

**TOWN OF OCEAN BREEZE
FINAL BUDGET AND MILLAGE RATE HEARING FOR FY 2024/2025
AGENDA**

Wednesday, September 25, 2024 – 6:00 PM
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL

***PLEASE TURN OFF CELL PHONES –
SPEAK DIRECTLY INTO MICROPHONE***

- 1. Town Council Call to Order, President Kelley**
 - Pledge of Allegiance
 - Roll Call

- 2. Proposed Millage for Fiscal Year 2024/2025 – Financial Officer – Holly Vath**
 - A. Percentage increase in millage over the rolled-back rate needed to fund the budget, if any
 - B. Comments from the public
 - C. Comments from the Council
 - D. Motion to Adopt the Final Millage by Resolution #352-2024 A RESOLUTION OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE TOWN OF OCEAN BREEZE, MARTIN COUNTY FOR FISCAL YEAR 2024/2025; PROVIDING FOR AN EFFECTIVE DATE.
(Motion, second, public comment, comments from the Council, Roll-Call Vote)

- 3. Proposed budget for Fiscal Year 2024/2025 – Financial Officer – Holly Vath**
 - A. Comments from the public
 - B. Comments from the Council
 - C. Motion to Adopt the Final Budget by Resolution #353-2024 – A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF OCEAN BREEZE OF MARTIN COUNTY, FLORIDA ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2024/2025; PROVIDING FOR AN EFFECTIVE DATE.
(Motion, second, public comment, comments from the Council, Roll-Call Vote)

- 4. Announcements-** Meetings to be held at Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze
 - Regular Town Council Meeting, Monday, October 14, 2024 at 6:00 PM
 - Regular Town Council Meeting, Tuesday, November 12, 2024 at 10:30 AM
 - Regular Town Council Meeting, Monday, December 9, 2024 at 10:30 AM

- 5. Adjourn**
(Motion, second, All-in-Favor)

Memorandum

TO: MAYOR AND TOWN COUNCIL

FROM: HOLLY VATH, FINANCIAL CONSULTANT

SUBJECT: 2025 PROPOSED BUDGET

DATE: SEPTEMBER 25, 2024

(NO CHANGES SINCE LAST MEETING)

2024 Budget Analysis

The estimated actual for the 2024 budget is currently trending below budget. Additional expenses related to PUD's have significantly increased Public Safety expenses. Savings in General Government and continued interest earnings allow for utilizing less reserves than budgeted for the current fiscal year. The adopted budget anticipated utilizing \$105,267 of reserves, we anticipate utilizing approximately \$25,000 less.

2025 Proposed Budget

The proposed budget was prepared based on normal operations. Additional funding for PUD closeout will require adjustments to the budget in fiscal year 2025 as decisions are made related to closeout activities. The closeout process continues to bring fiscal uncertainty to the Town.

With the completion of Seawalk, the taxable value increased by 7.4% for a total taxable value of \$90.3 million. Seawalk residential properties contribute \$56.4 million of the taxable value. The average taxable value of a home in Seawalk is \$437,170 for non-homestead properties and \$312,540 for homestead properties. 94 homes have a homestead exemption.

Personnel

The 2024 adopted budget anticipated two part-time staff and a contracted permit processing. The 2025 budget eliminates the second part-time position and moves some of that funding to Special Projects. The permit processing contractor will periodically fill in as needed in the office. The hourly rate for office work will be less than the permit processing rate.

Gas Tax Reserves

There are several projects being considered to utilize the gas tax revenue and gas tax reserve fund. The Town is responsible for updating the pedestrian crosswalks on Indian River Drive and the Town continues to discuss a privacy wall to shield some of the noise generated by the train tracks. West End Blvd is also being discussed.

Reserves

The Town will continue to utilize reserves to fund normal operations. Based on the 2025 budget, in order to have sufficient cash flow for operations, the town needs to maintain unrestricted reserves at approximately \$80,000. This amount will provide cash for the first three months of the fiscal year. Three months is the minimum level needed. Property tax revenue is remitted in late November or early December each year.

With the additional state shared revenue, the proposed budget would utilize \$73,993 of general fund reserves while gas tax reserves would increase by \$39,900.

The most significant changes in the proposed 2025 budget are as follows:

- Recommend minimum reserve level of 25% of budget
- Reduce staff to one part-time employee
- Expected 13% increase in insurance
- Increase council travel and conferences
- Recommend 0.8000 millage rate

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2025**

**THE PROPOSED OPERATING BUDGET EXPENDITURES OF TOWN OF OCEAN BREEZE ARE
LESS THAN LAST YEARS TOTAL OPERATING EXPENDITURES**

	GENERAL FUND	TOTAL BUDGET
BALANCE BROUGHT FORWARD	\$ 34,093	\$ 34,093
ESTIMATED REVENUES:		
Taxes:		
Ad valorem taxes (Millage per \$1,000 equals 0.8000)	\$ 68,662	\$ 68,662
Sales, use and fuel taxes	137,340	137,340
Intergovernmental revenue	24,500	24,500
Licenses and permits	20,500	20,500
Interest and other earnings	20,000	20,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	271,002	271,002
TOTAL ESTIMATED REVENUES AND BALANCES	305,095	305,095
EXPENDITURES:		
General government	239,595	239,595
Public safety	60,500	60,500
Transportation	5,000	5,000
Capital outlay	-	-
TOTAL EXPENDITURES	305,095	305,095
RESERVES	-	-
TOTAL APPROPRIATED EXPENDITURES AND RESERVES	\$ 305,095	\$ 305,095

THE TENTATIVE, ADOPTED, AND/OR FINAL BUDGETS ARE ON FILE IN THE OFFICE OF THE ABOVE MENTIONED TAXING AUTHORITY AS A PUBLIC RECORD.

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2025**

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Estimated</u>	<u>2025</u> <u>Budget</u>
Revenue				
<u>General revenue</u>				
312100 Ad Valorem	63,909	\$ 63,938	\$ 63,938	\$ 68,662
314200 Local communications services tax	3,859	3,800	4,500	5,900
322004 Charges for service	-	-	-	-
335120 State revenue sharing - 18% motor fuel	18,075	23,000	23,000	19,100
335140 Mobile home tags	2,627	2,900	2,900	3,100
335150 Alcoholic beverage licenses	2,790	2,000	2,300	2,300
335180 1/2 Cent Sales Tax	48,665	61,000	55,000	86,540
312300 Gas tax	33,984	19,000	36,000	44,900
338200 Occupational licenses	567	400	500	500
361000 Interest income	23,328	16,000	23,000	20,000
369000 Miscellaneous income	168	300	150	-
Total General Revenue	<u>197,972</u>	<u>192,338</u>	<u>211,288</u>	<u>251,002</u>
<u>Building revenue</u>				
322000 Building permits	32,777	20,000	20,000	20,000
322001 Fire inspections	-	500	-	-
Total Building revenue	<u>32,777</u>	<u>20,500</u>	<u>20,000</u>	<u>20,000</u>
<u>Leases</u>				
383100	62,794	-	-	-
Total Revenue	<u><u>293,543</u></u>	<u><u>212,838</u></u>	<u><u>231,288</u></u>	<u><u>271,002</u></u>

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2025**

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Estimated</u>	<u>2025</u> <u>Budget</u>
Expense				
General Government				
513150 Gross Payroll	77,078	67,600	47,600	45,500
513301 Management Consultant	19,050	28,000	25,000	28,000
513302 Rent	678	14,175	14,175	14,905
513304 Communications / Website	11,806	16,155	12,000	14,650
513305 Engineering	6,113	5,000	6,000	5,000
513306 Accountant	4,380	8,000	6,000	8,000
513308 Insurance W/C	6,475	5,000	6,500	5,000
513309 Insurance Package	18,869	24,300	25,100	27,000
513311 Public Advertising Notices	1,500	4,000	1,600	4,000
513312 Office Equipment, Supplies and Maintenance	7,426	10,230	10,230	10,665
513313 Postage	538	800	800	1,000
513315 Audit	16,000	16,500	16,500	17,000
513316 Utilities	708	720	720	720
513317 Dues	1,448	1,525	1,525	1,565
513318 Mileage Reimb. - Clerks	436	700	400	300
513319 Council expenses, confernces & travel	4,330	5,800	5,800	6,900
513321 Election Expenses	926	2,000	-	2,000
513820 Contributions	1,005	1,000	1,000	1,000
513322 Special Projects (digitize records, update codes)	4,221	5,000	12,000	12,000
513325 Meeting security	-	-	-	-
514100 Legal Counsel	9,561	24,000	12,000	24,000
514200 Computer Services	7,167	6,900	5,000	6,900
531110 Payroll Taxes - Fica	4,768	4,200	2,900	2,830
531111 Payroll Taxes - Medicare	1,116	1,000	700	660
584620 Building - Leases	62,794	-	-	-
584640 Equipment - Leases	-	-	-	-
584710 Principal - Leases	14,103	-	-	-
584720 Inteast - Leases	1,816	-	-	-
Total General Government	284,312	252,605	213,550	239,595

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2025**

	<u>2023</u> <u>Actual</u>	<u>2024</u> <u>Budget</u>	<u>2024</u> <u>Estimated</u>	<u>2025</u> <u>Budget</u>
Public Safety				
524200 Building Official	30,025	27,000	24,000	27,000
524210 Building Code Compliance services	15,368	8,000	16,000	8,000
524220 Code Compliance legal services	20,076	5,000	23,000	5,000
524300 Fire Safety Inspector	-	500	-	500
524300 Permit processing services	28,643	20,000	24,000	20,000
Total Building	<u>94,112</u>	<u>60,500</u>	<u>87,000</u>	<u>60,500</u>
Transportation				
541300 Street lights and street maintenance	2,545	5,000	4,000	5,000
541400 Sheriff Road Patrol	9,600	-	-	-
Total Transportation	<u>12,145</u>	<u>5,000</u>	<u>4,000</u>	<u>5,000</u>
Capital Outlay				
555000 Furniture & Equipment	-	-	-	-
Total Expense	<u><u>390,569</u></u>	<u><u>318,105</u></u>	<u><u>304,550</u></u>	<u><u>305,095</u></u>
Use of unrestricted reserves	(118,865)	(119,267)	(105,262)	(73,993)
Source of gas tax reserves	21,839	14,000	32,000	39,900
Total change in reserves	(97,026)	(105,267)	(73,262)	(34,093)

**TOWN OF OCEAN BREEZE
PROPOSED MILLAGE RATE
Millage Proposal
September 30, 2025**

	Proposed Millage	Current Year	A	B	C
Estimated taxable value	\$ 90,345,172	\$ 84,128,347	\$ 90,345,172	\$ 90,345,172	\$ 90,345,172
Taxable Value Increase					
Divide by 1,000	1,000	1,000	1,000	1,000	1,000
	\$ 90,345.17	\$ 84,128.35	\$ 90,345.17	\$ 90,345.17	\$ 90,345.17
Millage rate	0.8000	0.8000	0.8000	0.7500	0.7000
Rollback rate			0.7471	0.7471	0.7471
% above/below rollback			7.08%	0.39%	-6.30%
Ad valorem taxes	\$ 72,276.14	\$ 67,302.68	\$ 72,276.14	\$ 67,758.88	\$ 63,241.62
Collection allowance	5%	5%	5%	5%	5%
Budgeted ad valorem taxes	\$ 68,662.00	\$ 63,938.00	\$ 68,662.00	\$ 64,371.00	\$ 60,080.00
Other Revenue	202,340.00	167,350.00	202,340.00	202,340.00	202,340.00
Expenditures	305,095.00	304,550.00	305,095.00	305,095.00	305,095.00
Approximate impact on General Fund reserve balance (original)	(34,093)	(73,262)	(34,093)	(38,384)	(42,675)

Town of Ocean Breeze Taxes	Taxable Value					
Total Seawalk	\$ 56,442,016					
Seawalk	\$ 437,170	\$ 350	\$ 350	\$ 328	\$ 306	
Homesteaded Seawalk	\$ 312,540	\$ 250	\$ 250	\$ 234	\$ 219	
Shopping Plaza	\$ 14,128,490	\$ 11,303	\$ 11,303	\$ 10,596	\$ 9,890	
Resort	\$ 20,179,825	\$ 16,144	\$ 16,144	\$ 15,135	\$ 14,126	
Population	608	396				

**TOWN OF OCEAN BREEZE
FUND BALANCE ANALYSIS FOR GENERAL FUND**

	Balance	Annual Operating Budget	% of Budget
Fund balance @ 9/30/15	321,031		
FY 2016 decrease in fund balance	(35,329)		
Fund balance @ 9/30/16	<u>285,702</u>		
FY 2017 decrease in fund balance	(27,303)		
Fund balance @ 9/30/2017	<u>258,399</u>	287,214	89.97%
FY 2018 decrease in fund balance	(39,862)		
Fund balance @ 9/30/2018	<u>218,537</u>	371,292	58.86%
FY2019 increase in fund balance	132,441		
Fund balance @ 09/30/2019	<u>350,978</u>	382,885	91.67%
FY2020 increase in fund balance	25,120		
Fund balance @ 09/30/2020	<u>376,098</u>	283,967	132.44%
FY2021 increase in fund balance	49,547		
Fund balance @ 09/30/2021	<u>425,645</u>	348,010	122.31%
FY2022 increase in fund balance	24,851		
Fund balance @ 09/30/2022	<u>450,496</u>	301,301	149.52%
FY2023 decrease in fund balance	(88,056)		
Fund balance @ 09/30/2023	<u>362,440</u>	308,430	117.51%
FY2024 Projected decrease in fund balance	(105,262)		
Projected fund balance @ 09/30/2024	<u>257,178</u>	305,000	84.32%
FY2025 Projected decrease in fund balance	(73,993)		
Projected fund balance @ 09/30/2025	<u>183,185</u>	308,000	59.48%
FY2026 Projected decrease in fund balance	(71,000)		
Projected fund balance @ 09/30/2026	<u>112,185</u>	310,000	36.19%
FY2027 Projected decrease in fund balance	(34,500)		
Projected fund balance @ 09/30/2027	<u>77,685</u>	310,000	25.06%



RESOLUTION NO. 352-2024

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF OCEAN BREEZE, MARTIN COUNTY, FLORIDA ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE TOWN OF OCEAN BREEZE, MARTIN COUNTY FOR FISCAL YEAR 2024/2025; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Ocean Breeze, Martin County, Florida, on September 25, 2024, adopted Fiscal Year 2024/2025 Final Millage Rate following a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Town Council of the Town of Ocean Breeze, Martin County, Florida, held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the gross taxable value for operating purposes not exempt from taxation within Martin County has been certified by the County Property Appraiser to the Town of Ocean Breeze as \$ 90,345,172.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Ocean Breeze, Martin County, Florida that:

1. The final FY 2024/2025 operating millage rate is _____ mills, which is _____ (less or more) than the rolled-back rate of .7471 mills which is an/a _____ increase/decrease.
2. The voted debt service millage is 0%.
3. This Resolution will take effect immediately upon its adoption.

DULY ADOPTED at a public hearing this the 25th day of September 2024 at _____ p.m.

TOWN OF OCEAN BREEZE TOWN COUNCIL

Karen M. Ostrand, Mayor

Sandy Kelley, President

Attest:

Correct as to form:

Kim Stanton, Town Clerk

Gemma Torcivia, Attorney



RESOLUTION NO. 353-2024

**A RESOLUTION OF THE TOWN COUNCIL OF
THE TOWN OF OCEAN BREEZE, MARTIN COUNTY, FLORIDA,
ADOPTING THE FINAL BUDGET FOR FISCAL YEAR 2024/2025;
PROVIDING FOR AN EFFECTIVE DATE.**

WHEREAS, the Town Council of the Town of Ocean Breeze, Martin County, Florida, on September 25, 2024 held a public hearing as required by Florida Statute 200.065; and

WHEREAS, the Town Council of the Town of Ocean Breeze, Martin County, Florida set forth the appropriations and revenue estimate for Budget for Fiscal Year 2024/2025 in the amount of \$ 305,095.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Ocean Breeze, Martin County, Florida, that:

1. The Fiscal Year 2024/2025 Final Budget be adopted.
2. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED at a public hearing the 25th day of September, 2024
at _____ p.m.

TOWN OF OCEAN BREEZE TOWN COUNCIL

Karen M. Ostrand
Mayor

Sandy Kelley
President

Attest:

Correct as to form:

Kim Stanton
Town Clerk

Gemma Torcivia, Attorney