



Official Minutes

Budget Workshop Meeting

Thursday, July 25, 2024

8:30 a.m.

TOWN OF INDIAN RIVER SHORES

6001 HIGHWAY A1A INDIAN RIVER SHORES, FL 32963

The Town Council of the Town of Indian River Shores held a budget workshop on Thursday, July 25, 2024, in Council Chambers, 6001 Highway A1A, Indian River Shores, FL. Councilmembers present were Brian Foley, Mayor; Sam Carroll, Vice Mayor; Bob Auwaerter, Councilmember and James Altieri, Councilmember. Also present was James Harpring, Town Manager; Heather Christmas, Deputy Town Manager/Town Treasurer; Peter Sweeney, Town Attorney and Janice C. Rutan, Town Clerk.

1. Call to Order
 - a. Invocation
 - b. Pledge of Allegiance
 - c. Roll Call

Mayor Foley Called the meeting to order at 8:30 a.m. Vice Mayor Carroll offered the invocation. Mayor Foley led the Pledge of Allegiance. The Town Clerk called the roll. All members were present except Councilmember Smith.

Mayor Foley acknowledged Finance Committee Chair, Michael Ochsner who was in the audience. He expressed the Town Council's appreciation to the Committee for their assistance and dedication in serving on the Committee. He confirmed that the Council had received the letter from the committee expressing their opposition to an across the board 6% salary increase for all employees; the annexation of the Island Club and the recommendation that an audit of legal fees be conducted when fees reach \$500,000.

Mayor Foley explained that the Town Council expects employee excellence and rewards same. Mike Ochsner, Chair of the Finance Committee, explained that the committee was not against a 6% increase for those employees who have earned it, however, just granting the increase leaves no need for employee incentive.

Discussion next addressed the suggestion of the Committee that the Town Council consider annexing Island Club, an Indian River County subdivision adjacent to the north end of the Town's current boundary. Mike Ochsner, Finance Committee Chair, gave the history of when Richard Jefferson, as Town Manager, addressed the property owners for their consideration in annexing into the Town. Because of a miscommunication between Mr. Jefferson and the property owners,

the annexation never came to fruition. Because annexing the property into the Town would increase the Town's tax base, the committee suggested the Town Council revisit the idea.

The council agreed to investigate the suggestion. Councilmember Auwaerter suggested the Town speak with the residents of Island Club and get their input before moving forward. Town Manager Harpring will work with the Town Attorney Sweeney and report back to Council at the September meeting.

Discussion returned to the 6% pay increase for employees. Chairperson Ochsner suggested the funding for the increase be placed in a pool and awarded to employees after performance evaluations.

Mayor Foley next addressed the public. He acknowledged that the rate of inflation has hit the Town's residents hard, especially those with condominium and homeowner associations where the hardening of the buildings and insurance costs have caused increase in dues and excessive expenses. He explained that the Town was starting to draw down on the proceeds from the 2017 sale of the Surfs Edge property, and although the Town has dodged a few storms, one significant weather event could wipe out the Town's reserves. It was for those reasons that he could support and justify maintaining the present millage rate, and not adopting the roll back rate. He reminded all of the devastation that had hit Mexico Beach, which is still being rebuilt. Although the Town would receive reimbursement, it often takes years, and the continuity of operating the Town must continue during that time. Councilmember Auwaerter agreed, adding that he and his wife recently visited Fort Meyers which is still not rebuilt from damages of the 2022 Hurricane, Ian. He agreed that the Town needs to build up its reserves as there will be expenses related to obtaining the critically eroded beach designation for Sector 4.

Chair Ochsner disagreed commenting that reserves over two million should be returned to the taxpayers. Discussion followed.

Regarding the audit of legal invoices of more than \$500,000 it was noted that that is what the auditors look for during the annual audit. It was suggested that the audit of legal expenses should be done at the onset of the engagement and not at the end. Mayor Foley reminded all that the Town was in the unique position of its Town Manager being an Attorney and all legal invoices are being reviewed by him.

2. Budget Overview and Discussion

Heather Christmas, Town Treasurer/Deputy Town Manager was available to answer any questions on the proposed millage rate and proposed budget for FY 2024/2025. Discussion followed.

3. Public Comment

None.


4. Recommendations

Mayor Foley explained that no votes can be taken at the workshop, only recommendations. Consensus agreed to keep the millage rate at 1.3349 and to approve the budget as presented.

5. Adjournment

With no further discussion, the workshop ended at 8:56 a.m.

Approved: August 29, 2024



Janice C. Rutan, Town Clerk