

MINUTES OF REGULAR MEETING
TOWN COUNCIL

JULY 17, 1980

THE REGULAR MEETING of the Town of Cinco Bayou Town Council was called to order by Mayor Balsley at 7:00 P.M.

ROLL CALL: Present: Councilman Johnston Councilman Perry
Councilman Davis Councilman Usrey
Councilman Peek

Also Present: Town Attorney Powell Town Clerk Borchik
Town Recorder Hembree
See attached list for other visitors

SILENT PRAYER

1. APPROVAL - MINUTES, REGULAR COUNCIL MEETING - JUNE 19, 1980.

Motion by Councilman Peek to approve the minutes as written, seconded by Councilman Johnston. The motion carried unanimously.

2. APPROVAL - MINUTES, SPECIAL COUNCIL MEETING - JUNE 23, 1980.

Motion by Councilman Peek to approve the minutes as written, seconded by Councilman Johnston. The motion carried unanimously.

3. APPROVAL - FINANCIAL STATEMENT - JUNE, 1980. Motion by Councilman Johnston to approve the financial statement, seconded by Councilman Peek. The motion carried unanimously.

4. SECOND READING OF ORDINANCE - REGULATORY LICENSE FEES. Upon the Mayor's calling for the Attorney to read the ordinance, Councilman Davis moved to postpone, seconded by Councilman Johnston. Following a short discussion Councilman Davis withdrew his motion to postpone the reading, instead, moving to table the ordinance two weeks for the purpose of amending it, seconded by Councilman Perry. Mayor Balsley stated she would appoint a committee to rework the ordinance. At this point comments from the audience were invited. A discussion as to the pros and cons of the ordinance, the method for computing the fee, and the need for funds continued for approximately an hour. Townspeople present were advised that a special meeting would be held on July 31, 1980 at 7:00 P.M. to review and rewrite the ordinance.

5. BOARD OF ADJUSTMENT NOMINATIONS AND APPOINTMENT. Motion by Councilman Usrey that the Council approve the following named individuals to the Board of Adjustment for the terms of office as indicated.

Ruth Usrey - One year.
William Overstreet - Two years.
Howard Kelley - Two years.
Jim Kendrick - Three years.
Paul Howard - Three years.

Alternates:

Charles Laginess - One year.
John Brandt - One year.

The motion was seconded by Councilman Peek. The motion carried unanimously. Motion by Councilman Johnston that a letter be sent to each individual notifying them of their appointment - including in the letter

a form for them to sign indicating acceptance of their appointment, seconded by Councilman Usrey. The motion carried unanimously.

6. RESOLUTION 76-1: CIVIL DEFENSE DIRECTOR. Motion by Councilman Johnston to appoint Albert S. Borchik, Jr. (Town Clerk) Civil Defense Director, seconded by Councilman Davis. The motion carried unanimously. Clerk directed to prepare a new resolution to reflect this appointment and to indicate individual serving as Town Clerk will also act as Civil Defense Director for the Town.

7. COMMITTEE REPORTS.

Streets - Councilman Davis. Councilman Davis discussed the need for "Speed Bumps" on Irwin Street to control speed of vehicles. Motion by Councilman Johnston to erect signs and construct speed bumps on Irwin Street, seconded by Councilman Davis. The motion carried unanimously. Councilman Davis will supervise placement of signs and speed bumps.

Finance - Councilman Peek. Councilman Peek asked the Town Clerk to give current budget report. Clerk stated that considering revenues and expenditures for the first nine months and estimated revenues and expenditures for the remaining three months, it appears the total revenue, although less than anticipated in the 79/80 Budget, will exceed total expenditures in budget by approximately \$20,000.00.

Parks, Beautification and Environment - Councilman Perry. Councilman Perry reported the parks were in "Good Looking" condition. He also stated that there were some dead trees in Leyenda Park that should be removed. The Clerk requested statement of Council policy on removal of trees and it was indicated that under normal circumstances Town maintenance personnel removed the trees. Insurance coverage for Town personnel was discussed and the the Clerk was directed to verify and if necessary secure necessary coverage. Trees will be removed as soon as possible.

8. COUNCIL MEETING DAYS/TOWN HALL HOURS. Motion by Councilman Perry to change the Council Meeting days from Thursday at 7:00 P.M. to Monday at 7:00 P.M., seconded by Councilman Johnston. The motion carried unanimously. Motion by Councilman Davis to extend the present Town Hall hours of business from 8:00 A.M. - 3:00 P.M. to 8:00 A.M. - 5:00 P.M. beginning Monday, July 21, 1980, seconded by Councilman Perry. The motion carried unanimously.

9. ANNOUNCEMENTS. Mayor Balsley read the invitation to visit the Federal Prison Open House on Saturday, August 2, 1980. The Mayor also announced the Okaloosa League of Cities Dinner Meeting in Crestview on Thursday, July 24, 1980. Following the announcements, Mayor Balsley read a proclamation declaring Friday, July 18, 1980 as National P.O.W. - M.I.A. Recognition Day.

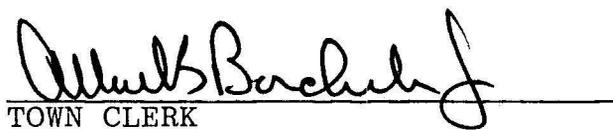
10. WATER & SEWER. Councilman Usrey announced that there had been a meeting with Mr. McKinley, Okaloosa Water and Sewer Department, to "Open the door" to future meetings and discussions pertaining to water and sewer service for Cinco Bayou. He indicated the County appeared agreeable to taking over the water and sewer services based on the contract agreement of August, 1972. Further discussions as to the

legal aspects and drawing of franchise contracts, etc. can now begin. Councilman Johnston suggested that it might be time to bring Fort Walton into the discussions.

11. ADJOURNMENT. The Council adjourned at approximately 8:45 P.M. on Thursday, July 17, 1980.


MAYOR

ATTEST:


TOWN CLERK

NOTE: A mechanical recording has been made of the foregoing procedures of which these minutes are a part, and is on file in the office of the Town Clerk.

7/15/80

High Fees in Cinco

Some businessmen in Cinco Bayou are complaining about inequitable licensing fees being leveled by the city. They have a point.

Under provisions of a new city ordinance, some Cinco Bayou businesses will be required to pay registration fees based on a percentage of their gross receipts. By sticking to gross instead of net receipts, the city will realize thousands more in revenue. That's good news for city government and bad news for the small businessmen and consumers trying to make ends meet.

To make matters more confusing, financial institutions, which are among Cinco Bayou's largest businesses, are exempt from the

percentage formula. Their licensing fees are based on flat rates.

One bank in the town, for instance, pays a flat \$500 licensing fee, according to city officials. This compares with a neighboring grocery store's percentage formula fee of about \$3,000 yearly.

Certainly, city officials could not have intended for their new fee schedules to be as discriminatory as they appear. And certainly, they must realize that exorbitant licensing costs to small businessmen can only be passed along to the consumer in price increases.

It might be judicious for the city to reconsider.

PLAYGROUND DAILY NEWS

7/17/80

Leg 9387
NOTICE OF PROPOSED ENACTMENT OF ORDINANCE

The Town Council of the Town of Cinco Bayou, Florida proposes to enact an ordinance providing for regulatory license fees to be imposed on businesses, professions and occupations doing business within the town limits. Such ordinance may be inspected by the public at the Town Hall of Cinco Bayou, Florida, and it is proposed that the ordinance shall be considered for first reading by the Town Council at a special council meeting to be held at 7:00 o'clock P.M. on July 10, 1980, at the Town of Cinco Bayou, Florida, and shall be considered for second reading and enactment by the Town Council at the Regular council meeting to be held at 7:00 P.M. on July 17, 1980 at the Town Hall of the Town of Cinco Bayou, Florida. Interested parties may appear at each council meeting and be heard with respect to the proposed ordinance.

ALBERT S. BORCHIK, JR.
TOWN CLERK

July 4, 10, 17 1980.

TOWN OF CINCO BAYOU
TOWN COUNCIL
COUNCIL AS COMMITTEE MEETING

JULY 28, 1980

AGENDA

Discussion and Review of the proposed Ordinance REGULATORY LICENSE FEES.

VISITORS

Dick Bixby	Captain's Table Restaurant
Bill Burns	Hodges & Son (Al's Appliance)
Howard Kelley	Kelley's IGA
Charles Kelley	Kelley's IGA
C. D. Maske	Mr. C's Wine and Cheese
Wayne Lancaster	Lancaster Development Corp.
Eugene Lancaster	Lancaster Development Corp.
Norman Larson	Larson Agency Insurance
R. Cochrane	K - Mart
Frank R. Stone	Stone's Gulf Service
Aaron C. Talley	Pelham - Talley Agency
Max Kraftchek	Pantry Pride
Steve Chew	Playground Daily News
Bill Taylor	WFTW
Brian Doyle	Pensacola News Journal
Jeff Newell	Pensacola News Journal

PLAYGROUND
DAILY NEWS
7/24/80

Thursday Morning July 24, 1980

LEG. 9448:

PUBLIC NOTICE
TOWN OF CINCO BAYOU
EFFECTIVE JULY 21, 1980, BUSINESS HOURS
FOR THE CINCO BAYOU TOWN HALL WILL BE
8:00 A.M. TO 5:00 P.M., MONDAY THRU
FRIDAY, BY DIRECTION OF THE TOWN COUN-
CIL.
ALBERT S. BORCHIK, JR.
TOWN CLERK

JULY 24, 1980

LEG. 9449:

TOWN OF CINCO BAYOU
PUBLIC NOTICE
CHANGE IN MEETING TIMES

NOTICE IS HEREBY GIVEN THAT THE TOWN
COUNCIL OF THE TOWN OF CINCO BAYOU
OKALOOSA COUNTY, FLORIDA, WILL EFFEC-
TIVE WITH THE AUGUST 1980 MEETINGS, MEET
AS FOLLOWS:

"COUNCIL AS COMMITTEE" EVERY SECOND
MONDAY AND "REGULAR MONTHLY COUN-
CIL MEETING" EVERY THIRD MONDAY OF
EACH MONTH. MEETINGS WILL COMMENCE AT
7:00 P.M., AND WILL BE HELD IN THE TOWN
HALL LOCATED ON KELLY AVENUE, CINCO
BAYOU, BY DIRECTION OF THE COUNCIL.

ALBERT S. BORCHIK, JR.
TOWN CLERK

JULY 24, AUG. 4, 10, 1980

LEG. 9450:

PUBLIC NOTICE
TOWN OF CINCO BAYOU

NOTICE IS HEREBY GIVEN THAT THE TOWN
COUNCIL OF THE TOWN OF CINCO BAYOU
WILL MEET AS "COUNCIL AS COMMITTEE" AT
5:00 P.M. JULY 28, 1980 AND 7:00 P.M. JULY
31, 1980 FOR THE PURPOSE OF REVIEW AND
REVISION OF THE PROPOSED ORDINANCE
PERTAINING TO REGULATORY BUSINESS LI-
CENSE FEES. MEETINGS WILL BE HELD IN THE
TOWN HALL LOCATED ON KELLY AVENUE,
CINCO BAYOU.
ALBERT S. BORCHIK, JR.
TOWN CLERK

JULY 24, 28, 1980

Cinco Bayou Businessmen Voice Opposition to Registration Fees

By STEVE CHEW

Daily News Staff Writer

More than a dozen Cinco Bayou businessmen met with town council members Monday and voiced their opposition to a proposed ordinance that would significantly increase annual business registration fees.

Council members last week delayed action on the measure and indicated a revision was necessary. The council had passed the measure in its first reading on July 10.

The proposed ordinance would require a business to pay a percentage of its annual gross receipts in order to be legally registered with the town. A business with

annual gross receipts of up to \$50,000 would pay \$50; at the other end of the scale, businesses with gross receipts of more than \$15 million could expect a \$7,000 fee.

Businesses in the town currently pay only \$1 a year.

Saying he represented "a good cross-section" of the town's 77 businesses, Howard Kelley of Kelley's Supermarket, 246 Eglin Parkway, said he and the others in attendance were "unanimously opposed to the entire concept."

Kelley earlier had called the fee ordinance "unfair."

Citing \$180,000 the town has invested and a budget surplus of \$20,000, Kelley said businessmen wonder why the town needs more money.

"We're already far overregulated and overcontrolled from all areas of government," Kelley said, adding that the new registration fees would be too high and would be passed on to consumers.

"If added revenues are in order for business people in Cinco ... we would suggest it be increased to \$25-\$30," Kelley said.

Bill Burns, of Hodges & Sons Inc., 42 Garnett Ave., said the town had "no established need or projections" to warrant such an increase. "There is no schedule how to pay money for what services," he said.

Mayor Irene Balsley said the town projects needs only in its annual budget, which will be compiled next month. She added that state revenue sharing has been

halved and the town needs sidewalks.

"I'm going to have sidewalks around the town if it's the last thing I do," Balsley added.

Kelley, who said he would have to pay a \$3,000 registration fee if the ordinance were passed, disagreed that financial institutions should pay a flat rate. Under the proposed ordinance, Barnett Bank in Cinco Bayou would pay a flat \$500-a-year fee.

K-Mart department store manager R. Cochrane said his store would be required to pay a \$5,000-a-year fee if the ordinance became law.

"You'd be asking the profit of \$166,000 of volume,"

(Please See Cinco, Page 10b)

Cinco

(From Page 1B)

Cochrane said. He added that his store, along with Pantry Pride and Kelley's supermarket, would end up paying the bulk of the town's fees, and that the increase would just be passed along to the consumer.

Town Clerk Al Borchik said a K-Mart corporate spokesman told him the 18 K-Marts in Florida pay registration fees averaging \$1,000 each.

Norm Larson of Larson Insurance Agency, 246 Eglin Parkway, said that since the state controls his rates for insurance

premiums, he would not be able to increase prices to make up for the town's fee. He said the fee would cut into his commission.

Although the businessmen attacked the new rates, they agreed an equitable fee was warranted. "You should be assessed on your ability to pay," Cochrane said.

Councilman Phil Johnston said "we jumped the gun on the money. We lifted other people's efforts and applied them to our town." He was referring to the town's use of a fee rate schedule similar to Mary Esther's.

7/29/80

Cinco Bayou council scraps plans for gross receipts tax

By JEFF NEWELL
Journal Staff Writer

CINCO BAYOU — Town council will "scrap" its proposed tax ordinance creating a levy on the gross receipts of town businesses, Mayor Irene Balsley said Monday after a small crowd of dissatisfied businessmen argued their case during a council committee meeting.

Council will attempt to "categorize" different businesses instead, she said, but rebuffed an offer by business owners to set up a workshop in drafting a new ordinance.

The original ordinance, patterned after a similar measure adopted by Mary Esther, passed on first reading July 10.

Grocer Howard Kelley, speaking for a group

of merchants opposed to the controversial measure, said business owners don't oppose a "reasonable" increase above the current \$1 per year business registration.

Under the junked ordinance, business owners with gross receipts of up to \$50,000 annually would have been assessed a \$50 yearly license fee, with fees ranging to \$7,000 for gross receipts exceeding \$15 million.

But the merchants, he said, oppose basing taxes on gross receipts and applying a flat fee to independent contractors doing business within the town.

Kelley said the measure would require business owners to open their books to town officials, a matter the merchants consider "private between the IRS and us."

The contractor's fee, he said, would hinder use of temporary carpenters and other contractors working on an occasional basis as the contractors would not garner enough business during the year to justify a \$25 to \$50 annual registration fee.

Balsley explained the ordinance based taxes upon gross receipts because it was patterned after the Mary Esther ordinance.

Underlining the merchants' opposition is a perception council has not demonstrated a need for the additional revenues to be obtained from the proposed tax, a figure pegged by Town Clerk Al Borchik at \$18,000.

In light of a current \$20,000 budget surplus and reserve accounts invested in certificates of

deposit totaling \$150,000, said the merchants, the tax is not needed.

Balsley said increasing salaries for town employees, replacing streets and installing sidewalks will reduce the surplus, and - coupled with a 50 percent reduction in federal revenue sharing funds for the upcoming budget year - "we're not going to get rich with this thing."

Bill Burns, of Hodges and Son Air Conditioning, pressed the mayor on projected needs, but appeared dissatisfied when told by Councilman Harold Peek, "We'll project a need come August" — after a measure is adopted and before council begins to tack on operating budget for the upcoming year.

K-Mart manager Roy and Cochran said his

firm would have to sell "\$165,000 worth of merchandise to pay the \$5,000" in taxes the ordinance would levy against his store. He termed the ordinance "inequitable," and urged council adopt a tax schedule "based on the ability to pay."

Still others opposed provisions granting financial institutions a \$500 annual flat fee.

All of the merchants predicted the measure would "be reflected" in prices if adopted in its original form.

Service station owner Ed Callahan called for "a marriage between business and government," but his suggestion the measure could prompt an annexation drive into Fort Walton Beach was met with a chorus of groans.