TOWN OF OCEAN BREEZE
AGENDA

Budget Workshop and Setting of Tentative Millage Rate
Wednesday, July 26, 2023 at 6:00 pm
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL 34957

PLEASE TURN OFF ALL CELL PHONES

1. **Call to Order**
   - Pledge of Allegiance
   - Roll Call

2. **Budget Workshop – Budget and Tentative Ad Valorem Millage Rate for Fiscal Year 2023/2024 – Holly Vath, Town Financial Consultant**

3. **Resolution #337-2023 –** A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2023/2024 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES (motion, second, public comment, roll call)

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

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

6. **Comments from Town Management Consultant Terry O'Neil**

7. **Comments from Mayor Ostrand**

8. **Announcements** – Meetings to be held at Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze, FL

   - Regular Town Council Meeting – Monday, August 14, 2023 at 10:30 am
   - Regular Town Council Meeting – Monday, September 11, 2023 at 10:30 am
   - Proposed Budget and Tentative Millage Hearing, Wednesday, September 13, 2023 at 6:00 pm
   - Final Budget and Millage Rate Hearing, Wednesday, September 20, 2023 at 6:00 pm

9. **Adjourn**

Memorandum

TO: **TOWN COUNCIL**

FROM: **MAYOR OSTRAND VIA HOLLY VATH, FINANCIAL CONSULTANT**

SUBJECT: **2024 PROPOSED BUDGET**

DATE: **JULY 17, 2023**

2023 Budget Analysis

The estimated actual for the 2023 budget is currently trending above budget. It is anticipated a budget amendment will be needed in September or October to increase the 2023 budget. The closeout of the Seawalk PUD has generated more expenses than anticipated when the 2023 budget was adopted in September 2022. The adopted budget anticipated utilizing $129,802 of reserves, we anticipate utilizing slightly less since additional revenue was generated in interest income and building permit fees.

2024 Proposed Budget

With the completion of Seawalk, the taxable value increased by 25.3% for a total taxable value of $84.1 million. Seawalk residential properties contribute $47.3 million of the taxable value. The average taxable value of a home in Seawalk is $330,000. 82 homes have a homestead exemption. 58 of the homesteaded properties have additional non-taxable value related to save-our-homes. The average taxable value for a home with exemptions is $288,000.

During the last six months, Ocean Breeze staff have explored implementing a utility tax in order to diversity revenue sources. Based on the income generated and the continued availability of reserves, it was decided to delay further discussion about a utility tax. Implementing a utility tax would have the greatest impact on the commercial customers in the Plaza.

The most significant changes in the proposed 2024 budget are as follows:

- Recommend reserve level of 45-60% of budget
- Continued patrols by the Martin County Sheriff's Office
- Experienced a 30% increase in insurance
- Implementation of Office 365 for email
- Update web site to mandated ADA compliance
- Update web site for mandated information on building permit status
- Included election expenses
- Increase computer support
- Recommend 1.00 millage rate

BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2024

		2022 Actual	2023 Budget	2023 Estimated	2024 Budget
Revenue					
General revenue					
312100	Ad Valorem	64,211	$ 63,798	$ 63,941	$ 79,922
314200	Local communications services tax	3,372	2,500	3,100	3,500
322004	Charges for service	7,508	-	-	-
335120	State revenue sharing	16,941	23,000	18,500	23,000
335140	Mobile home tags	2,881	2,500	2,900	2,900
335150	Alcoholic beverage licenses	2,056	2,000	2,056	2,000
335180	1/2 Cent Sales Tax	59,433	51,600	58,000	61,000
312300	Gas tax	10,692	6,430	19,000	11,000
338200	Occupational licenses	506	150	100	400
361000	Interest income	4,137	700	18,500	16,000
369000	Miscellaneous income	495	1,000	100	300
Total General Revenue		172,232	153,678	186,197	200,022
Building revenue					
322000	Building permits	27,044	15,000	28,000	20,000
322001	Fire inspections	180	250	-	500
Total Building revenue		27,224	15,250	28,000	20,500
Leases					
383100		26,035	-	-	-
Total Revenue		225,491	168,928	214,197	220,522

BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2024

		2022 Actual	2023 Budget	2023 Estimated	2024 Budget
Expense					
General Government					
513150	Gross Payroll	79,926	65,650	77,300	78,520
513301	Management Consultant	21,662	28,000	23,000	28,000
513302	Rent	792	13,925	13,800	14,175
513304	Communications / Website	12,373	14,565	14,500	16,155
513305	Engineering	2,638	5,000	5,000	5,000
513306	Accountant	6,180	8,000	5,000	8,000
513308	Insurance W/C	4,987	3,200	6,500	5,000
513309	Insurance Package	10,788	17,600	18,870	22,800
513311	Public Advertising Notices	1,678	4,000	1,200	4,000
513312	Office Equipment, Supplies and Maintenance	7,333	6,900	9,800	10,230
513313	Postage	521	700	350	800
513315	Audit	15,750	17,000	16,000	16,500
513316	Utilities	710	720	700	720
513317	Dues	1,221	1,450	1,450	1,525
513318	Mileage Reimb. - Clerks	157	1,300	600	700
513319	Council expenses, conferencces & travel	4,097	5,800	5,000	5,800
513321	Election Expenses	-	500	-	2,000
513820	Contributions	1,459	1,000	1,005	1,000
513322	Special Projects (digitize records, update codes)	14,126	5,000	3,500	5,000
513325	Meeting security	-	2,250	-	-
514100	Legal Counsel	16,163	24,000	18,000	24,000
514200	Computer Services	2,546	3,900	3,600	6,900
531110	Payroll Taxes - Fica	5,082	4,070	4,800	4,900
531111	Payroll Taxes - Medicare	1,188	1,000	1,120	1,140
584620	Building - Leases	14,365	-	-	-
584640	Equipment - Leases	9,471	-	-	-
584710	Principal - Leases	14,854	-	-	-
584720	Inteest - Leases	684	-	-	-
Total General Government		250,751	235,530	231,095	262,865

BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2024

	2022 Actual	2023 Budget	2023 Estimated	2024 Budget
Public Safety				
524200 Building Official	41,282	24,000	27,000	27,000
524210 Building Code Compliance services	4,428	8,000	10,500	8,000
524220 Code Compliance legal services	-	5,000	15,000	5,000
524300 Fire Safety Inspector	153	1,200	-	500
524300 Permit processing services	-	20,000	30,000	20,000
Total Building	45,863	58,200	82,500	60,500
Transportation				
541300 Street lights and street maintenance	4,687	5,000	2,400	5,000
541400 Sheriff Road Patrol	-	-	7,000	18,000
Total Transportation	4,687	5,000	9,400	23,000
Capital Outlay				
555000 Furniture & Equipment	-	-	-	-
Total Expense	301,301	298,730	322,995	346,365
			(108,798)	(125,843)

Town of Ocean Breeze
Line Item Detail

Account	Detail	2024 Budget	2023 Budget	Change
513150 · Gross Payroll	Town Clerk - 1,300 hours - $34.00	44,200	42,250	1,950
513150 · Gross Payroll	Administrative Assistant - 1,560 hours - $22.00	34,320	23,400	10,920
513301 · Management Consultant	Town Manager/Development Director	28,000	28,000	-
513302 · Rent	Storage Unit	960	710	250
513302 · Rent	Office	13,215	13,215	-
513304 · Communications / Website	Comcast	2,985	2,985	-
513304 · Communications / Website	Cell phone stipends	2,040	2,040	-
513304 · Communications / Website	Council cell phone/internet stipends 7@ $1,020	7,140	7,140	-
513304 · Communications / Website	Web hosting	2,400	2,400	-
513304 · Communications / Website	ADA Accessible	490	-	490
513304 · Communications / Website	State required Building Permit Status database	1,100	-	1,100
513305 · Engineer	Engineer	5,000	5,000	-
513306 · Accountant	Accountant	8,000	8,000	-
513308 · Insurance W/C	Florida League of Cities	5,000	3,200	1,800
513309 · Insurance Package	Florida League of Cities	22,500	17,300	5,200
513309 · Insurance Package	Notary renewals	300	300	-
513311 · Public Advertising Notices	Treasure Coast Newspapers	4,000	4,000	-
513312 · Office Equipment & Supplies	Copier lease	2,900	2,900	-
513312 · Office Equipment & Supplies	Copier use above contracted amount	600	1,000	(400)
513312 · Office Equipment & Supplies	Council directed budget/election mailing	1,350	-	1,350
513312 · Office Equipment & Supplies	Office supplies	1,800	1,800	-
513312 · Office Equipment & Supplies	Meeting supplies	1,200	1,200	-
513312 · Office Equipment & Supplies	Office 365	1,300	-	1,300
513312 · Office Equipment & Supplies	Zoom	240	-	240
513312 · Office Equipment & Supplies	Adobe	540	-	540
513312 · Office Equipment & Supplies	Remote desktop software	300		300
513313 · Postage	Post office box	400	300	100
513313 · Postage	Postage	400	400	-
513315 · Audit	Annual audit	16,500	17,000	(500)
513316 · Utilities	FPL - Office	720	720	-
513317 · Dues	Florida League of Cities	575	500	75
513317 · Dues	Florida League of Mayors	350	350	-
513317 · Dues	Chamber of Commerce	250	250	-
513317 · Dues	Treasure Coast Council of Local Government	200	200	-
513317 · Dues	Florida City Clerks Association	150	150	-
513318 · Mileage Reimb. - Clerks	Staff mileage	700	1,300	(600)
513319 · Conferences & Travel - Council	Council travel and conferences	5,800	5,800	-
513321 · Election Expenses	Elections Expenses	2,000	500	1,500
513324 · Special Projects	Special Projects	5,000	5,000	-

Town of Ocean Breeze
Line Item Detail

Account	Detail	2024 Budget	2023 Budget	Change
513325 · Meeting Security	Martin County Sheriff	-	2,250	(2,250)
513820 · Contributions	Upon request and Council approval	1,000	1,000	-
514100 · Legal Counsel	Legal Counsel	24,000	24,000	-
514200 · Computer Services	Computer assistance	1,500	1,500	-
514200 · Computer Services	Computer security assistance	2,400	2,400	-
514200 · Computer Services	Software support	3,000	-	3,000
524200 · Building Official Services	Building Official	15,000	12,000	3,000
524200 · Building Official Services	Inspections	12,000	12,000	-
524210 · Building Code Compliance services	Code Compliance Services	8,000	8,000	-
524220 · Code Compliance Legal services	Code Compliance Legal	5,000	5,000	-
524300 · Fire Safety Inspector	Martin County Fire Inspections	500	1,200	(700)
524301 · Permit Processing Services	Permit Processing Services	20,000	20,000	-
531110 · Payroll taxes - FICA	Payroll Taxes - Fica	4,900	4,070	830
531111 · Payroll taxes - Medicare	Payroll Taxes - Medicare	1,140	1,000	140
541301 · Street Lights and Maintenance	Transportation	5,000	5,000	-
541400 - Transportation	Sheriff Road Patrol	18,000	7,000	11,000

TOWN OF OCEAN BREEZE
COUNCIL EXPENSES, CONFERENCES AND TRAVEL

Mayor		
	Conferences and Travel	4,000
President		
	Conferences and Travel	500
Vice President		
	Conferences and Travel	500
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Commissioner		
	Conferences and Travel	200
Total		**5,800**

TOWN OF OCEAN BREEZE
CONTRIBUTIONS

Name	Amount
Jensen Beach Chamber of Commerce	180.00
United Way of Lee County	250.00
Environmental Studies Council	275.00
History Museum of Jensen Beach	100.00
The Entrepreneurship Foundation	200.00
Total	**1,005.00**

TOWN OF OCEAN BREEZE
PROPOSED MILLAGE RATE
Millage Proposal
September 30, 2024

	Proposed Millage	Current Year	A	B	C
Estimated taxable value	$ 84,128,347	$ 84,128,347	$ 84,128,347	$ 84,128,347	$ 84,128,347
Taxable Value Increase					
Divide by 1,000	1,000	1,000	1,000	1,000	1,000
	$ 84,128.35	$ 84,128.35	$ 84,128.35	$ 84,128.35	$ 84,128.35
Millage rate	1.0000	1.0000	0.9000	0.8500	0.8000
Rollback rate					
Ad valorem taxes	$ 84,128.35	$ 84,128.35	$ 75,715.51	$ 71,509.09	$ 67,302.68
Collection allowance	5%	5%	5%	5%	5%
Budgeted ad valorem taxes	$ 79,922.00	$ 79,922.00	$ 71,930.00	$ 67,934.00	$ 63,938.00
Other Revenue	140,600.00	140,600.00	140,600.00	140,600.00	140,600.00
Expenditures	346,365.00	346,365.00	346,365.00	346,365.00	346,365.00
Current year proposed rate as a percent change of rolled-back rate	-25.02%	-25.02%	-32.52%	-36.27%	-40.02%
Approximate impact on General Fund reserve balance (original)	(125,843)	(125,843)	(133,835)	(137,831)	(141,827)
Population	396				
Town of Ocean Breeze Taxes	Taxable Value				
Seawalk	$ 330,000	$ 330	$ 297	$ 281	$ 264
Homesteaded Seawalk	$ 288,000	$ 288	$ 259	$ 245	$ 230
Shopping Plaza	$ 13,965,510	$ 13,966	$ 12,569	$ 11,871	$ 11,172
Resort	$ 17,839,250	$ 17,839	$ 16,055	$ 15,163	$ 14,271

TOWN OF OCEAN BREEZE
FUND BALANCE ANALYSIS FOR GENERAL FUND

	Balance	Annual Operating Budget	% of Budget
Fund balance @ 9/30/2017	258,399	287,214	89.97%
FY 2018 decrease in fund balance	(39,862)		
Fund balance @ 9/30/2018	218,537	371,292	58.86%
FY2019 increase in fund balance	132,441		
Fund balance @ 09/30/2019	350,978	382,885	91.67%
FY2020 increase in fund balance	25,120		
Fund balance @ 09/30/2020	376,098	283,967	132.44%
FY2021 increase in fund balance	49,547		
Fund balance @ 09/30/2021	425,645	348,010	122.31%
FY2022 increase in fund balance	24,851		
Fund balance @ 09/30/2022	450,496	301,301	149.52%
FY2023 Projected decrease in fund balance	(110,000)		
Projected fund balance @ 09/30/2023	340,496	308,430	110.40%
FY2024 Projected decrease in fund balance	(125,843)		
Projected fund balance @ 09/30/2024	214,653	390,985	54.90%

TOWN OF OCEAN BREEZE

Historical Data

Fiscal Year	Tax Year	Taxable Value	% Change	Millage Rate	% Change	Taxes Levied
2014	2013	23,710,720	-6.50%	5.0619	5.65%	120,021
2015	2014	23,024,907	-2.89%	4.9472	-2.27%	113,909
2016	2015	23,251,369	0.98%	3.9814	-19.52%	92,573
2017	2016	27,446,576	18.04%	5.2177	31.05%	143,208
2018	2017	27,177,478	-0.98%	5.4750	4.93%	148,797
2019	2018	30,024,441	10.48%	6.3826	16.58%	191,634
2020	2019	36,782,181	22.51%	4.8008	-24.78%	176,584
2021	2020	43,628,710	18.61%	3.0800	-35.84%	134,376
2022	2021	47,818,243	9.60%	1.4000	-54.55%	66,946
2023	2022	67,156,131	40.44%	1.0000	-28.57%	67,156
2024	2023	84,128,347	25.27%	1.0000	0.00%	84,128

Resolution No. 337-2023

A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2023/2024 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES

WHEREAS, the Town Council of the Town of Ocean Breeze, Florida has this date held a properly noticed meeting to discuss ad valorem taxes within the Town's jurisdiction:

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF OCEAN BREEZE, FLORIDA that:

SECTION 1: The tentative millage rate for the 2023/2024 fiscal year of the Town of Ocean Breeze, Florida shall be ___________.

SECTION 2: Any one or more of the following officials of the Town shall be authorized to report the proposed millage rate to the Martin County Property Appraiser or other appropriate authority in accordance with Florida law: Mayor, Town Clerk, President of the Town Council, and/or Town Financial Officer/Accountant.

SECTION 3: This Resolution shall take effect upon adoption.

Adopted this 26th day of July 2023.

ATTEST:

____
Karen M. Ostrand, Mayor

____
Kim Stanton, Town Clerk

____
Kenneth De Angeles, President