

**From:** Andrew Hand  
**To:** [Jan Smith](#); [Rick Hancock](#); [Walter Green](#); [Larry Winkler](#); [Valerie Hanchar](#); [Chuck Dillon](#)  
**Cc:** [Mike McQuaig](#); [Troy Slattery](#); [Dawn Bowne](#)  
**Subject:** RE: 1% Discretionary Sales Surtax Capital Purchases  
**Date:** Friday, December 09, 2016 9:28:43 AM  
**Attachments:** [image001.png](#)

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Jan,

Following our conversation yesterday afternoon, my review of AG opinions on the matter, and my email to Chief Slattery this morning, I am of the opinion that the answer to all three questions is yes – so long as all the statutory criteria regarding purchases are met. In my review of analogous AG opinions – the time limitation for purchases is limited to those made after referendum approval rather than the actual levy date of the surtax (January 1, 2017). Further, it is my opinion that the proceeds may be used to refund reserves for purchases that meet the statutory criteria where use of the surtax funds was intended prior to the purchase being made.

As we discussed this morning, every effort should be made to document the City's intent that the surtax proceeds are intended to be used for the vehicle purchase through refunding of reserves. This should be documented prior to the actual purchase of the vehicles so that it is clear that such purchase was always intended to be ultimately funded by surtax funds.

Best Regards,



DISCLAIMER:

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**From:** Jan Smith [mailto:[jsmith@dunnellon.org](mailto:jsmith@dunnellon.org)]  
**Sent:** Thursday, December 8, 2016 4:31 PM  
**To:** Rick Hancock <[rhancock@dunnellon.org](mailto:rhancock@dunnellon.org)>; Walter Green <[wgreen@dunnellon.org](mailto:wgreen@dunnellon.org)>; Larry Winkler <[lwinkler@dunnellon.org](mailto:lwinkler@dunnellon.org)>; Valerie Hanchar <[vhanchar@dunnellon.org](mailto:vhanchar@dunnellon.org)>; Chuck Dillon <[cdillon@dunnellon.org](mailto:cdillon@dunnellon.org)>  
**Cc:** Andrew Hand <[ahand@shepardfirm.com](mailto:ahand@shepardfirm.com)>; Mike McQuaig <[mmcquaig@dunnellonpd.org](mailto:mmcquaig@dunnellonpd.org)>; Troy Slattery <[TSlattery@dunnellon.org](mailto:TSlattery@dunnellon.org)>; Dawn Bowne <[dbowne@dunnellon.org](mailto:dbowne@dunnellon.org)>  
**Subject:** 1% Discretionary Sales Surtax Capital Purchases

Council,

I wanted to give you notice of my concerns with the purchases you may be approving on Monday. I spoke with Michael Tomich, Marion County Budget Director today about my concerns below. He did not believe that we would be able to spend 1% sales tax funds prior to the effective date of January 1<sup>st</sup> or use them to repay reserves. We can pay for indebtedness with the sales tax. However, borrowing from a General Fund Reserve is not classified as debt service. I have asked Andrew for a legal opinion on the following:

Can we enter into an agreement for purchase (radios) prior to the effective date of the Sales Tax? The effective date is January 1, 2017. This agreement will constitute debt service which we can use the sales tax to repay.

Can we pay for a purchase out of reserves prior to the sales tax effective date and repay the reserve as funds are received?

Can we pay for a purchase out of reserves after the effective date and repay the reserve as funds are received?

Thank you,

Jan Smith  
Finance Officer  
City of Dunnellon  
20750 River Drive  
Dunnellon, FL 34431  
Phone: 352-465-8500  
Fax: 352-465-8505  
Email: [jsmith@dunnellon.org](mailto:jsmith@dunnellon.org)

Please Note: Florida has a very broad public records law. Written communication to or from City officials regarding City business is public record and open to inspection including names, addresses, and email addresses. Therefore, your email communication may be subject to public disclosure.



Toll Free 800-252-6529 Direct 863-402-4234

**INVOICE #** FGGD32744

**DATE** 09-Dec-16

<b>SOLD TO: DUNELLON POLICE DEPARTMENT</b>		
<b>STREET ADDRESS</b>		<b>General Information</b>  <b>NJPA BID NUMBER</b> <b>2016-102811</b> SPECIFICATION NUMBER (if applicable)  ----- <a href="http://www.nationalautofleetgroup.com">www.nationalautofleetgroup.com</a>
<b>CITY</b>	<b>STATE</b>	
<b>PHONE NUMBER</b> (352) 465-8510	<b>FAX NUMBER</b> (352) 465-8508	
<b>FLA. SALES TAX EXEMPTION #</b>		
<b>CUSTOMER PURCHASE ORDER NUMBER</b>		
<b>CUST ID:</b>		

YEAR	MAKE	MODEL	CAR	KEY CODE	ORDER #	SALESPERSON
2016	FORD	K8A		1182x	G556	WILSON, C.

VIN	COLOR	DESCRIPTION	SALE
1FM5K8AR6 GGD32744	WHITE		

OPTIONAL EQUIPMENT & ACCESSORIES	BASE PRICE	
EXTERIOR COLOR OXFORD WHITE WITH CHARCOAL BLACK CLOTH FRONT & VINYL REAR	YZ 9W	\$0.00
3.7L V6 WITH 6-SPD AUTO TRANS	99R 44C	\$0.00
SYNC BASIC VOICE ACTIVATED COMMUNICATIONS SYSTEM	53M	\$0.00
RED/WHITE DOME LAMP IN CARGO AREA	17T	\$0.00
REAR POWER WINDOW DELETE (OPERABLE FROM FRONT DRIVER SIDE SWITCHES)	18W	\$0.00
REAR VIEW CAMERA (STD ON MY16+)	21B	\$0.00
COURTESY LIGHT DISABLED DARK CAR FEATURE	43D	\$0.00
REMOTE KEYLESS ENTRY KEY FOB W/O KEY PAD	595	\$0.00
REAR DOOR HANDLES AND LOCKS INOPERABLE	68G	\$0.00
REVERSE SENSING SYSTEM	76R	\$0.00
FRONT HEADLAMP HOUSING PRE-DRILLED	86P	\$0.00
<b>FACTORY OPTIONS</b>		\$0.00
DEALER INSTALLED LEFT HAND SPOT LAMP	L-SPOT	\$480.00
DELIVERY FROM SEBRING TO ENFORCEMENT ONE	DELIVERY	\$0.00
PARTS AND ACCESSORIES PROVIDED AND INSTALLED BY ENFORCEMENT ONE	ENFORCEMENT ONE	\$11,196.50
ONE TIME PRICE CONCESSION	OTPC	(\$126.50)
<b>CONTRACT OPTIONS</b>		\$11,550.00
<b>TRADE IN</b>		
YES WE TAKE TRADE INS ~~~ ASK ABOUT MUNICIPAL FINANCING ~~~		

<b>REMIT PAYMENT TO:</b>		
P.O. BOX 9200 SEBRING, FL 33871-9200	<b>FEID #</b>	
	Tire & Battery Fee	\$6.50
	SALES TAX	EXEMPT
<b>TOTAL</b>		<b>\$38,400.00</b>



Toll Free 800-252-6529 Direct 863-402-4234

**INVOICE #** FGGD32745

**DATE** 09-Dec-16

<b>SOLD TO: DUNELLON POLICE DEPARTMENT</b>			
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<b>CITY</b>	<b>STATE</b>		<b>ZIP CODE</b>
<b>PHONE NUMBER</b> (352) 465-8510	<b>FAX NUMBER</b> (352) 465-8508		
<b>FLA. SALES TAX EXEMPTION #</b>			
<b>CUSTOMER PURCHASE ORDER NUMBER</b>			
<b>CUST ID:</b>			

YEAR	MAKE	MODEL	CAR	KEY CODE	ORDER #	SALESPERSON
2016	FORD	K8A		1222x	G557	WILSON, C.

VIN	COLOR	DESCRIPTION	SALE
1FM5K8AR8 GGD32745	WHITE		

OPTIONAL EQUIPMENT & ACCESSORIES	BASE PRICE	
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P.O. BOX 9200 SEBRING, FL 33871-9200	<b>FEID #</b>	
	Tire & Battery Fee	\$6.50
	SALES TAX	EXEMPT
<b>TOTAL</b>		<b>\$38,400.00</b>

**Enforcement One, Inc.**  
**381 Roberts Road**  
**Oldsmar, FL 34677**

**Invoice**

Date	Invoice #
12/9/2016	1785

Bill To
Dunnellon Police Department 12014 S Williams St Dunnellon, FL 34432

Ship To
Dunnellon Police Department 12014 S Williams St Dunnellon, FL 34432

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
	Net 30	BA	12/9/2016	UPS	Origin	

Quantity	Item Code	Description	Price Each	Amount
1	Vehilce	2016 Ford Police Interceptor SUV Vin # 1FM5K8AT0GGA62809 Above vehicle with police equipment Exempt	35,400.00 0.00%	35,400.00 0.00

			<b>Total</b>	\$35,400.00
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Phone #	Fax #	E-mail	Web Site	<b>Balance Due</b> \$35,400.00
727-816-9833	727-945-8132	enforcementoneinc@gmail.com	www.enforcementone....	