

TOWN OF OCEAN BREEZE AGENDA

Special Meeting and Budget Workshop, Setting of Tentative Millage Rate
Wednesday, July 15, 2026, at 6:00 pm
Ocean Breeze Resort Clubhouse, Pineapple Bay Room
700 NE Seabreeze Way, Ocean Breeze, FL 34957

PLEASE TURN OFF CELL PHONES – SPEAK DIRECTLY INTO MICROPHONE

CITIZEN PARTICIPATION GUIDELINES

- Complete one “Request to Speak” card for each Agenda item on which you wish to comment.
- Please state your name and address and speak directly into the microphone.
- Comments shall be addressed to the Town Council as a body.
- Comments are limited to **3 MINUTES**.
- Speakers shall be respectful of other citizens, staff, and Council Members.
- People interfering with the orderly procedure of the Council may be removed from the meeting.

1. Call to Order – President Docherty

- Pledge of Allegiance – Mayor Ostrand
- Roll Call – Town Clerk

2. Budget Workshop – Budget and Tentative Ad Valorem Millage Rate for Fiscal Year

2026/2027 – Dan Hudson, Town Management Consultant and Holly Vath, Town Financial Consultant

3. Resolution #377-2026 – A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2026/2027 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. Announcements – All meetings, including all **Budget meetings, will be held at the Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze, FL**

- Monday, August 10, 2026, at 10:30 a.m. – Regular Town Council Meeting
- **Wednesday, September 3, 2026, at 6:00 p.m. – Public Hearing for Setting of Tentative Millage Rate & Budget for FY 2026/2027**
- Monday, September 14, 2026, at 10:30 a.m. – Regular Town Council Meeting
- **Wednesday, September 23, 2026, at 6:00 p.m. – Public Hearing for Adoption of Final Millage Rate & Budget for FY 2026/2027**

6. Adjourn

(Motion, second, public comment, all in favor)

To: Mayor & Council Members
From: Dan Hudson, Town Management Consultant
Subject: Town Millage Rate for FY27
Date: Budget Workshop Meeting – July 15, 2026

Summary: This is the first of three meetings to review and adopt the Town Budget for Fiscal Year 2026-2027 (FY27). The Town has previously set September 3, 2026 as the date for the Tentative Budget Public Hearing, and September 23, 2026 as the date for the Final Budget Public Hearing. The Council will set a proposed millage rate at this first meeting.

Recommendation:

- 1. Determine a proposed millage rate for property taxes.**
- 2. Motion to approve Resolution 377-2026 setting a proposed millage rate.**

The primary purpose of this meeting is to agree upon a proposed millage rate for FY27. This rate will be provided to the Property Appraiser, who in turn will mail notices to all property owners of the proposed rate.

The Florida Legislature has effectively restricted the Town's ability to increase the millage rate for next year:

- A simple majority is required to approve the rolled-back rate of 0.7539. The rolled-back rate produces the same amount of revenue, or about \$69,000.
- A two-thirds majority is required to increase the rate by ten percent (10%) to a rate of 0.8239. This would produce about \$76,000.
- A unanimous vote is required to go above the 10% level.

The Proposed budget was prepared diligently, but optimistically, to direct the Town to establish a sustainable level of income and expenses. Unfortunately, this legislative change has upended that plans. Staff is of the opinion it will be difficult to obtain a unanimous vote to support all of the recommendations.

Comments & suggestions:

- 1. Review all of the information carefully and discuss it.*
- 2. Receive public comments.*
- 3. The main focus for this meeting will be to set a proposed millage rate which can be obtained by either a unanimous vote (6-0) or a two-thirds vote (4-2).*
- 4. There will likely be additional discussion at the August Regular Meeting to fully digest the budgetary impacts, both long term and short term of the propose tax rate which is agreed upon.*
- 5. Please remember the millage rate may be lowered at future meetings, but it cannot be increased.*

This restriction, together with the proposed increase in property tax exemptions (if approved by voters), will severely limit the Town's sustainability for the future.



Town of Ocean Breeze

July 15, 2026

To: Town Council
From: Mayor Karen M. Ostrand and Town Management Consultant Dan Hudson
Ref: Proposed Budget for Fiscal Year 2026-2027 (FY27)

Dear President and Council Members,

We thought it would be useful to begin our budget discussion with an explanation of the significant matters facing the Town of Ocean Breeze in the upcoming year. This is a customary practice followed by most municipalities. This helps to focus our sights on the big picture. **PLEASE READ ENTIRE DOCUMENT FOR PROPER DISCUSSION**

A SOUND OPERATING BUDGET. There are three important elements that are necessary to maintain and enhance the Town's organizational integrity and efficiency as a municipal government in the State of Florida. These are things we should consider to be a basic part of the Operating Budget, together with on-going expenses such as rent, utilities, and staffing.

- **ELECTED OFFICIAL TRAVEL AND TRAINING.** Funding is reinstated for elected officials to attend essential training provided through the Florida League of Cities with a budget of \$15,500, an increase of \$10,850. Also included is funding for the Mayor and President to attend and participate in statewide meetings. [Note the President's participation in the Florida Municipal Insurance Trust is paid for by FMIT.]
- **STAFF DEVELOPMENT & TRAINING.** Funding in the amount of \$2,400 is included to begin training for the Town Bookkeeper to advance to the role of Assistant Town Clerk. A full training and certification program is provided through the Florida Municipal Clerks Association.
- **SHERIFF PATROLS.** Full year funding for targeted law enforcement patrols is provided. This is funded through gas tax revenues. Total funding is \$48,000, an increase of \$28,000.

PROPOSED CIVIC ENHANCEMENTS. These are items to enhance the overall effectiveness of Town operations.

- **VIDEO STREAMING.** Council Members have commented on the need to provide video streaming of Council Meetings for improved public accessibility. The Town's internet technology vendor has proposed a very professional solution at a cost of about \$7,500 per year to cover fifteen Town Council Meetings, plus \$750 for transcripts.
- **RECORDS MANAGEMENT INITIATIVE.** Both citizens and Council Members have commented on the need to digitize Town's archived records. A proper program includes reviewing and cataloguing all documents; identifying and properly disposing of documents no longer required; and scanning documents with Optical Character Recognition to facilitate digital searches. There are private firms which specialize in digitizing Florida municipal records in a manner acceptable under appropriate laws. A budget of \$25,000 is proposed to cover the cost of initial evaluation documentation plus beginning the scanning project.

P. O. Box 1025 • Jensen Beach, FL 34958

Office: 772-334-6826 • Fax: 772-334-6823

email: townclerk@townofoceanbreeze.org • website: townofoceanbreeze.org

LITIGATION RESERVE. A Litigation Reserve of \$48,000 is included in the budget. The Town approved development of the Seawalk neighborhood in 2018. The Town required the developer to post a \$3.97 million Performance Surety Bond *“to warrant and ensure the construction of all necessary infrastructure to support the Ocean Breeze West P.U.D. Plat pursuant to the engineer’s cost estimate... and to indemnify and save harmless the [Town] from any and all damages and costs caused by the failure to complete the said construction.”* The work was intended to be completed by March 13, 2020. The project still has not achieved the full satisfaction of the Town or the residents.

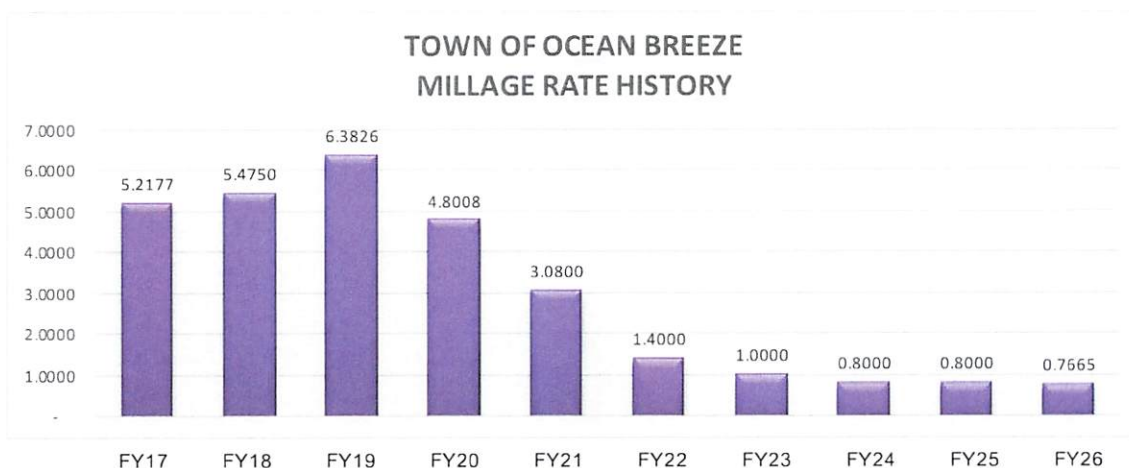
Despite the numerous delays, most of the work is complete. However, a few material discrepancies remain. Additionally, the Town has spent nearly \$140,000 in meticulously pushing the developer and the bond insurer to comply. A cash settlement has been suggested; however, it is unclear if it will succeed absent legal action.

Legal action is never certain. However, given all the delays and failed promises and poor workmanship, it ultimately becomes the final solution.

MAINTAINING A CASH RESERVE. The Town has for several years balanced the budget by reducing undesignated cash reserves. This has held the property tax millage rate to an artificially low level. In a small budget, a cash reserve less than twenty-five percent (25%) limits the agency’s ability to respond to unforeseen matters that may arise. Smaller governments and non-profits are generally advised to hold between 25%-50% of cash in reserve

Footnote 1

WHY MILLAGE RATES DECLINED. The following chart illustrates the decline in the millage rate:



- The reader will notice the drop from FY19 (6.3826 mills) to FY20 (4.8008 mills) occurred when the Town joined the Martin County Fire Rescue District.

¹ Please note there is no authoritative source defining reserves. It is always a local policy decision.

- A further millage rate reduction occurred for FY21 as Seawalk homes were completed. Also, in FY21, the Town used \$62,752 of cash reserves to lower the rate further, to the adopted rate of 3.0800 mills. ^{Footnote 2}
- For FY22, the Town increased the drawdown of cash reserves in the amount of \$127, 617 to further reduce the millage. ^{Footnote 3}
- For FY23, the Town used a similar amount of cash reserves to reduce the millage rate.
- In addition to the use of cash reserves for budget balancing, the Town has also effectively used cash reserves to manage the infrastructure problems related to the Seawalk development described above.

Comments

A sustainable approach to balanced budgeting is built upon a simple equation: authorized expenses must equal expected income. Hindsight is twenty-twenty, as the saying goes, so the purpose here is not to belabor the past decisions but rather to build a foundation for the future.

Recommendations for moving forward:

1. *The goal of past Councils to reduce the accumulated reserves has been achieved. ^{Footnote 4} The current level at roughly twenty-five percent (25%) of the operating budget is satisfactory by ordinary standards.*
2. *A further reduction of reserves is not sustainable. The Council needs to move forward on the simple equation: Expenses = Income.*

UNDERSTANDING THE EFFECTS OF EXPANDED PROPERTY TAX EXEMPTIONS, IF APPROVED. The Florida Legislature placed a Constitutional Amendment on the November 2026 general election ballot entitled “Save Our Homes from Excessive Property Taxes.” At this writing, there is no reason to believe it will either pass or fail. However, since most people are aware of the proposal, it is useful to look forward at a probable outcome if it passes.

- **Timing.** The proposed changes will be phased in, if approved.
 - The upcoming FY27 budget is unaffected by the amendment.
 - Phase 1 will take effect January 1, 2027, and will impact the FY28 budget.
 - Phase 2 will take effect January 1, 2028, and will impact the FY29 budget.
- **Expanded Homestead Exemption.**
 - FY27 remains the same: Property owners are allowed an exemption of \$50,000 of value.
 - Phase 1 will increase the exemption to \$150,000.
 - Phase 2 will further increase the exemption to \$250,000.

² Reference Final Budget Hearing September 23, 2020 agenda packet.

³ Reference Tentative Budget Hearing September 15, 2021 agenda packet. It is worth noting that the agenda packet had a highly optimistic forecast of future valuation increases for the upcoming years.

⁴ It is true that reserves had reached a very high level at over 100% of the operating budget. For the July 22, 2020 Budget Workshop the reserve level was forecast to be \$357,014, and the total proposed budget was \$337,310.

- **Commercial Cap.**
 - FY27 remains the same: Commercial properties are currently provided a cap of ten percent (10%) increase in taxable value, regardless of the increase in market value.
 - Phase 1 reduces the cap to five percent (5%). Therefore, the property which increases in market value by fifteen percent (15%) will only experience a taxable value increase of five percent (5%).
 - There is no Phase 2 for commercial property.
 - The commercial cap applies to commercial properties (Ocean Breeze resort and Ocean Breeze Plaza) plus non-homesteaded residential properties.

Analysis

The Town has a tax roll for the current FY26 Budget of about \$92 million in the following areas:

AREA	STATUS	PERCENT	PHASE 1 FY28	PHASE 2 FY29
Seawalk	Homestead	37%	\$150K Exempt	\$250K Exempt
Seawalk	Non-Homestead	22%	5% Cap	N/A
Resort	Commercial	25%	5% Cap	N/A
Plaza	Commercial	16%	5% Cap	N/A
TOTAL		100%		

Property values

Because the Town is 63% commercial, the Phase 1 impact is dampened. The Town may experience an overall reduction of eleven percent (11%) of taxable value for Phase 1 for the future FY28 budget, if property values stay the same. However, if one supposes a modest market value growth of three percent (3%) per year, the Phase 1 impact is limited to a forecast net reduction of under five percent (5%). Also note that the Resort is already above the Commercial Cap, so it is guaranteed a ten percent (10%) increase in FY27 and an increase of five percent (5%) in FY28 and FY29.

Phase 2 for the FY29 budget has a forecast net reduction of twenty-one percent (21%) compared to the current tax roll. Following the same premise, if there is similar modest growth in market value, then the forecast net reduction will be under twelve percent (12%).

FORECAST		FY26 \$M	FY27 \$M	FY28 \$M	FY29 \$M
Seawalk	Homesteaded	\$33.00	\$33.00	\$23.99	\$14.71
Seawalk	Non-Homestead	\$20.00	\$20.00	\$20.60	\$21.22
Resort	Commercial	\$22.00	\$24.20	\$25.41	\$26.68
Plaza	Commercial	\$14.00	\$14.00	\$14.42	\$14.85
Other	TPP, rail, other	\$6.20	\$6.20	\$6.39	\$6.58
	TOTAL	\$95.20	\$97.40	\$90.81	\$84.04
	PERCENT REDUX		N/A	(4.6%)	(11.7%)

LEGISLATIVE RESTRICTION. Among other changes this year, the Legislature amended the millage setting authority of local governments. This change severely restricts the ability of Town Council to approve and adopt a balanced budget, based upon the low tax rate the Town has set for the past few years. Specifically:

- The rolled-back rate of 0.7539 may be approved by a simple majority. This level will require further erosion of the Town unrestricted reserves, and is ultimately unsustainable.
- The Council may approve a maximum increase of ten percent (10%) with a two-thirds vote of approval. This will also erode unrestricted reserves, but not quite as much.
- Any millage rate greater than that will require unanimous vote of approval.

Comments

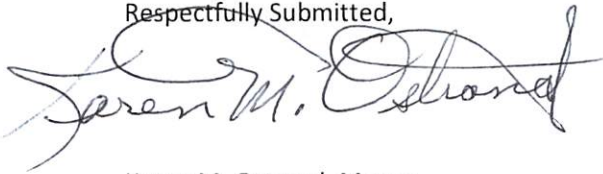
1. *If the Council is able to agree upon an initial millage rate in July, then a second Budget Workshop will be needed in August to further sort through the Proposed FY27 Budget to maintain a balanced budget that is not dependent upon reserves.*
2. *At this point it is very possible that significant budget reductions will be necessary to develop a sustainable plan for moving forward.*

CLOSING COMMENTS. The proposed Charter Update calls for a Town Fiscal Policy. This Budget Message has been drafted as a precursor to that concept. Although not crafted as a formally adopted policy, it is built on budgeting principles important to the Town. Despite the Legislatures restrictions described above, these principles should still govern Town decisions:

- *A Balanced Budget: Expenses = Income.*
- *Income: Should be studied and carefully proposed at a realistic forecast.*
- *Expenses: Should be scrutinized sufficiently to give confidence in the estimates.*
 - *Proposed changes, if any, should include a rationale.*
- *Reserves: Cash reserves should be set at level not too high and not too low.*
- *Trends: Trends should be analyzed to understand the future.*
 - *What has happened in the past to direct the current situation?*
 - *What is anticipated in the future to drive decisions?*
- *Philosophy: The Town has always operated on the philosophy of privatization.*
 - *Rather than becoming a direct service provider, the Town continues to contract out public services. Because we are a small town, it would be less efficient to have our own police department or fire department. Instead, Ocean Breeze is able to contract with highly qualified providers and selectively tailor services to meet our residents' needs.*

With these final thoughts in mind, we present the Proposed Fiscal Year 2026-2027 Town of Ocean Breeze Annual Budget for your consideration.

Respectfully Submitted,



Karen M. Ostrand, Mayor



Dan Hudson, Town Management Consultant

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2027**

	2025 Actual	2026 Budget	2026 Actual 06/30/2026	2026 Estimated	2027 Budget
Revenue					
General revenue					
312100 Ad Valorem	69,750	\$ 69,378	\$ 69,966	\$ 69,966	\$ 138,373
314200 Local communications services tax	7,253	6,650	8,056	9,800	6,650
314300 Electric Utility Tax	-	53,402	17,571	40,000	54,000
335120 State revenue sharing - 18% motor fuel	22,744	19,100	16,811	21,500	21,500
335140 Mobile home tags	2,522	3,100	1,719	2,600	3,100
335150 Alcoholic beverage licenses	3,230	2,300	3,230	3,230	3,200
335180 1/2 Cent Sales Tax	78,493	84,500	56,150	84,500	84,500
335190 1/2 Cent Infrastructure Tax	46,529	80,000	55,944	83,200	82,500
312300 Gas tax	51,580	44,900	39,827	56,200	58,000
338200 Occupational licenses	779	500	174	600	500
361000 Interest income	17,308	20,000	9,763	12,500	12,000
369000 Miscellaneous income	10,000	-	-	-	-
Total General Revenue	310,188	383,830	279,211	384,096	464,323
Building revenue					
322000 Building permits	31,892	20,000	28,579	31,400	20,000
322001 Fire inspections	-	-	-	-	-
Total Building revenue	31,892	20,000	28,579	31,400	20,000
Leases					
383100	-	-	-	-	-
Total Revenue	342,080	403,830	307,790	415,496	484,323

BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2027

Expense	2025	2026	2026	2026	2027
	Actual	Budget	Actual 06/30/2026	Estimated	Budget
General Government					
513150 Gross Payroll	69,125	102,960	62,305	94,200	108,180
513301 Management Consultant	23,399	28,000	13,797	24,000	28,000
513302 Rent	14,868	15,085	12,352	15,085	15,485
513304 Communications / Website	12,626	10,680	8,997	12,700	19,230
513305 Engineering	2,815	5,000	1,325	2,600	5,000
513306 Accountant	4,770	8,000	240	4,000	8,000
513308 Insurance W/C	497	5,000	1,988	2,000	5,000
513309 Insurance Package	23,576	28,050	27,789	27,800	30,850
513311 Public Advertising Notices	194	4,000	860	1,640	4,000
513312 Office Equipment, Supplies and Maintenance	11,377	11,360	7,158	11,360	12,060
513313 Postage	705	1,000	440	1,000	1,000
513315 Audit	16,500	17,000	16,750	16,750	17,500
513316 Utilities	698	720	505	800	720
513317 Dues	1,557	1,540	1,514	1,540	1,670
513318 Mileage Reimb. - Clerks	84	200	182	200	200
513319 Council expenses, conferences & travel	5,981	4,650	1,687	4,650	15,500
513320 Training	-	-	-	-	2,400
513321 Election Expenses	743	2,000	2,474	2,700	2,000
513820 Contributions	300	-	-	-	-
513322 Special Projects	7,647	-	655	700	25,000
514100 Legal Counsel	23,300	24,000	12,968	24,000	24,000
514100 Litigation Expenses	-	-	-	-	48,528
514200 Computer Services	10,448	6,900	3,478	6,400	7,900
531110 Payroll Taxes - Fica	4,293	7,875	3,863	5,700	6,800
531111 Payroll Taxes - Medicare	1,004	1,495	903	1,620	1,500
584620 Building - Leases	-	-	-	-	-
584640 Equipment - Leases	-	-	-	-	-
584710 Principal - Leases	-	-	-	-	-
584720 Interest - Leases	-	-	-	-	-
Total General Government	236,507	285,515	182,230	261,445	390,523

**BUDGET SUMMARY
TOWN OF OCEAN BREEZE
FISCAL YEAR 2027**

	2025 Actual	2026 Budget	2026 Actual 06/30/2026	2026 Estimated	2027 Budget
Public Safety					
524200 Building Official	16,763	22,000	12,998	22,000	27,000
524210 Building Code Compliance services	37,417	8,000	5,102	8,500	8,000
524220 Code Compliance legal services	34,588	5,000	7,273	11,400	5,000
524300 Fire Safety Inspector	-	500	-	-	-
524300 Permit processing services	19,980	-	-	-	-
Total Building	108,748	35,500	25,373	41,900	40,000
Transportation					
541300 Street lights and street maintenance	3,627	5,000	1,875	4,100	5,000
541400 Sheriff Road Patrol	-	20,000	13,706	20,000	48,000
Total Transportation	3,627	25,000	15,581	24,100	53,000
Capital Outlay					
555000 Furniture & Equipment	-	-	-	-	-
Total Expense	348,882	346,015	223,184	327,445	483,523
Use of unrestricted reserves	(101,284)	(42,086)	4,416	(27,249)	(84,200)
Restricted gas tax reserves	47,953	19,900	24,246	32,100	5,000
Restricted infrastructure reserves	46,529	80,000	55,944	83,200	80,000
Total change in reserves	(6,802)	57,815	84,606	88,051	800

Town of Ocean Breeze
Line Item Detail

Account	Detail	2027 Budget	2026 Budget	Change
513150 · Gross Payroll	Town Clerk - 1,560 hours - \$46.35	72,300	70,200	2,100
513150 · Gross Payroll	Bookkeeper/Office Assistant - 1,560 hours - \$23	35,880	32,760	3,120
513301 · Management Consultant	Town Manager Consultant	28,000	28,000	-
513302 · Rent	Storage Unit	985	985	-
513302 · Rent	Office	14,500	14,100	400
513304 · Communications / Website	Comcast	3,900	3,600	300
513304 · Communications / Website	Cell phone stipend -Town Clerk - Deputy Town Clerk	2,040	2,040	-
513304 · Communications / Website	Cell phone stipend -Town Clerk - Deputy Town Clerk	2,040	2,040	-
513304 · Communications / Website	Council cell phone/internet stipends President	1,020	1,020	-
513304 · Communications / Website	Council cell phone/internet stipends Mayor	1,020	1,020	-
513304 · Communications / Website	Web hosting	2,400	2,400	-
513304 · Communications / Website	Website ADA Accessibility	600	600	-
513304 · Communications / Website	Video Streaming	7,500	-	7,500
513305 · Engineer	Transcript of streaming	750	-	750
513306 · Accountant	Town Engineer	5,000	5,000	-
513308 · Insurance W/C	Financial Consultant	8,000	8,000	-
513309 · Insurance Package	Florida League of Cities	5,000	5,000	-
513309 · Insurance Package	Florida League of Cities	30,800	28,000	2,800
513311 · Public Advertising Notices	Notary renewals	50	50	-
513312 · Office Equipment & Supplies	Treasure Coast Newspapers	4,000	4,000	-
513312 · Office Equipment & Supplies	Copier lease	3,500	3,400	100
513312 · Office Equipment & Supplies	Copier use above contracted amount	200	200	-
513312 · Office Equipment & Supplies	Council directed budget/election mailing	1,500	1,500	-
513312 · Office Equipment & Supplies	Office supplies	1,800	1,800	-
513312 · Office Equipment & Supplies	Meeting supplies	1,200	1,200	-
513312 · Office Equipment & Supplies	Quick Books	1,200	1,000	200
513312 · Office Equipment & Supplies	Office 365	1,600	1,600	-
513312 · Office Equipment & Supplies	Adobe	360	360	-
513312 · Office Equipment & Supplies	Remote desktop software	300	300	-
513312 · Office Equipment & Supplies	Office alarm	400	-	400
513313 · Postage	Post office box	500	500	-
513313 · Postage	Postage	500	500	-
513315 · Audit	Annual audit	17,500	17,000	500
513316 · Utilities	FPL - Office	720	720	-
513317 · Dues	Florida League of Cities	670	640	30
513317 · Dues	Florida League of Mayors	350	350	-
513317 · Dues	Chamber of Commerce	300	275	25
513317 · Dues	Treasure Coast Council of Local Government	200	200	-
513317 · Dues	Florida City Clerks Association	150	75	75
513318 · Mileage Reimb. - Clerks	Staff mileage	200	200	-
513319 · Conferences & Travel - Council	Council travel and conferences	15,500	4,650	10,850

Town of Ocean Breeze
Line Item Detail

Account	Detail	2027 Budget	2026 Budget	Change
513320 · Training	City Clerk Training	2,400	-	2,400
513321 · Election Expenses	Elections Expenses	2,000	2,000	-
513324 · Special Projects	Records Management Initiative	25,000	-	25,000
513820 · Contributions	Upon request and Council approval	-	-	-
514100 · Legal Counsel	Legal Counsel	24,000	24,000	-
514100 · Legal Counsel	Litigation expenses	48,528	-	48,528
514200 · Computer Services	Computer assistance	2,500	1,500	1,000
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	10,000	2,000
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	(500)
531110 · Payroll taxes - FICA	Payroll Taxes - Fica	6,800	7,875	(1,075)
531111 · Payroll taxes - Medicare	Payroll Taxes - Medicare	1,500	1,495	5
541301 · Street Lights and Maintenance	Transportation	5,000	5,000	-
541301 · Street Lights and Maintenance	Extra Sheriff Patrols	48,000	20,000	28,000

**TOWN OF OCEAN BREEZE
COUNCIL EXPENSES, CONFERENCES AND TRAVEL**

	<u>2027</u>	<u>2026</u>	
Mayor			
Conferences and Travel	4,500	2,250	
President			
Conferences and Travel	4,500	600	
Vice President			
Conferences and Travel	2,500	600	
Council Member			
Conferences and Travel	1,000	300	
Council Member			
Conferences and Travel	1,000	300	
Council Member			
Conferences and Travel	1,000	300	
Total	<u>15,500</u>	<u>4,650</u>	10,850

TOWN OF OCEAN BREEZE
 PROPOSED MILLAGE RATE
 Millage Proposal
 September 30, 2027

	Proposed Millage	Current Year	A	B	C
Estimated taxable value	\$ 97,103,984	\$ 95,276,461	\$ 97,103,984	\$ 97,103,984	\$ 97,103,984
Taxable Value Increase	1,000	1,000	1,000	1,000	1,000
Divide by 1,000	\$ 97,103.98	\$ 95,276.46	\$ 97,103.98	\$ 97,103.98	\$ 97,103.98
Millage rate	1.5000	0.7665	0.8293	1.6000	1.7000
Rollback rate	(1.0000)	(1.0000)	0.7539	0.7539	0.7539
% above/below rollback			10.00%	112.23%	125.49%
Ad valorem taxes	\$ 145,655.98	\$ 73,029.41	\$ 80,528.33	\$ 155,366.37	\$ 165,076.77
Collection allowance	5%	5%	5%	5%	5%
Budgeted ad valorem taxes	\$ 138,373.00	\$ 69,378.00	\$ 76,502.00	\$ 147,598.00	\$ 156,823.00
Other Revenue	327,050.00		327,050.00	327,050.00	327,050.00
Expenditures	409,995.00		409,995.00	409,995.00	409,995.00
			\$ (61,871.00)	\$ 9,225.00	\$ 18,450.00

Town of Ocean Breeze Taxes	Taxable Value				
Total Seawalk	\$ 56,442,016	\$			
Seawalk - 44 homes	\$ 454,154	\$	377	\$ 727	\$ 772
Homesteaded Seawalk - 99 homes	\$ 329,323	\$	273	\$ 527	\$ 560
Shopping Plaza	\$ 14,128,490	\$	11,717	\$ 22,606	\$ 24,018
Resort	\$ 22,197,807	\$	18,409	\$ 35,516	\$ 37,736
Population	608	\$		\$ (71,096.00)	\$ (80,321.00)

48528

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

	Balance	Annual	
		Operating Budget	% of Budget
Fund balance @ 9/30/2018	217,956	371,292	58.70%
FY2019 increase in fund balance	132,441		
Fund balance @ 09/30/2019	350,397	382,885	91.51%
FY2020 increase in fund balance	25,120		
Fund balance @ 09/30/2020	375,517	283,967	132.24%
FY2021 increase in fund balance	49,547		
Fund balance @ 09/30/2021	425,064	348,010	122.14%
FY2022 increase in fund balance	24,851		
Fund balance @ 09/30/2022	449,915	301,301	149.32%
FY2023 decrease in fund balance	(88,056)		
Fund balance @ 09/30/2023	361,859	308,430	117.32%
FY2024 decrease in fund balance	(105,426)		
Projected fund balance @ 09/30/2024	256,433	305,000	84.08%
FY2025 Projected decrease in fund balance	(98,808)		
Projected fund balance @ 09/30/2025	157,625	305,095	51.66%
FY2026 Projected decrease in fund balance	(27,249)		
Projected fund balance @ 09/30/2026	130,376	349,285	37.33%
FY2027 Projected fund balance	(84,200)		
Projected fund balance @ 09/30/2027	46,176	399,145	11.57%
FY2028 Projected fund balance	-		
Projected fund balance @ 09/30/2028	46,176	399,145	11.57%

TOWN OF OCEAN BREEZE

Historical Data

Fiscal Year	Tax Year	Taxable Value	% Change	Millage Rate	% Change	Taxes Levied
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%	0.8000	-20.00%	67,303
2025	2024	90,345,172	7.39%	0.8000	0.00%	72,276
2026	2025	95,045,845	5.20%	0.7665	-4.19%	72,853
2027	2026	97,103,984	2.17%	1.5000	95.69%	145,656



Resolution No. 377 – 2026

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2026/2027 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 2026/2027 fiscal year of the Town of Ocean Breeze, Florida shall be _____ mills.

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 15th day of July 2026.

ATTEST:

Karen M. Ostrand, Mayor

Pam Orr, Town Clerk

Kevin Docherty, President



MAXIMUM MILLAGE LEVY CALCULATION PRELIMINARY DISCLOSURE

For municipal governments, counties, and special districts

A.

DR-420MM-P
R. 06/26
Rule 12D-16.002
F.A.C.
Effective 06/26
Page 1 of 3
Provisional

Year: 2026		County: Martin		
Principal Authority Name: Town of Ocean Breeze		Taxing Authority Name: Town of Ocean Breeze - Operating		
1.	Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	(1)
<p>IF YES, STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.</p>				
2.	Current year rolled-back rate from Current Year Form DR-420, Line 16	0.7539	per \$1,000	(2)
Calculate maximum millage levy				
3.	Majority vote maximum millage rate allowed <i>(Enter rolled-back rate from line 2)</i>	0.7539	per \$1,000	(3)
4.	Two-thirds vote maximum millage rate allowed <i>(Multiply Line 3 by 1.10)</i>	0.8293	per \$1,000	(4)
5.	Current year proposed millage rate (See page 3 for Instructions)		per \$1,000	(5)
6.	Minimum vote required to levy proposed millage: (Check one)			(6)
<input type="checkbox"/>	a. Majority vote of the governing body: Check here if Line 5 is less than or equal to Line 3. The maximum millage rate is equal to the rolled-back rate. <i>Enter Line 3 on Line 7.</i>			
<input type="checkbox"/>	b. Two-thirds vote of governing body: Check here if Line 5 is less than or equal to Line 4, but greater than Line 3. The maximum millage rate is equal to proposed rate. <i>Enter Line 5 on Line 7.</i>			
<input type="checkbox"/>	c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 5 is greater than Line 4. The maximum millage rate is equal to the proposed rate. <i>Enter Line 5 on Line 7.</i>			
<input type="checkbox"/>	d. Referendum: The maximum millage rate is equal to the proposed rate. <i>Enter Line 5 on Line 7.</i>			
7.	The selection on Line 6 allows a maximum millage rate of <i>(Enter rate indicated by choice on Line 6)</i>		per \$1,000	(7)
8.	Current year gross taxable value from Current Year Form DR-420, Line 4	\$ 97,103,984		(8)
9.	Current year proposed taxes <i>(Line 5 multiplied by Line 8, divided by 1,000)</i>	\$		(9)
10.	Total taxes levied at the maximum millage rate <i>(Line 7 multiplied by Line 8, divided by 1,000)</i>	\$		(10)
DEPENDENT SPECIAL DISTRICTS AND MUNICIPAL SERVICE TAXING UNITS (MSTUs)			STOP HERE. SIGN AND SUBMIT.	
11.	Enter the current year proposed taxes of all dependent special districts & MSTUs levying a millage. <i>(The sum of all Lines 9 from each district's Form DR-420MM-P)</i>	\$ 0		(11)
12.	Total current year proposed taxes <i>(Line 9 plus Line 11)</i>	\$ 0		(12)
Total Maximum Taxes				
13.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage <i>(The sum of all Lines 10 from each district's Form DR-420MM-P)</i>	\$ 0		(13)
14.	Total taxes at maximum millage rate <i>(Line 10 plus line 13)</i>	\$ 0		(14)
Total Maximum Versus Total Taxes Levied				
15.	Are total current year proposed taxes on Line 12 equal to or less than total taxes at the maximum millage rate on Line 14? (Check one)	<input checked="" type="checkbox"/> YES	<input type="checkbox"/> NO	(15)

B.

Town Clerk

From: Michele <mnav2@snet.net>
Sent: Tuesday, July 7, 2026 8:53 AM
To: Kevin Docherty; Sandy Kelley; Janet Galante; George Ciaschi; Margaret Pugsley; Gail Balogna; Karen Ostrand
Subject: Concerned SeaWalk Ocean Breeze Homeowner: Proposed Tax Increases

Town of Ocean Breeze members,

My husband and I are not able to attend the upcoming Town Council meeting where proposals to raise our Ocean Breeze taxes will be discussed. As a result, we are sending this note to the mayor and town council members to voice our concerns.

First, thank you for your continued support on holding DR Horton (and their funds/bond) accountable for corrections that need to be addressed in the SeaWalk association. It is truly appreciated.

- We have lived here 4.5 years and hope that outstanding issues can be resolved soon so our community can focus on future needs vs what we are owed from the past.
- The town's goal should be to get this resolved correctly so that decisions DO NOT financially impact Seawalk residents in the future for what Dr Horton should have completed and the town should hold them accountable for completing.
- Why can't money be taken from their bond to do the work correctly that should have been done?

With regards to the proposal to increase taxes which will impact members in the SeaWalk community disproportionately vs Sun Communities Ocean Breeze Resort or the Publix plaza owner, we ask that if taxes need to be raised that this is done fairly and that SeaWalk homeowners are not more heavily penalized. Any tax hikes should be spread equally as we all play a part in this community and should pay our fair share. **143 Seawalk households should not subsidize the remainder of the Ocean Breeze Community!**

Previously, folks had stated that taxes could increase by \$400 per household, which would be over a 7% increase in taxes for our house alone (not including if any other lines in the tax formula are increased). I do not know what the current planned increase is, but in today's economy with everything costing more (insurance, food, health care, etc..) it is a burden that SeaWalk homeowners should not have to take on more than their fair share. And what services will this increased tax provide as a benefit to our community to justify the increase?

While I am not an expert on the subject and I am sure the town council is looking into

- Has the town council exhausted all possibilities to streamline expenses in other areas of the town budget as a first line to cover any shortfalls?
- Is there a way to make any needed tax increase more equitably fair across all homeowners/taxpayers in Ocean Breeze inclusive of Publix?

- If a utility tax is needed all taxpayers in the town should pay their fair share, SeaWalk should not pay more of their fair share. Sun Communities/Ocean Breeze Resort and Publix plaza occupants should also be responsible for their fair share
 - If this is not possible, is it possible to reduce SeaWalk homeowner's millage rate/ increase other non SeaWalk millage rate to offset the unfairness of the utility tax so that we net at paying a fair share increase
- Consider future impact possibilities:
 - Any unfairness in taxation for SeaWalk vs Ocean Breeze Resorts/Sun Communities and Publix can also lead to future challenges for SeaWalk homeowners looking to sell their homes. Prospective buyers will not want to take on that additional burden that the town of Ocean Breeze is putting on them, especially if no added benefits result from it.
 - Or if in the future Seawalk de-annexes from Ocean Breeze, think about what overcharging on the Seawalk side will do to your overall budget needs in the future....

While the Town Council is made up of more non Seawalk members, we ask that you put yourselves in your Seawalk members shoes and think about the community as a whole vs filling a gap via Seawalk (an under represented group on the board)!

Thanks in advance for listening and taking our concerns into consideration.

Will Navarro

Michele Navarro

2861 NE Breezeway Circle (SeaWalk)
Ocean Breeze