022**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash and equivalents	\$ 585,503
Accounts receivable	466
Due from other governments	3,992
Prepays	20,544
Total current assets	<u>610,505</u>
Noncurrent assets	
Deposits	950
Capital assets	
Right to use lease assets	23,836
Accumulated amortization	(13,417)
Improvements and equipment	28,023
Accumulated depreciation	(15,771)
Total noncurrent assets	<u>23,621</u>
Total assets	<u>634,126</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	8,239
Accrued liabilities	331
Noncurrent liabilities	
Due within one year	6,843
Due in more than one year	4,338
Total liabilities	<u>19,751</u>
<b>NET POSITION</b>	
Investment in capital assets	11,490
Restricted for transportation	92,346
Restricted for permits	39,499
Unrestricted	471,040
Total net position	<u><u>\$ 614,375</u></u>

See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Statement of Activities**  
**For the Year Ended September 30, 2022**

Function / Program Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities					
General government	\$ 226,440	\$ 37,609	\$	\$	\$ (188,831)
Public safety	45,863	180			(45,683)
Transportation	6,092				(6,092)
Interest on long-term liabilities	684				(684)
Total governmental activities	<u>279,079</u>	<u>37,789</u>			<u>(241,290)</u>
General revenues					
Ad valorem taxes					64,211
Communications services taxes					3,372
State revenue sharing					16,941
Mobile home tags					2,881
1/2 Cent sales tax					59,433
Fuel taxes					4,445
Local option taxes					6,247
Investment earnings - unrestricted					4,137
Total general revenues					<u>161,667</u>
Change in net position					(79,623)
Net position, beginning of year					<u>693,998</u>
Net position, end of year					<u>\$ 614,375</u>

See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2022**

	General Fund
<b>ASSETS</b>	
Cash and cash equivalents	\$ 585,503
Accounts receivable	466
Due from other governments	3,992
Prepaid expenses	20,544
Deposits	950
Total assets	<u>\$ 611,455</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 8,239
Accrued liabilities	331
Total liabilities	<u>8,570</u>
<b>FUND BALANCES</b>	
Nonspendable	20,544
Restricted for transportation	92,346
Restricted for permits	39,499
Assigned to subsequent year's budget	129,802
Unassigned	320,694
Total fund balances	<u>602,885</u>
Total liabilities and fund balances	<u>\$ 611,455</u>

See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Reconciliation of the Balance Sheet – Governmental Funds**  
**to the Statement of Net Position**  
**September 30, 2022**

Fund balances total governmental funds	\$ 602,885
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	51,859
Less accumulated depreciation and amortization	(29,188)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Lease liability	(11,181)
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Net position of governmental activities	<u>\$ 614,375</u>
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See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2022**

	General Fund
REVENUES	
Ad valorem taxes	\$ 64,211
Licenses and permits	27,730
Intergovernmental revenues	95,375
Charges for services	8,003
Investment Earnings	4,137
Total revenues	<u>199,456</u>
EXPENDITURES	
Current	
General government	211,377
Public safety	45,863
Transportation	4,687
Capital outlay	23,836
Debt service:	
Principal - leases	14,854
Interest - leases	684
Total expenditures	<u>301,301</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(101,845)</u>
Other financing sources (uses)	
Proceeds from issuance of debt - leases	26,035
Total other financing sources (uses)	<u>26,035</u>
Net change in fund balances	(75,810)
Fund balances, beginning of year	678,695
Fund balances, end of year	<u>\$ 602,885</u>

See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund**  
**Balances of the Governmental Funds to the Statement of Activities**  
**For the Year Ended September 30, 2022**

Net change in fund balances - total governmental funds	\$ (75,810)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	23,836
Less: current year depreciation and amortization	(16,468)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.

Proceeds from issuance of debt - leases	(26,035)
Principal payments on long-term lease liabilities	14,854

Change in net position	<u><u>\$ (79,623)</u></u>
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See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual**  
**General Fund**  
**For the Year Ended September 30, 2022**

	Original Adopted Budget	Final Revised Budget	Actual	Variance With Final Budget Positive (Negative)
<b>Revenues</b>				
Ad valorem taxes	\$ 72,684	\$ 72,684	\$ 64,211	\$ (8,473)
Licenses and permits	45,900	45,900	27,730	(18,170)
Intergovernmental revenues	87,840	87,840	95,375	7,535
Charges for services	5,000	5,000	8,003	3,003
Investment Earnings	800	800	4,137	3,337
Total revenues	<u>212,224</u>	<u>212,224</u>	<u>199,456</u>	<u>(12,768)</u>
<b>Expenditures</b>				
Current				
General Government	263,555	263,555	211,377	52,178
Public Safety	56,200	56,200	45,863	10,337
Transportation	5,000	5,000	4,687	313
Capital Outlay			23,836	(23,836)
Debt service:				
Principal - leases			14,854	(14,854)
Interest - leases			684	(684)
Total expenditures	<u>324,755</u>	<u>324,755</u>	<u>301,301</u>	<u>23,454</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(112,531)</u>	<u>(112,531)</u>	<u>(101,845)</u>	<u>10,686</u>
Other financing sources (uses)				
Proceeds from issuance of debt - leases			26,035	26,035
Net change in fund balances	<u>\$ (112,531)</u>	<u>\$ (112,531)</u>	<u>(75,810)</u>	<u>\$ 36,721</u>
Fund balance, beginning of year			<u>678,695</u>	
Fund balance, end of year			<u>\$ 602,885</u>	

See notes to the financial statements

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Ocean Breeze, Florida (the “Town”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Town’s significant accounting policies are described below.

**Reporting Entity**

The Town of Ocean Breeze, Florida is a municipal corporation organized in 1960 under the authority of Chapter 165, Florida Statutes. The town has a mayor-council form of government and operates under a charter that was amended in 1991. The fiscal year of the Town is from October 1 to September 30, as established pursuant to section 166.241(2), Florida Statutes. The governing body of the Town is the Town Council which is comprised of a maximum of six council members elected at large.

As required by generally accepted accounting principles, these financial statements include the Town (the primary government) and its component units. Component units are legally separate entities for which the Town is financially accountable. The Town is financially accountable if:

- a) the Town appoints a voting majority of the organization’s governing board and (1) the Town is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Town, or
- b) the organization is fiscally dependent on the Town and (1) there is a potential for the organization to provide specific financial benefits to the Town or (2) impose specific financial burdens on the Town.

Organizations for which the Town is not financially accountable are also included when doing so is necessary in order to prevent the Town’s financial statements from being misleading.

Based upon application of the above criteria, management of the Town has determined that no component units exist which would require inclusion in this report. Further, the Town is not aware of any entity that would consider the Town to be a component unit.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Government-wide Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for support. The Town does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

*Fund Financial Statements*

The underlying accounting system of the Town is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenue and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are provided for governmental funds. Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenue, Expenditures and Changes in Fund Balance. The Town has no fund types other than governmental funds. Major individual governmental funds are reported in separate columns in the fund financial statements.

The Town reports the General Fund as a major governmental fund. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Measurement Focus and Basis of Accounting*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. The Town does not accrue property tax revenues since the collection of these taxes coincides with the fiscal year in which levied, and since the Town consistently has no material uncollected property taxes at year end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Amounts paid to acquire capital assets are capitalized as assets, rather than reported as capital expenditures.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough afterwards to pay liabilities of the current period. The Town considers revenues collected within 60 days of the year end to be available to pay liabilities of the current period. Charges for services, intergovernmental shared revenues, licenses, business taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues for expenditure driven grants are recognized when the qualifying expenditures are incurred. All other revenue items are considered to be measurable and available only when cash is received by the Town. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Cash and Cash Equivalents**

Cash and cash equivalents include amounts on deposit in demand accounts. The Town considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Investments**

Investments are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of fair value measurement in both cases is the same, that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. The Town categorizes investments reported at fair value in accordance with the fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*.

**Accounts Receivable**

Accounts receivable of the General Fund consists of billed receivables. The Town has not established an allowance for doubtful accounts because the Town considers all receivables to be collectible.

**Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In the governmental funds, prepaid items are recorded using the consumption method and are offset by the nonspendable fund balance component which indicates they do not constitute available spendable resources, even though they are a component of current assets.

**Capital Assets**

Capital assets are defined by the Town as assets with an estimated useful life in excess of one year and a value at the date of acquisition in excess of \$5,000. Capital assets are reported in the government-wide Statement of Net Position and include improvements and equipment. Purchased capital assets are recorded at cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Capital Assets (Continued)

Depreciation is computed using the straight-line method over the estimated useful lives for all reported capital assets, except land and construction in progress. The estimated useful lives range from four (4) to forty (40) years.

Leases

Lease contracts that provide the Town with control of a non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as an intangible right to use lease asset with a related lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible right to use leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment.

Lease contracts that provide an external entity with control of the Town's non-financial asset, such as land, buildings, or equipment, for a period of time in excess of twelve months are reported as a leased receivable with a related lease deferred inflow of resources. The lease receivable is recorded at the present value of future lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. The lease deferred inflow of resources is recorded for the same amount as the related lease receivable less any lease incentives. Leased deferred inflow of resources are amortized over the lease term. The lease receivable is reduced for lease payments made, less the interest portion of the lease payment.

Unearned Revenue

The government reports unearned revenue on its government wide Statement of Net Position and governmental funds balance sheet. Unearned revenue arises when resources are obtained prior to revenue recognition. In subsequent periods, when revenue recognition criteria are met the unearned revenue is removed and revenue is recognized.

Unavailable Revenue

The government reports unavailable revenue on its governmental funds balance sheet for resource inflows that do not qualify for recognition as revenue in a governmental fund because they are not yet considered available.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Deferred Outflows of Resources*

The government-wide Statement of Net Position and the Governmental Funds Balance Sheet will sometimes include a separate section for deferred outflows of resources. This financial statement element represents a consumption of net assets applicable to future periods and will not be recognized as expenditures until the future period(s). The Town does not currently have any deferred outflows of resources.

*Deferred Inflows of Resources*

The government-wide Statement of Net Position and the Governmental Funds Balance Sheet will sometimes include a separate section for deferred inflows of resources. This financial statement element represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until the future period(s). The Town does not currently have any deferred inflows of resources.

*Interfund Transactions*

Transactions between funds consist of loans, services provided, reimbursements, or transfers. Interfund loans are reported as Due From Other Funds and Due To Other Funds as appropriate and are subject to elimination in the government-wide financial statements. Services deemed to be reasonably equivalent in value are treated as revenues and expenditures. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost. All other interfund transactions are presented as transfers.

*Fund Balances*

In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported under the following categories:

1. Nonspendable fund balances – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale. However, if the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned, then they should be included in the appropriate fund balance classification (restricted, committed, or assigned), rather than the nonspendable fund

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Fund Balances** (Continued)

balance. The corpus (or principal) of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

2. Restricted fund balance – Includes amounts that are restricted to specific purposes when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balance – Includes amounts that can be used only for specific purposes pursuant to constraints imposed by an ordinance, the Town's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action employed to previously commit those amounts.
4. Assigned fund balance – Includes amounts intended to be used by the Town for specific purposes, but are neither restricted nor committed. In accordance with the Town's fund balance policy, assignments may be made by formal action of the Town Council.
5. Unassigned fund balance – Includes the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the Town's policy to reduce restricted amounts first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the Town's policy to reduce committed amounts first, followed by assigned amounts, then unassigned amounts.

**Net Position**

Net position is the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets plus deferred outflows of resources and (b) liabilities and deferred inflows of resources. Net position is displayed in the following three components:

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Net Position** (Continued)

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
2. Restricted net position – Consists of net position with constraints placed on the use either by: (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions of enabling legislation.
3. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “investment in capital assets.”

**Budgetary Data**

Formal budgetary integration is employed as a management control device during the year for the General Fund. All budgets are legally enacted. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by appropriate action.

**Property Taxes**

Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide.

The tax levy of the Town is established by the Town Council prior to October 1 of each year, and the Martin County Property Appraiser incorporates the Town's millage into the total tax levy, which includes Martin County and Martin County School Board tax requirements. The millage rate assessed by the Town for the year ended September 30, 2022, was 1.4000 (\$1.4000 for each \$1,000 of assessed valuation), which does not include the Fire Rescue Municipal Services Taxing Unit (“MSTU”) millage rate of 2.6835.

All property is reassessed according to its fair market value January 1 of each year, which is also the lien date. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all the appropriate requirements of state statutes.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Property Taxes* (Continued)

All taxes are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount.

Delinquent taxes on real property bear interest of 18% per year. On or prior, to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After the sale, tax certificates bear interest of 18% per year or any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

*Use of Estimates*

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, the use and recoverability of inventory, and useful lives and impairment of tangible and intangible assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

*Implementation of Accounting Pronouncements*

The Town implemented the following Governmental Accounting Standards Board Statements during the current fiscal year.

GASB issued Statement No. 87, *Leases*. This Statement will increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting that is based on the foundational principle that leases are financings of the right to use an underlying asset. See Note 6.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Implementation of Accounting Pronouncements** (Continued)

GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement will enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplify accounting for interest cost incurred before the end of a construction period.

GASB issued Statement No. 92, *Omnibus 2020*. This Statement will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. This Statement addresses a variety of topics.

GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. This Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature by addressing the accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR) for agreements in which variable payments made or received depend on an IBOR.

**Recently Issued Accounting Pronouncements**

A brief description of new accounting pronouncements that might have a significant impact on the Town's financial statements is presented below. Management is currently evaluating the impact of adoption of these statements in the Town's financial statements.

GASB issued Statement No. 91, *Conduit Debt Obligation*. This Statement will provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement is effective for the fiscal year ending September 30, 2023.

GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement will improve financial reporting by establishing the definitions of public-private and public-public partnership arrangements (PPPs) and availability payment arrangements (APAs) and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions. This Statement is effective for the fiscal year ending September 30, 2023.

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement is effective for the fiscal year ending September 30, 2023.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

**Recently Issued Accounting Pronouncements** (Continued)

GASB issued Statement No. 99, *Omnibus 2022*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. Consistent authoritative literature enables governments and other stakeholders to more easily locate and apply the correct accounting and financial reporting provisions, which improves the consistency with which such provisions are applied. The comparability of financial statements also will improve as a result of this Statement. Better consistency and comparability improve the usefulness of information for users of state and local government financial statements. The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective for upon issuance (fiscal year ending September 30, 2022).
- The requirements related to leases, public-private and public-public partnerships, and subscription-based information technology arrangements are effective for fiscal years ending September 30, 2023.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years ending September 30, 2024.

GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The requirements of this Statement are effective for accounting changes and error corrections made in the fiscal year ending September 30, 2024.

GASB issued Statement No. 101, *Compensated Absences*. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave. The model also will result in a more

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

*Recently Issued Accounting Pronouncements* (Continued)

robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The requirements of this Statement are effective for fiscal years ending September 30, 2025.

**NOTE 2 – BUDGETARY INFORMATION**

*Budget Policy and Practice*

Budgets are prepared in accordance with the Town Charter and the Florida Budget Act. The budget is presented to the Town Council for review, and public hearings are held to address priorities and the allocation of resources. In September, the Town Council adopts the annual fiscal year appropriated budgets for the Town funds. Once approved, the Town Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

*Basis of Budgeting*

The General Fund's appropriated budget legal level of budgetary control is at the fund level. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to final review by the Town Council.

The budget for the General Fund is prepared on the basis of generally accepted accounting principles in the United States of America. The budget and actual financial statements are also reported on this basis. All budgeted appropriations lapse at fiscal year-end.

**NOTE 3 – DEPOSITS AND INVESTMENTS**

*Deposits*

Deposits are either covered by insurance provided by the Federal Depository Insurance Corporation or are held in banking institutions approved by the Treasurer of the State of Florida. Under Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Town's deposits at year end are considered insured for custodial credit risk purposes. As of September 30, 2022, the bank balance of the Town's deposits was \$115,938 while the carrying amount was \$100,469. The Town also had \$400 in petty cash for a total carrying amount of \$100,869.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 3 – DEPOSITS AND INVESTMENTS** (Continued)

**Investments**

The Town has not adopted a written investment policy. Florida Statutes authorize units of local government electing not to adopt a written investment policy to invest in the following instruments:

- a. The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.
- b. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c. Interest-bearing time deposits or savings accounts in qualified public depositories.
- d. Direct obligations of the U.S. Treasury.

At September 30, 2022, the Town held investments of \$484,634 in the Florida Cooperative Liquid Assets Securities System (FLCLASS) which is administered by the Public Trust Advisors. The investment in FLCLASS does not meet the requirements of GASB Statement No. 79 and is exempt from reporting under the fair value hierarchy requirements of GASB Statement No. 72. FLCLASS is measured at net asset value (NAV) and reported as fair value in accordance with GASB Statement No. 31. FLCLASS has no unfunded commitments and provides same day or next day redemption. The investment in FLCLASS is reported as cash and cash equivalents for financial statement purposes.

**Credit Risk**

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Town's investment policies limit its investments to high quality investments to control credit risk. FLCLASS was rated AAAM by S&P Global Ratings at September 30, 2022.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The dollar weighted average days maturity (WAM) of FLCLASS at September 30, 2022, was 26 days.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 3 – DEPOSITS AND INVESTMENTS** (Continued)

**Investments** (Continued)

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments that are in the possession of an outside party. At September 30, 2022, all the Town's deposits were insured or collateralized. The investment in the FLCLASS is not insured by FDIC or any other governmental agency.

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2022, was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated and amortized				
Lease asset – buildings	\$	\$ 14,365	\$	\$ 14,365
Lease asset – equipment		9,471		9,471
Improvements and equipment	28,023			28,023
Total capital assets being depreciated and amortized	28,023	23,836		51,859
Less accumulated depreciation and amortization				
Lease asset – buildings		(10,774)		(10,774)
Lease asset – equipment		(2,643)		(2,643)
Improvements and equipment	(12,720)	(3,051)		(15,771)
Total accumulated depreciation and amortization	(12,720)	(16,468)		(29,188)
<b>Capital assets, net</b>	<b>\$ 15,303</b>	<b>\$ 7,368</b>	<b>\$</b>	<b>\$ 22,671</b>

Depreciation and amortization expense was charged to functions and programs of the primary government as follows:

**Governmental activities:**

General government	\$ 15,063
Transportation	1,405
	<u>\$ 16,468</u>

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 5 – NONCURRENT LIABILITIES**

The following is a summary of changes in the Town's noncurrent liabilities for the year ended September 30, 2022:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Lease liability	\$	\$ 26,035	\$ (14,854)	\$ 11,181	\$ 6,843

**NOTE 6 – LEASES**

*Right to Use Lease – Office Space*

The Town entered into an office space lease for a term of five years and five months, commencing on August 15, 2017 and ending January 31, 2023. The Town will occupy the premises rent free from August 15, 2017 to January 31, 2018, with payments commencing in February 2018. The lease has a base monthly payment of \$950 with annual increases of 3% culminating in a monthly payment of \$1,069 for the period ending January 31, 2023. The discount rate was 4% using the Town's estimated incremental borrowing rate. The Town entered into a lease extension agreement for an additional period of five years commencing on February 1, 2023 and terminating on January 31, 2028. The lease extension agreement was entered into on November 7, 2022 and was excluded from the lease term in the current year.

*Right to Use Lease – Copier*

The Town entered into a copier lease for a term of 60 months commencing in May 2022 and ending in April 2025 with a monthly rental payment of \$236. The discount rate was 4% using the Town's estimated incremental borrowing rate.

Annual lease requirements are as follows:

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,843	\$ 266	\$ 7,109
2024	2,708	124	2,832
2025	1,630	22	1,652
	<u>\$ 11,181</u>	<u>\$ 412</u>	<u>\$ 11,593</u>

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 7 – INTERLOCAL AGREEMENTS**

*Right of Way Maintenance Agreement*

In 2012, the Town entered into an Interlocal Agreement with Martin County for the purpose of assigning each party its responsibilities for the design, permitting, and construction of certain traffic improvements along NE Indian River Drive, which is a County road within Town limits. In July 2016, the agreement was amended to incorporate stormwater management and treatment components to the traffic calming project. The Project includes enhanced landscaping and irrigation, a stormwater treatment facility with a bioswale, decorative lighting and textured pavement. All maintenance, repair, and replacement of the aforementioned enhanced landscape improvements and the bioswale shall be the sole responsibility of the Town. All maintenance, repair, and replacement of the irrigation system shall be the sole responsibility of the Town, including, but not limited to, ensuring that the irrigation system is kept in proper working order. All aesthetic maintenance of the roadway textured pavement shall be the sole responsibility of the Town. Should the Town be unable or unwilling to complete the required maintenance work, the County may complete or contract to have such maintenance performed and bill the Town for all costs incurred. The County agrees to provide written notice of its intent to perform such maintenance at least five days in advance of performing the work.

*Fire Protection and Emergency Medical Services*

The Town has opted into the Martin County's Fire-Rescue Municipal Services Taxing Unit ("MSTU") for the provision of fire rescue, fire protection, and related services from the County commencing on October 1, 2019. The tax for the MSTU is included in the maximum 10 mills the Town is legally allowed to assess. On September 30, 2022, the MSTU millage rate was 2.6835.

**NOTE 8 – RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters for which the Town carries commercial insurance. Retention of risks is limited to those risks that are uninsurable and deductibles. The Town has not significantly reduced insurance coverage from the prior year, and there were no settled claims which exceeded insurance coverage during the past three fiscal years.

Florida Statutes limit the Town's maximum loss for most liability claims to \$200,000 per person and \$300,000 per occurrence under the Doctrine of Sovereign Immunity. However, under certain circumstances, a plaintiff can seek to recover damages in excess of statutory limits by introducing a claims bill to the Florida Legislature. The limits addressed in Florida Statutes do not apply to claims filed in Federal courts.

**TOWN OF OCEAN BREEZE, FLORIDA**  
**Notes to the Financial Statements**  
**September 30, 2022**

**NOTE 8 – RISK MANAGEMENT** (Continued)

The Town is involved in various litigation and claims arising in the ordinary course of operations, the ultimate outcomes of which cannot be presently determined. It is the opinion of management, in consultation with legal counsel, that any final settlement in these matters will not result in a material adverse effect on the financial position of the Town.



## NOWLEN, HOLT & MINER, P.A.

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WEI PAN, CPA  
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RICHARD E. BOTTS, CPA

### INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

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TELEPHONE (561) 996-5612  
FAX (561) 996-6248

The Honorable Mayor and Members of the Town Council  
Town of Ocean Breeze, Florida  
Jensen Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Town of Ocean Breeze, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Ocean Breeze's basic financial statements and have issued our report thereon dated June 2, 2023.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Ocean Breeze, Florida's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Ocean Breeze, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Ocean Breeze, Florida's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Ocean Breeze, Florida's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Nowlen, Holt & Minter, P.A.*

West Palm Beach, Florida  
June 2, 2023



## NOWLEN, HOLT & MINER, P.A.

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### MANAGEMENT LETTER IN ACCORDANCE WITH THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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TELEPHONE (561) 996-5612  
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To the Honorable Mayor and Member of the Town Council  
Town of Ocean Breeze, Florida  
Jensen Beach, Florida

#### Report on the Financial Statements

We have audited the financial statements of the Town of Ocean Breeze, Florida, as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 2, 2023.

#### Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

#### Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 2, 2023, should be considered in conjunction with this Management Letter.

#### Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. No findings and recommendations were made in the preceding financial audit report.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this Management Letter, unless disclosed in the notes to the financial statements. This information was disclosed in Note 1 to the financial statements. There are no component units included in the Town of Ocean Breeze, Florida's financial statements.

### **Financial Condition and Management**

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Town of Ocean Breeze, Florida met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Town of Ocean Breeze, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Town of Ocean Breeze, Florida. It is management's responsibility to monitor the Town of Ocean Breeze, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Our assessment was done as of the fiscal year end. The results of our procedures did not disclose any matters that are required to be reported.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **Special District Component Units**

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Single Audits**

The Town of Ocean Breeze, Florida expended less than \$750,000 of federal awards and less than \$750,000 of state financial assistance for the fiscal year ended September 30, 2022 and was not required to have a federal single audit or a state single audit.

### **Purpose of this Letter**

Our Management Letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Town Council, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Nowlen, Holt & Miner, P.A.*

West Palm Beach, Florida  
June 2, 2023



## NOWLEN, HOLT & MINER, P.A.

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N. RONALD BENNETT, CVA, ABV, CFF, CPA  
ALEXIA G. VARGA, CFE, CPA  
EDWARD T. HOLT, JR., PFS, CPA  
BRIAN J. BRESCIA, CFP®, CPA

MARK J. BYMASTER, CFE, CPA  
RYAN M. SHORE, CFP®, CPA  
WEI PAN, CPA  
WILLIAM C. KISKER, CPA  
RICHARD E. BOTTS, CPA

### INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

BELLE GLADE OFFICE  
333 S.E. 2nd STREET  
POST OFFICE BOX 338  
BELLE GLADE, FLORIDA 33430-0338  
TELEPHONE (561) 996-5612  
FAX (561) 996-6248

The Honorable Mayor and Members of the Town Council  
Town of Ocean Breeze, Florida  
Jensen Beach, Florida

We have examined the Town of Ocean Breeze, Florida's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management of the Town of Ocean Breeze, Florida is responsible for the Town of Ocean Breeze, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on the Town of Ocean Breeze, Florida's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Town of Ocean Breeze, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Town of Ocean Breeze, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the Town of Ocean Breeze, Florida's compliance with the specified requirements.

In our opinion, the Town of Ocean Breeze, Florida complied, in all material respects, with Section 218.415, Florida Statutes for the year ended September 30, 2022.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, applicable management, and the Town Council, and is not intended to be and should not be used by anyone other than these specified parties.

*Nowlen, Holt & Miner, P.A.*

West Palm Beach, Florida  
June 2, 2023



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301 S. Bronough St., Suite 300 • Post Office Box 1757 • Tallahassee, FL 32302-1757  
850.222.9684 • Fax: 850.222.3806 • Website: [flcities.com](http://flcities.com)

## **Mayor Karen M. Ostrand Honored with 2023 Home Rule Hero Award**

*Town of Ocean Breeze official recognized for advocacy efforts during the 2023 Legislative Session*

**FOR IMMEDIATE RELEASE:** Tuesday May 9, 2023

**CONTACT:** Kim Stanton

[townclerk@townofoceانبreeze.org](mailto:townclerk@townofoceانبreeze.org) 772-334-6823

**Ocean Breeze, FL** – The **Florida League of Cities (FLC)**, the united voice for Florida's municipal governments, recently recognized Ocean Breeze Mayor Karen M. Ostrand with a 2023 Home Rule Hero Award for their hard work and advocacy efforts during the 2023 Legislative Session. Mayor Ostrand worked tirelessly throughout session to promote local voices making local choices, protect the Home Rule powers of Florida's municipalities and advance the League's legislative agenda.

"The League and its legislative team appreciate the individual advocacy efforts undertaken by municipal officials throughout the state," said **FLC Chief of Legislative Affairs Casey Cook**. "Home Rule Heroes are some of our biggest advocates for protecting local decision-making. They are League members who stand out for their high level of participation, knowledge, and effectiveness. This year's Home Rule Heroes continuously advocated for their communities throughout the 2023 Legislative Session."

Home Rule is the ability for a city to address local problems with local solutions with minimal state interference. Home Rule Hero Award recipients are local government officials, both elected and nonelected, who consistently responded to the League's request to reach out to members of the Legislature and help give a local perspective on an issue.

*Founded in 1922, the Florida League of Cities is the united voice for Florida's municipal governments. Its goals are to promote local self-government and serve the needs of Florida's cities, which are formed and governed by their citizens. The League believes in "Local Voices Making Local Choices," which focuses on the impact citizens and city leaders have in improving Florida's communities. For more information, visit [flcities.com](http://flcities.com).*



# Florida House of Representatives

*Representative Dan Daley*

District 97

**District Office:**  
1607 NW 36<sup>th</sup> Ave.  
Building A  
Sunrise, FL 33323  
(954)845-6005

**Tallahassee Office:**  
1301 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399-1300  
(850) 717-5096

May 15, 2023

Mayor Karen M. Ostrand  
Town of Ocean Breeze  
PO Box 1025  
Jensen Beach, FL 34958-1025

Dear Mayor Karen M. Ostrand,

I wanted to congratulate you on being selected by the Florida League of Cities as a Home Rule Hero! Thank you for all of your advocacy and efforts in protecting Home Rule at the local level. Throughout the Legislative Session, you have worked tirelessly to promote local voices making local choices, and to advance the League's legislative agenda.

I understand that fight, as a former local elected official for the City of Coral Springs and a former Board Member of the Florida League of Cities. That is why I continue to work with you to protect and preserve Home Rule in Florida.

Again, congratulations on your Home Rule Hero Award from the Florida League of Cities. I wish you continued success and look forward to working with you well into the future. Keep up the great work!

Best,

  
Dan Daley

*Keep up the fight, Karen!*

# **GENERAL INFORMATION ITEMS**

**The attached items (i.e.: correspondence, e-mails, reports, etc.) are provided as general information and are not necessarily subject to discussion during this meeting unless Council Members or the Mayor wish to do so.**

FYI

(772) 286-8696 Phone  
(772) 286-4521 Fax



www.dwojo.com

**Wojcieszak & Associates, Inc.**  
Consulting Engineers

May 26, 2023

VIA: [townclerk@townofoceanbreeze.org](mailto:townclerk@townofoceanbreeze.org)

Ms. Pam Orr, Permit Processor  
Town of Ocean Breeze  
P. O. Box 1025  
Jensen Beach, FL 34957  
772-334-6826 office

RE: **GENERAL BUILDING SURVEY PROPOSAL NO. CN2023.004**  
**Town of Ocean Breeze**

Dear Ms. Orr,

The Town of Ocean Breeze has requested an engineering proposal to investigate the home owner's concerns related to the air conditioning systems and provide guidance to the Town of Ocean Breeze Building Official. The owner's concerns will be evaluated in accordance with applicable building codes. The evaluation will include a written summary and corrective action for any observed outstanding life safety issues or code violations that would necessitate enforcement by the Town.

A copy of the **ENGINEERING SERVICES CONTRACT** is attached for your review. When satisfied with the terms of this proposed agreement, please execute one copy and return it to us along with a retainer in the amount of \$1,000. The project will be scheduled upon receipt of the retainer. Should you have any questions or wish to discuss any aspect of this contract, please call 772-286-8696.

We look forward to assisting you in this very important process.

Sincerely,

David A. Wojcieszak, P.E.  
President

Enc: **ENGINEERING SERVICES CONTRACT (5 pages)**

# ENGINEERING SERVICES CONTRACT

*Town of Ocean Breeze*

*Contract No.: CN2023.004 - Town of Ocean Breeze*

## CONSULTING ENGINEERING SERVICES AGREEMENT

THIS AGREEMENT made and entered into this 30<sup>th</sup> day of May, 2023 by and between **THE TOWN OF OCEAN BREEZE, FLORIDA**, a municipal corporation of the State of Florida, and **WOJCIESZAK & ASSOCIATES, INC.**

WHEREAS, it is in the best public interest that THE TOWN OF OCEAN BREEZE retain WOJCIESZAK & ASSOCIATES, INC. to provide specified mechanical engineering investigations and consultation services to the Town Council of THE TOWN OF OCEAN BREEZE as an independent contractor to assist the Town's Building Official in making a determination confirming code compliance of certain air conditioning equipment in accordance with the terms and conditions hereafter set forth:

WOJCIESZAK & ASSOCIATES, INC. ("Contractor") shall be retained by THE TOWN OF OCEAN BREEZE ("Town") to provide mechanical engineering consultation services to the Town for the specific project as described herein.

For and in consideration of one dollar and other good and valuable consideration, receipt of which is hereby acknowledged, this Contract is entered into by the Town and Contractor in order to revise and restate the Contract previously executed by the parties.

### Scope of Services:

Providing engineering services to perform an evaluation of the air conditioning systems and insulation in multiple residences in order for Town's Building Official to confirm whether said systems comply with the Florida Building Code. Four sample residences will be evaluated, which residences are representative of different air conditioning models used in homes built in the Seawalk subdivision. The four sample residences shall be designated and selected by the Town's Building Official in consultation with Contractor with permission of the owners of said residences to allow Contractor access to make the evaluations described herein. The purpose of the evaluation is to collect data relative to:

- Inconstant temperatures
- Air conditioning equipment sizing
- Mold and mildew
- Insulation

**Engineering Fees:** During the term of this Agreement, the Contractor shall be compensated for its services as follows:

Phase I - Initial Survey, Information gathering \$1,500.00

Phase II. - Analysis and written report of sufficiency \$1,500.00

(In the event the Town requires further services beyond those described above, such additional services would need to be agreed upon and described in a written modification to this contract signed by the parties hereto).

Contractor shall provide invoices at the time the work referenced in Phases I and II is completed.

## ENGINEERING SERVICES CONTRACT

*Town of Ocean Breeze*

*Contract No. CA2023.004 Town of Ocean Breeze*

**A retainer of \$1,000.00 is due upon execution of this Contract.**

**Independent Contractor:** Contractor, acting independently and not as an employee of the Town, is retained solely to provide the specific services described herein for the fees as described herein. Contractor will determine the method, details, and means of performing the said services, which will be provided in a professional, timely and workmanlike manner, in accordance with all applicable laws and regulations.

**Termination of Contract:** This Contract shall terminate upon completion of the services and payments described herein. This Contract may otherwise be terminated by either party upon fifteen (15) days written notice, in which event, Contractor shall be reimbursed for services performed to termination date.

**Insurance:** Contractor represents and affirms that professional liability insurance is included for the \$1,000,000.00 Professional Liability Policy held by Contractor.

**Limitation of Contractor Employee Liability:** To the extent allowable pursuant to Florida law:

PURSUANT TO § 558.0035, FLORIDA STATUTES, AN INDIVIDUAL EMPLOYEE OR AGENT OF WOJCIESZAK & ASSOCIATES, INC. CANNOT BE HELD INDIVIDUALLY LIABLE FOR DAMAGES RESULTING FROM NEGLIGENCE OCCURRING WITHIN THE COURSE AND SCOPE OF THIS PROFESSIONAL SERVICES CONTRACT OR THE PERFORMANCE OF PROFESSIONAL SERVICES HEREUNDER. BY SIGNING THIS AGREEMENT, YOU HAVE ACCEPTED THIS LIMITATION OF LIABILITY.

### **Public Records:**

When providing the said investigation and consultation services or otherwise acting on behalf of the Town, Contractor shall comply with all public records laws of the State of Florida, including but not limited to the requirements specified in Florida Statutes Section 119.0701, which are hereby incorporated by reference. IF CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 1508 N.E. JENSEN BEACH BLVD., JENSEN BEACH, FL. 34957.

**Entire Agreement:** This Contract represents the entire and integrated Agreement between the Town and Contractor and supersedes all prior negotiations, representations and/or agreements, either written or oral. There shall be no modifications or changes hereto, except those made in writing and signed by both parties.

TOWN:  
THE TOWN OF OCEAN BREEZE

CONTRACTOR:  
WOJCIESZAK & ASSOCIATES, INC.



Karen M. Ostrand, Mayor



David Wojcieszak, President

# ENGINEERING SERVICES CONTRACT

*Town of Ocean Breeze*

*Contract No.: CN2023.004 - Town of Ocean Breeze*

## APPENDIX A SCOPE OF WORK

### Phase I – Initial Survey

- Collection of information including, but not limited to:
  - OWNER's reports
  - Building plans
  - Third party reports
  - Air conditioning equipment shop drawings
- Site Observations
- Minimal field testing
- Documentation of existing conditions
- Conversations with building occupants
- All systems will be evaluated for:
  - Life safety
  - General compliance with code
  - General conformance to plans and specifications
  - Poor workmanship

### BUILDING ENCLOSURE

- Window openings
- Door openings
- Exterior wall cladding
- Roof membrane
- Roof penetrations

### BUILDING INTERIOR

- Local temperature measurements
- Local relative humidity measurements
- General wall conditions
- General ceiling conditions

### HVAC

- Equipment conditions
- Operating temperatures
- Equipment maintenance

### ELECTRICAL

- Evaluation will only make note of life safety observations and code violations

### PLUMBING

- Evaluation will only make note of life safety observations and code violations

### Phase II – Analysis and Verbal Report

The report shall include a meeting with the Town to review and discuss:

- Phase I documentation from field observations and measurements
- Opinions based on Phase I information.
- Recommendations to solve the problem
- Recommendations for additional testing
- Recommendations for additional consultants
- Cost analysis is not included

### Phase III – Additional Services

Services include, but are not limited to the following:

#### FUNCTIONAL PERFORMANCE TESTING

- HVAC Systems

#### TEST AND BALANCE VERIFICATION

- Review test and balance reports.
- Document deficiencies.

#### MAINTENANCE

- Prepare routine maintenance schedule.
- Prepare equipment replacement schedule.
- Prepare equipment replacement budget.

#### MONITORING BUILDING SYSTEMS

- Periodic monitoring of the HVAC control system will be performed to uncover unusual operating conditions. Recommendations will be provided.
- Analyze utility bills.
- Field OWNER complaints.
- Review logs for
  - Routine maintenance
  - Routine equipment replacement
  - Equipment replacement due to failure

# ENGINEERING SERVICES CONTRACT

Town of Ocean Breeze

Contract No.: CN2023.004 Town of Ocean Breeze

## EXCLUSIONS

- **CONSTRUCTION DOCUMENTS**, including but not limited to Front End Contract Documents, General Conditions, Plans and Specifications
- Coordination of construction bids and advertisements
- **CONSTRUCTION SERVICES** normally provided by the General Contractor, Sub Contractor, or Construction Manager such as coordination of construction interference and space conflicts, punch lists, evaluation of substitutions, RFI's, change bulletins, etc.
- Pricing/Estimating.
- Any construction.
- Hiring Engineers.
- Coordinate scheduling of construction work with OWNER/occupants.
- Electronic systems manuals or electronic O/M manuals.
- Additional field investigations other than those listed.
- Expert witness testimony.
- Any application or permitting
- Coordination of temporary services during construction

## APPENDIX B INFORMATION REQUESTED FROM OWNER / CLIENT

### Information requested for Phase I

- Building drawings in digital format
  - Architectural
  - HVAC
  - ELECTRICAL
  - PLUMBING
- OWNER's report
- Third party reports
- Access to four residences.
- Energy Codes
- Air conditioning equipment shop drawings

## APPENDIX C SCHEDULE OF ADDITIONAL CHARGES

### Hourly Rates

Principal Engineer, PE	\$ 300.00
Engineer, PE	\$ 175.00
Designer	\$ 125.00
Drafting Technician	\$ 100.00
Technician	\$ 95.00
Administrative/Clerical	\$ 85.00

- Hourly charge is total hours multiplied by the appropriate hourly rate, unless noted otherwise
- Travel time is to be billed at the hourly rate
- Travel and additional expenses to be billed at cost plus 10%

### Postage and handling

Overnight Fees	At cost + 20%
Courier Fees	At cost + 20%

### Additional Services

Outside Services	At cost + 20%
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*Rates are valid until December 31, 2023, at which point they may be subject to revision.*

# ENGINEERING SERVICES CONTRACT

*Town of Ocean Breeze*

*Contract No.: CN2023.004 - Town of Ocean Breeze*

## APPENDIX D DEFINITIONS

**BUILDING ENCLOSURE** – Synonymous with building envelope. All the elements in a building which separate the air-conditioned space from the exterior. This includes, but is not limited to, roof, walls, windows, doors, and floors.

### **BUILDING SYSTEMS**

Groups of materials assembled to perform a specific function. These systems include, floors, walls, roofs, HVAC, Plumbing, Electrical, and Life Safety.

**CLIENT** – The party that WA is contracted with.

**CONTRACT** – The executed written document that is agreed upon between two or more parties to perform a specific scope of work, defined in the said document.

**ENGINEER** – An entity that performs some form of construction with an active license and insurance.

**ELECTRICAL ENGINEER** – A professional engineer who carries a license provided by the state government to practice electrical engineering.

**ELECTRONIC DOCUMENT** – Any document converted to a computer compatible file. Any originally signed paper document converted into a computer file.

**ENGINEERING** – Work that requires licensure ship as a professional engineer by the state government. Florida licensure ship is governed by the Florida Administrative Code (FAC), Chapter 61G15-18 and chapter 471, Florida Statutes.

**ENVIRONMENTAL TESTING** – Sampling and measuring of environmental conditions.

**ESTIMATED** – (used in Article 4) Engineering fee is not fixed. Billing will be for the actual hourly figures and may result in variations to the figures in Article 4.

**ESTIMATING** – To determine the anticipated construction related cost.

**FBC** – Florida Building Code – 2020 Edition

**FRONT END CONTRACT DOCUMENTS – GENERAL CONDITIONS** – A set of documents that are used to

define the contract between the OWNER and the Engineer.

**HVAC** – Abbreviation for Heating, Ventilation and Air Conditioning.

**INDOOR AIR QUALITY** – A term used to evaluate the quality of the air within a building or enclosed space as related to pollutants that are and/or are not present at a given time. Abbreviation is IAQ.

**MECHANICAL** – Associated with HVAC and plumbing.

**MECHANICAL ENGINEER** – A professional engineer who carries a license provided by the state government to practice mechanical engineering.

**MEP** – Mechanical, Electrical and Plumbing.

**MEP ENGINEERING SERVICES** – The work that is included in the scope of this project done by WA.

**OWNER** – The entity that holds the deed(s) of the structure(s) included in the scope of this project.

**PLUMBING** – A division of mechanical engineering that encompasses water and gas supply and drainage to the systems within a building.

**PROFESSIONAL ENGINEER (PE)** – A person who carries a license provided by the state government to practice a specific discipline of engineering. Wojcieszak & Associates, Inc. has electrical and mechanical engineers.

**PROPOSED CONTRACT** – An unexecuted contract.

**SITE OBSERVATION** – A representative from WA visits the project and observes the construction, related to the work included in the scope of work for this project for the purpose of determining in general if the work is proceeding in compliance with drawings and specifications. See Chapter 471.005(7), Florida Statutes. Deviations to the MEP documents are noted.

**VALUE ENGINEERING (VE)** – a short formal project review, utilizing highly experienced experts in the project field, to try to identify and recommend alternative solutions that will add value to the project, by reducing costs or other measures.

FYI

**officeassist@townofoceanbreeze.org**

---

**From:** Culling, Eric <Eric.Culling@fpl.com>  
**Sent:** Tuesday, May 23, 2023 12:59 PM  
**To:** Park, Sue; officeassist@townofoceanbreeze.org; Madera, Valeska  
**Subject:** RE: Update Town of Ocean Breeze  
**Attachments:** Town of Ocean Breeze 5.23.23.pdf

Shannon,

I believe Valeska was trying to reach out regarding some confirmation of specified locations and spec. Please see attached Google Earth view just put together to help assist with the pending request for what existing infrastructure looks like.

- If you can please review and confirm that the poles I have listed with no light are the 3 which you wish to add new lights.

Per review Valeska just had with one of our design team members, all 3 poles are feasible to add lights and we will expedite design so a new lighting agreement can be prepared for review/signatures.

I do not believe a specification of bracket length or fixture wattage/color temperature has ever been specified. Based on original request made to Kerry Lavette, our current catalog offerings would be **Roadway 59 watts, 7500+ lumens 3k. existing brackets appear to be 6'** and seem appropriate for these poles based on setback as well.

- Please confirm spec in yellow is acceptable.

Thank you for your patience and we will get moving on this as quick as we can pending the above confirmations

Regards,

**Eric S. Culling**

Sr. Representative - LED Lighting Solutions

FPL

Mobile: 239-410-4763

Email: [Eric.Culling@FPL.Com](mailto:Eric.Culling@FPL.Com)



To Report A Street Light Outage:

[FPL Street Light Outage Reporting](#)

For Emergencies Call: **1-800-226-3545**

To View Latest FPL LED Fixture and Pole Catalog:

[FPL LED Lighting Solutions](#)

**From:** Park, Sue <Sue.Park@fpl.com>

**Sent:** Tuesday, May 23, 2023 11:01 AM

**To:** officeassist@townofcoceanbreeze.org; Culling, Eric <Eric.Culling@fpl.com>; Madera, Valeska <Valeska.Madera@fpl.com>

**Cc:** Park, Sue <Sue.Park@fpl.com>

**Subject:** RE: Update

Eric,

Are you able to provide an update on this.

Thank you.

Sue Park

Customer Advisor

561-315-2529

9001 Ellis Rd Melbourne FL 32904



Visit the new **FPL Project Portal** at [FPL.com/construction](https://www.fpl.com/construction) to manage your FPL Residential and Commercial construction projects. Get information on construction services and project types, apply for your construction project, track project milestones, manage your project team and more.

Link to FPL's Electrical Service Standards: <https://www.fpl.com/partner/builders/service-standards.html>

**Find my Project Manager Link Below:**

<https://inapp.fpl.com/fpl/construction/pmLocator.html#>

**Pay invoice:**

<https://internet.speedpay.com/fplconstruction/-/login/guest>

**Postal mail payment:**

FPL

General Mail Facility

Miami, FL 33188-0001

**Overnight payments:**

Attn: FPL Payment Processing Center

5100 NW 159th St.

Miami Gardens, FL 33018

<https://www.fpl.com/rates/tax-exemptions.html>

**From:** [officeassist@townofoceanbreeze.org](mailto:officeassist@townofoceanbreeze.org) <[OfficeAssist@townofoceanbreeze.org](mailto:OfficeAssist@townofoceanbreeze.org)>  
**Sent:** Tuesday, May 23, 2023 10:46 AM  
**To:** Park, Sue <[Sue.Park@fpl.com](mailto:Sue.Park@fpl.com)>; Culling, Eric <[Eric.Culling@fpl.com](mailto:Eric.Culling@fpl.com)>; Madera, Valeska <[Valeska.Madera@fpl.com](mailto:Valeska.Madera@fpl.com)>  
**Subject:** Update

Good Morning,

May I have an update? I have left messages with Valeska but have not received a return call or an email.

Kind regards,

Shannon Roger  
Administrative Assistant



Town of Ocean Breeze  
Post Office Box 1025  
Jensen Beach, FL 34958  
Telephone: (772) 334-6826  
Fax: (772) 334-6823

Under Florida law, email addresses are public records. If you do not want your email address released in response to a public records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing. This communication may contain privileged and confidential information intended only for the addressee(s) named above. If you are not the intended recipient, you are hereby notified that any review, dissemination, distribution or duplication of this communication is strictly prohibited. If you are not the intended recipient, please notify the sender by reply email and destroy all copies of the original message.



NE Palm Rd

Channel Wy

NE Seabreeze Way

NE Coastal Dr

Existing LED 3

Pier Wy

NE Jetty Wy

NE Ebbtide Way

NE Indian River Dr

E Intercoastal Dr

W Intercoastal Dr

Pole Available for New Light

Limited Room for Light Design Review

No Room for Light

Existing LED 2

Existing LED 1





© 2023 Google

Google Earth

2935 County Rd 707



Street View

FYI

**From:** Terry Locatis  
**Sent:** Tuesday, May 9, 2023 12:18 PM  
**To:** TERRANCE O NEIL  
**Subject:** Re: West End Blvd.

Terry... Thanks for the update... I'll stay tuned... Terry

On Tuesday, May 9, 2023 at 09:53:05 AM EDT, TERRANCE O NEIL <[twoneil@aol.com](mailto:twoneil@aol.com)> wrote:

Terry,

Please see Jim's response below, will keep you informed.

Regards,  
Terry

Sent from my iPhone

Begin forwarded message:

**From:** James Gorton <[jgorton@martin.fl.us](mailto:jgorton@martin.fl.us)>  
**Date:** May 9, 2023 at 7:19:44 AM EDT  
**To:** [twoneil@aol.com](mailto:twoneil@aol.com)  
**Cc:** [townclerk@townofoceanbreeze.org](mailto:townclerk@townofoceanbreeze.org), Lisa Wichser <[lwichser@martin.fl.us](mailto:lwichser@martin.fl.us)>  
**Subject:** RE: West End Blvd.

Good morning Terry-

We still intend to reevaluate the intersection once the Brightline project is completed. The project is still not closed out, in fact they are going to be working in that area on May 16, weather permitting, performing additional restoration activities. We have already ordered an asbuilt survey which we will finalize once they complete their project so we can see what we have to work with. We anticipate that they will close out the project in the next few months.

Please let me know if you require additional information or clarification.

Jim Gorton  
Public Works Director  
Martin County Board of County Commissioners  
(772) 320-3155

-----Original Message-----

From: TERRANCE O NEIL <[twoneil@aol.com](mailto:twoneil@aol.com)>  
Sent: Monday, May 8, 2023 4:03 PM  
To: James Gorton <[jgorton@martin.fl.us](mailto:jgorton@martin.fl.us)>  
Cc: [townclerk@townofoceanbreeze.org](mailto:townclerk@townofoceanbreeze.org)  
Subject: West End Blvd.

This Email Sent From External Sender

Jim,

Last we spoke about West End Boulevard, the county was awaiting close-out of the FEC's permit to determine whether a change to northbound traffic or perhaps even a restoration of two-way traffic might be in the cards. Can you bring us up to date?

Regards,  
Terry  
772 486 2190

Sent from my iPhone

This document may be reproduced upon request in an alternative format by contacting the County ADA Coordinator (772) 320-3131, the County Administration Office (772) 288-5400, Florida Relay 711, or by completing our accessibility feedback form at [www.martin.fl.us/accessibility-feedback](http://www.martin.fl.us/accessibility-feedback)

The comments and opinions expressed herein are those of the author of this message and may not reflect the policies of the Martin County Board of County Commissioners. Under Florida Law, email addresses are public records. If you do not want your email address released in response to a public records request do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

**From:** TERRANCE O NEIL <twoneil@aol.com>  
**Sent:** Tuesday, May 9, 2023 9:53 AM  
**To:** Terry Locatis  
**Cc:** Town Clerk; permits@townofoceanbreeze.org  
**Subject:** Fwd: West End Blvd.

Terry,

Please see Jim's response below, will keep you informed.

Regards,  
Terry

Sent from my iPhone

Begin forwarded message:

**From:** James Gorton <jgorton@martin.fl.us>  
**Date:** May 9, 2023 at 7:19:44 AM EDT  
**To:** twoneil@aol.com  
**Cc:** townclerk@townofoceanbreeze.org, Lisa Wichser <lwichser@martin.fl.us>  
**Subject:** RE: West End Blvd.

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Terry  
772 486 2190

Sent from my iPhone

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FYI

To whom it May Concern -  
Town of Ocean Breeze

I sincerely thank you for adopt  
Literacy Coach efforts @ JBHS

This past year I used the \$100.00  
with our English Language Learners  
purchasing a subscription (digital)  
reading comprehension. The students  
adaptive independent work. A big  
for your support - it made a difference