

TOWN OF CINCO BAYOU
REGULAR MEETING
SEPTEMBER 20, 1982

The Regular Council Meeting of the Town of Cinco Bayou Town Council was called to order by Mayor Usrey at 7:00 p.m.

SILENT PRAYER

PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Usrey requested the Clerk to call the roll.

ROLL CALL

Present: Mayor Usrey
Councilman Davis
Councilwoman Kelley
Councilman Perry

Absent: Councilman Wade
Attorney Powell

Also Present: Clerk Borchik
Mr. F. Estergren
Miss Tammie Kelley
Mrs. Sally Borchik

MINUTES. Councilman Perry moved to accept the minutes of August 9, August 16 and August 30, 1982 Council Meetings, seconded by Councilman Davis. The motion carried unanimously.

FINANCIAL REPORT. Councilwoman Kelley moved to accept the Financial Report of August, 1982, seconded by Councilman Perry. The motion carried unanimously.

REGULAR BUSINESS

1. One Half-Cent Sales Tax Distribution- Mayor Usrey. Following a short discussion, Councilwoman Kelley moved that the Town not support at this time, the request of the City of Daytona Beach Shores to join in a class action suit to revisethe manner in which half-cent sales tax funds are distributed, seconded by Councilman Perry. The motion carried on a 2 to 1 vote with Councilman Davis voting Nay.
2. Population Estimate - University of Florida - Clerk Borchik. The University of Florida population estimate for the Town was discussed. The Clerk indicated that he believed their estimate (223) to be low and a more correct estimate would be 250 residents. This difference, approximately 10%, could be significant as all county shared revenue and some state shared revenue is distributed based on population. There is a requirement to sign and return a form indicating concurrence or non-concurrence with the estimate by September 30, 1982. It was decided to return the form indicating that the Town did not concur with their estimate.
3. Insurance for FYE 1983 - Clerk Borchik. Councilman Davis

moved that the Town continue with the same carrier for FYE 1983 insurance package, seconded by Councilwoman Kelley. The motion was approved unanimously.

4. Election Clerk and Inspectors - Town Election. Councilman Davis moved to adopt Resolution 82 - 5 appointing Abbie Tyner Election Clerk, and Adelia Robblee and Marjorie Crawford Election Inspectors for the Town Election on October 5th 1982. The motion was seconded by Councilwoman Kelley and was unanimously approved.

5. Board of Adjustment Appointments. Councilwoman Kelley moved to adopt Resolution 82 - 4 appointing the following individuals to the Board of Adjustment for the terms indicated: Howard J. Kelley, 3 years; William E. Overstreet, 3 years; and Charles R. Laginess, 2 years. The motion was seconded by Councilman Perry and was unanimously approved.

PUBLIC REQUESTS. None.

COMMITTEE REPORTS.

1. Streets/Sidewalks/Neighborhood Watch - Councilman Davis. No Report.

2. Parks/Beautification/Environment - Councilwoman Kelley. No Report.

3. Finance - Revised Budget discussed.

4. Waterfront/Bayou/Civil Defense - Councilman Perry. No new information on the Boat Ramp. Mr. Nichols delivered the new Civil Defense Plan to the Town Hall today for everyone to become familiar with.

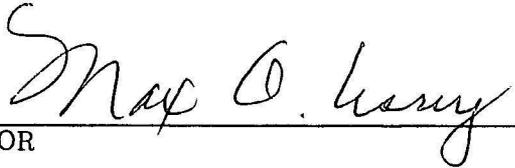
5. Utilities - Mayor Usrey. The Mayor advised the Council that there was no new word on the status of the agreement with Ft. Walton Beach on the water and sewer. The Council discussed the possibility of the agreement not being signed before October 1st and the fact that there were no funds in the new budget for sewer costs. It was decided to adopt a tentative budget at the September 29th Special Meeting and then if any adjustments are needed for sewer costs, amend the budget prior to final adoption in October or November.

ATTORNEYS REPORT. No Report.

CLERKS REPORT. The Clerk asked the Council to address the payment of the Election Clerk and Inspectors for the Town Election and it was decided to wait until the September 29th Special Meeting to discuss this item. The Clerk also asked for discussion on a paid vacation for Mr. Hague. Councilwoman Kelley moved the Town give Mr. Hague five days paid vacation. The motion was seconded by Councilman Davis and unanimously approved.

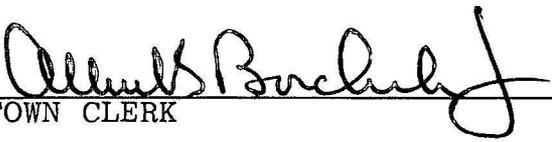
MAYOR'S ANNOUNCEMENTS. None.

There being no further business, the Council adjourned at 7:45 p.m.



MAYOR

ATTEST:



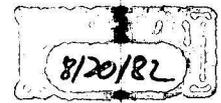
TOWN CLERK

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

City of Daytona Beach Shores

POST OFFICE BOX 7196

Daytona Beach Shores, Florida 32016



KAS

OFFICE OF
THE CITY MANAGER

August 17, 1982

TELEPHONE
904/767-7121

City Council
City of Cinco Bayou
35 Kelly Ave.
Ft. Walton Beach, FL 32548

Re: One-Half Cent Sales Tax Distribution

Dear Members of the Council:

The City of Daytona Beach Shores has determined that the distribution formula contained in House Bill No. 2-D, ch. 82-154, Laws of Florida (new Sales Tax Law), is extremely inequitable for certain types of communities, including yours, and especially those cities that are tourist oriented.

Although the primary purpose of the 1/2 cent sales tax collected in each county was to reduce ad valorem taxes within the county and its municipalities, the formula for distribution within the county was made on a per capita basis and ignored the ad valorem tax base for distribution. To compound the problem, the sales tax legislation also imposed a millage cap. Therefore, if you have a large ad valorem tax base but have a small number of permanent residents, you receive a disproportionately small share of the increased sales tax revenue. (See attached Schedule A of (79) cities that have at least a 25% or more inequitable distribution.)

For instance, under the current formula, your City will receive \$5,265. However, if the distribution had been computed on your ad valorem tax base, you would receive \$17,000.

This inequity coupled with the ad valorem millage cap places cities such as ours in an untenable position, which will persist each year unless the law is changed.

Our City Council has attempted to have the formula revised both before and since passage of the bill. In order to persuade the Legislature to cure this injustice, it is essential that cities similarly effected become united and organized. We strongly urge you to persuade your legislative delegation to propose a remedy to this situation.

Our attorneys are researching the feasibility of a lawsuit to invalidate this inequitable distribution. Preliminary research indicates that a class action may exist. Although we would prefer not to file a suit against the state, we are concerned that the Legislature may not act speedily. We intend to continue to work through the Florida League of Cities and with our legislative delegation. However, in order to bring this matter to the attention of the governing body of our state, we feel it is important to consider a suit at this time.

Because of the importance of the litigation and the strong opposition it will generate, the cost to litigate this matter will be high. We have estimated the cost to be approximately \$30,000.00 to litigate at the Circuit Court level. If the (79) communities effected band together to pursue this litigation, the relative cost will be low.

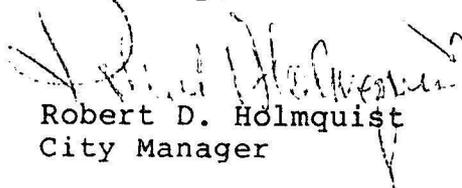
We believe that it is in your city's best interest in joining us in a class action suit, and ask that you immediately consider a budget commitment of \$1,000.00 to initiate this litigation. It is important that we move quickly because the sales tax dollars will soon be distributed.

When we determine that a law suit is feasible or that the Legislature does not intend to act, we shall ask you for your contribution and proceed to file suit.

It is important to show the Legislature that we are united and committed to cure this inequity.

Please respond by September 10, 1982 advising us of your city's position.

Sincerely,



Robert D. Holmquist
City Manager

RDH:jmf/kb

Attachment: Schedule "A"

FLORIDA CITIES ADVERSELY IMPACTED BY

1/2 CENT SALES TAX DISTRIBUTION BY POPULATION

<u>COUNTY</u>	<u>CITY</u>	<u>STATE POPULATION FORMULA DOLLARS (1)</u>	<u>TAXABLE VALUE FORMULA DOLLAR</u>
ay	Mexico-Beach	21,068	37,000
	Panama City Beach	57,433	257,000
reverd	Cocoa Beach	237,257	453,000
	Indialantic	60,259	100,000
	Indian Harbour	129,747	167,000
	Malabar	24,847	31,000
	Melbourne Beach	58,672	97,000
	Palm Bay	453,509	585,000
	Satellite Beach	193,827	243,000
roward	Ft. Lauderdale	3,848,794	5,700,000
	Hacienda Village	3,153	27,000
	Hillsboro Beach	39,087	152,000
	Lauderdale by the Sea	65,612	210,000
	Lighthouse Point	285,796	467,000
	Oakland Park	578,047	764,000
	Park City	16,466	54,000
	Plantation	1,261,694	1,695,000
	Pompano Beach	1,399,100	2,190,000
	Sea Ranch Lakes	14,614	45,000
ade	Bal Harbour	83,528	482,000
	Bay Horbor Island	135,715	248,000
	Coral Gables	1,214,840	2,398,000
	Golden Beach	17,034	79,000
	Hialeah Gardens	76,597	132,000
	Indian Creek Village	2,867	29,000

COUNTY	CITY	STATE POPULATION FORMULA DOLLARS (1)	TAXABLE VALUE FORMULA DOLLAR
	Medley	15,754	226,000
	North Bay Village	133,656	177,000
	Surfside	103,623	242,000
Indian River City	Indian River Shores	43,999	201,000
Lake	Howey in the Hill	13,433	20,000
Lee	Sanibel	139,398	548,000
Manatee	Anna Marie	44,239	58,000
	Holmes Beach	117,514	179,000
	Longboat Key	70,166	217,000
Martin	Jupiter Island	13,742	94,000
	Seawalls Point	46,243	80,000
Monroe	Key Colony Beach	37,810	56,000
Nassau	Fernandina Beach	173,809	272,000
Polk	Cinco Bayou	5,265	17,000
	Shalimar	8,837	13,000
Orange	Bay Lake	2,794 (2)	731,000
	Edgewood	43,388	74,000
	Lake Buena Vista	3,700 (2)	248,000
	Winter Park	935,604	1,239,000
Palmetto Beach	Atlantis	42,208	100,000
	Boca Raton	1,463,039	2,406,000
	Of Golf	3,280	27,000
	Gulf Stream	13,876	74,000
	Highland Beach	59,944	201,000
	Juno Beach	33,151	86,000
	Jupiter Inlet	11,089	22,000
	Manalapan	9,725	63,000
	Ocean Ridge	40,350	90,000

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COUNTY	CITY	STATE POPULATION FORMULA DOLLARS (1)	TAXABLE VALUE FORMULA DOLLARS
	Palm Beach Shores	35,792	77,000
	Palm Beach	292,898	1,338,000
	South Palm Beach	39,043	107,000
	Of Tequesta	108,857	178,000
Duval	Bellair	87,842	193,000
	Bellair Beach	38,620	133,000
	Bellair Bluffs	58,639	100,000
	Bellair Shore	1,860	19,000
	Indian Rocks Beach	90,446	191,000
	Indian Shores	24,878	134,000
	Madeira Beach	111,302	196,000
	North Redington Beach	28,250	73,000
	Redington Beach	39,829	72,000
	Redington Shores	53,128	96,000
	Petersburg Beach	219,140	575,000
	South Pasadena	104,769	160,000
	Treasure Island	148,852	380,000
St. Johns	St. Augustine Beach	41,380	54,000
Lee	Longboat Key	89,656	334,000
Polk	Altamonte Springs	543,566	722,000
	Lake Mary	72,239	106,000
Volusia	Daytona Beach Shores	33,025	251,000
	New Smyrna Beach	320,201	401,000
	Ormond Beach	524,476	669,000
	Ponce Inlet	26,458	76,000
Wakulla	St. Marks	3,127	8,700

REFERENCES:

- 1) Official Sales Tax Projections Tax Local Government Fiscal Year 1982/83 - Florida Joint Legislative Management Committee, June 23, 1982.
- 2) PCB #27, Draft #2, February 22, 1982