

MEMORANDUM

TO: J. M. OXLEY, JR., CLERK OF COURTS
FROM: MARY POTOCHNIK, FINANCE
DATE: JUNE 28, 1999
RE: SHORT TERM LOAN

.....

Per your instructions, we submitted a request to three different banks for information on a short-term loan. The loan is for the balance on the bunker gear purchased for the Fire/Rescue department. Two of the three banks were able to submit a quote.

Please review the information and let me know if I can be of any further assistance.

APPROVED

DATE 6/28/99 *gm*

Southeastern Bank

Response:

| | <u>Early Payoff Penalty</u> | <u>Rate</u> |
|--|------------------------------------|---------------|
| Raymond Nance Southeastern Bank 300 West A1A Yulee, Fl. 32097 | No | 5.45 tax free |
| Aaron Bean Compass Bank 1742 South 8 th Street Fernandina Beach, Fl. 32024 | No | 6.2* |
| Margaret Marrow South Trust Bank 1894 South 14 th Street Fernandina Beach, Fl. 32034 | No bid returned – unable to comply | |

- Indicated that the IRS has a Small Loan Program for governmental agencies that had a rate of 5.3 but did not know if we fell into the guidelines.



J. M. "CHIP" OXLEY, JR.
Clerk of Court and County Courts
Nassau County
Post Office Box 456
Fernandina Beach, Florida 32035-0456
Phones: (904) 321-5710 (1800) 958 3496
Callahan-Hillard (904) 879-1029

Request For Short Term Loan

TO: Raymond Nance
Southeastern Bank
300 West A1A
Yulee, Florida 32097 225-9313

FOR: Nassau County Board of County Commissioners
c/o J. M. Oxley, Jr., Clerk of the Courts
Finance Division
P.O. Box 4000
Fernandina Beach, FL 32035-4000

Request information on: \$118,094.80

Safety Equipment (bunker gear and SCBA) for the Fire/Rescue Department.

Short term loan - Two years - With annual renewal
Penalty Fee for early pay off - No prepayment penalty
Interest Rates - 5.45% tax free

We would like to have the information submitted by Friday, June 25, 1999, so that we can present it to the Board on Monday.

Contact person: Mary Potochnik 321-5726



Request For Short Term Loan

TO: Aaron Bean
Compass Bank
1742 South 8th Street
Fernandina Beach, Fl. 32034

FOR: Nassau County Board of County Commissioners
c/o J. M. Oxley, Jr., Clerk of the Courts
Finance Division
P.O. Box 4000
Fernandina Beach, Fl. 32035-4000

Request information on: \$118,094.80

Safety Equipment (bunker gear and SCBA) for the Fire/Rescue Department.

Short term loan - Two years
Penalty Fee for early pay off
Interest Rates

We would like to have the information submitted by Friday, June 25, 1999, so that we can present it to the Board on Monday.

Contact person: Mary Potochnik 321-5726



J. M. "CHIP" OXLEY, JR.
Clerk of Circuit and County Courts
Nassau County
Post Office Box 456
Fernandina Beach, Florida 32035-0456
Phones: (904) 321-5700 (800) 958-3496
Callahan-Hilliard (904) 879-1029



Request For Short Term Loan

TO: Margaret Marrow
South Trust Bank
1894 South 14th Street
Fernandina Beach, Fl. 32034

FOR: Nassau County Board of County Commissioners
c/o J. M. Oxley, Jr., Clerk of the Courts
Finance Division
P.O. Box 4000
Fernandina Beach, Fl. 32035-4000

Request information on: \$118,094.80

Safety Equipment (bunker gear and SCBA) for the Fire/Rescue Department.

Short term loan - Two years
Penalty Fee for early pay off
Interest Rates

We would like to have the information submitted by Friday, June 25, 1999, so that we can present it to the Board on Monday.

Contact person: Mary Potochnik 321-5726

6/25/99

They are unable to bid - but would like to be considered for future business.

MP



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
P. O. Box 1010
Fernandina Beach, Florida 32035-1010

Nick Deonas
David C. Howard
Pete Cooper
Floyd L. Vanzant
Marianne Marshall

Dist. No. 1 Fernandina Beach
Dist. No. 2 Fernandina Beach
Dist. No. 3 Yulee
Dist. No. 4 Hilliard
Dist. No. 5 Callahan

July 19, 1999

JOSEPH M. "Chip" OXLEY, JR.
Ex-Officio Clerk

MICHAEL S. MULLIN
County Attorney

WALTER D. GOSSETT
County Coordinator

Mr. Raymond Nance
Southeastern Bank
300 West A1A
Yulee, Florida 32097

RE: Short Term Loan - \$118,094.80

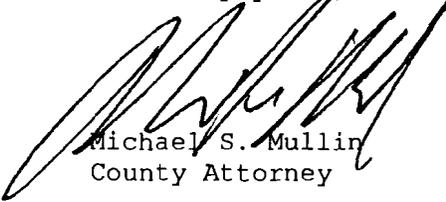
Dear Mr. Nance:

Pursuant to your inquiry, I am offering the following additional information with regard to the above referenced matter:

1. The interest on the loan shall be tax free.
2. The Board of County Commissioners adopted, by motion at their June 30, 1999 meeting, a covenant to budget and appropriate the funds for the re-payment of the loan. That motion is a statement by the Board that they will in fact budget and appropriate the funds.

If I can provide you additional information, please do not hesitate to contact me.

Sincerely yours,



Michael S. Mullin
County Attorney

MSM:jb

CC: J. M. Oxley, Jr.

DRAFT DRAFT DRAFT DRAFT DRAFT DRAFT

July 19, 1999

Mr. Raymond Nance
Southeastern Bank
300 West Ala
Yulee, Florida 32097

RE: Short Term Loan - \$118,094.80

Dear Mr. Nance:

Pursuant to your inquiry, I am offering the following additional information with regard to the above referenced matter:

1. The interest on the loan shall be tax free.
2. ~~Pursuant to the Board's recent motion to "covenant to budget and appropriate the funds" entitles the county to pledge these funds for a two year period without renewal each year.~~

If I can provide you additional information, please do not hesitate to contact me.

Sincerely yours,

Michael S. Mullin
County Attorney

MSM:jb

THE Board adopted, by
 motion ~~at~~ it: —
 providing a covenant to
 Budget & appropriate the funds
 for the re-payment of the loan.
 This Motion ~~also~~ is a statement →

Raymond Vance -

no [unclear] on loan - details

Have Pkg for loan committee
letter does not state that
on the loan is Tax Fee -

By n. 2 yr Period who
is covered in that
terminology "covering" does a

pledged 2 yrs
& not renewed
going year?

Call the office & ask Joan Jones
if [unclear]



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
P. O. Box 1010
Fernandina Beach, Florida 32035-1010

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Dist. No. 1 Fernandina Beach
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JOSEPH M. "Chip" OXLEY, JR.
Ex-Officio Clerk

MICHAEL S. MULLIN
County Attorney

WALTER D. GOSSETT
County Coordinator

July 7, 1999

Mr. Raymond Nance
Southeastern Bank
300 West A1A
Yulee, FL 32097

Dear Mr. Nance:

Enclosed for your information are excerpts from the Nassau County Board of County Commissioners meetings of June 28, 1999 and June 30, 1999 regarding the approval of a short-term loan for safety equipment for the Fire/Rescue Department.

If we may furnish additional information or be of any assistance, please let us know.

Sincerely,

J. M. "Chip" Oxley, Jr.
Ex-Officio Clerk

Jmg

Enclosures



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
P. O. Box 1010
Fernandina Beach, Florida 32035-1010

Nick Deonas
David C. Howard
Pete Cooper
Floyd L. Vanzant
Marianne Marshall

Dist. No. 1 Fernandina Beach
Dist. No. 2 Fernandina Beach
Dist. No. 3 Yulee
Dist. No. 4 Hilliard
Dist. No. 5 Callahan

July 9, 1999

JOSEPH M. "Chip" OXLEY, JR.
Ex-Officio Clerk

MICHAEL S. MULLIN
County Attorney

WALTER D. GOSSETT
County Coordinator

Mr. Raymond Nance
Southeastern Bank
300 West A1A
Yulee, FL 32097

RE: Short Term Loan - \$118,094.80

Dear Mr. Nance:

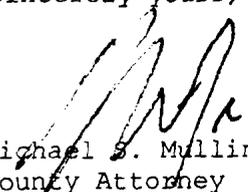
As counsel for the Board of County Commissioners of Nassau County, Florida, I am of the opinion that:

1. The Board of County Commissioners has the legal authority to enter into a loan agreement with Southeastern Bank.
2. Southeastern Bank was chosen based upon a competitive process as established by the Clerk of the Court.
3. The terms of the loan are legally valid and binding.
4. No litigation is pending or, to the best of my knowledge, threatened in any court or other tribunal, state, or federal, in any way questioning or affecting the validity of the loan agreement or the ability of the Board of County Commissioners to repay same.
5. The Chairman of the Board of County Commissioners is authorized to execute the loan agreement on behalf of the Board of County Commissioners.
6. The purpose of the short term loan is for the purchase of safety equipment (bunker gear and SCBA) for the Fire/Rescue Department.

Mr. Raymond Nance
July 9, 1999
Page Two

7. Nassau County is a "political subdivision" of a state within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, (the "Code").
8. The loan amount will be exempt from Florida Documentary stamps.

Sincerely yours,



Michael S. Mullin
County Attorney
Board of County Commissioners
Nassau County, Florida

MSM:jb

CC: J. M. "Chip" Oxley, Jr., Ex-Officio Clerk

Mr. Oxley referred to the bunker gear that was purchased for the Fire/Rescue Department and stated that it had been agreed upon to utilize short-term financing to cover its cost through the next budget year. He contacted three banks and received the following responses:

| | Early Payoff Penalty | Rate |
|----------------------------|------------------------|---------------|
| Raymond Nance | No | 5.45 tax free |
| Southeastern Bank | | |
| 300 West A1A | | |
| Yulee, Fl 32097 | | |
| | | |
| Aaron Bean | No | 6.2* |
| Compass Bank | | |
| 1742 South 8th Street | | |
| Fernandina Beach, Fl 32034 | | |
| | | |
| Margaret Marrow | No bid returned-unable | |
| South Trust Bank | to comply | |
| 1894 South 14th Street | | |
| Fernandina Beach, FL 32034 | | |

*Indicated that the IRS has a Small Loan Program for governmental agencies that had a rate of 5.3 but did not know if the County fell into the guidelines.

It was moved by Commissioner Marshall, seconded by Commissioner Vanzant, and unanimously carried to reaffirm the approval of a short-term loan in the amount of \$118,094.80 with Southeastern Bank at 5.45 per cent for the payment of bunker gear for the Fire/Rescue Department.

Upon the request of the Clerk, Commissioner Deonas made to include language "covenant to budget and appropriate" in the motion made on June 28, 1999, which was to approve a short term loan in the amount of \$118,094.80 with Southeastern Bank at 5.45 percent for the payment of bunker gear for the Fire/Rescue Department. Motion seconded by Commissioner Vanzant and voted unanimously.