

Purchasing Department
Madison County Board of Supervisors
146 West Center Street
Canton, Mississippi 39046

601-855-5503
hardy@madison-co.com

25 March 2013

District 1 Supervisor John Bell Crosby
District 2 Supervisor Ronny Lott
District 3 Supervisor Gerald Steen
District 4 Supervisor Karl Banks
District 5 Supervisor Paul Griffin


Subject: Approve attached resolution awarding lease-purchase financing for three backhoes and authorizing board president to execute note and other required documents

Gentlemen:

The Board recently approved the purchase of three Case 580SN backhoes at a total cost of \$247,020. Trustmark provided the lowest quote to lease-purchase finance the backhoes for 36 months. Trustmark's bank-qualifies tax-free interest rate is 1.47 percent for 36 months (copies of quotes attached).

I recommend that the Board approve the attached resolution awarding the lease-purchase financing to Trustmark and authorizing Board President Gerald Steen to execute the note and any other required documents.

Sincerely,



Hardy Crunk
Purchasing Clerk

RESOLUTION

WHEREAS, the Madison County Board of Supervisors desires to lease-purchase finance three Case 580SN Backhoes with a total purchase price of \$247.020; and

WHEREAS, the lowest and best interest-rate quote obtained for bank-qualified tax-free lease-purchase financing of said backhoes is 1.47 percent for a term of 36 months from Trustmark Bank; and

NOW THEREFORE, the Madison County Board of Supervisors does hereby award the bank-qualified tax-free lease-purchase financing quote to Trustmark Bank at the interest rate of 1.47 percent for a term of 36 months; and

NOW THEREFORE, Madison County Board of Supervisors President Gerald Steen is hereby authorized to execute the lease-purchase financing note and any and all other required documents pertaining to said lease-purchase financing with Trustmark Bank.

Upon a motion made by _____ and seconded by _____,

the Madison County Board of Supervisors did on this the first day of April 2013 approve the foregoing resolution.

District 1 Supervisor John Bell Crosby voted _____

District 2 Supervisor Ronnie Lott voted _____

District 3 Supervisor Gerald Steen voted _____

District 4 Supervisor Karl M. Banks voted _____

District 5 Supervisor Paul Griffin voted _____

GERLAD STEEN, PRESIDENT

DATE

ATTEST:

ARTHUR JOHNSTON

DATE

CHANCERY CLERK

Hardy Crunk

From: Sam Smith-Vaniz <SSmith-Vaniz@trustmark.com>
Sent: Friday, March 15, 2013 4:26 PM
To: hardy@madison-co.com
Subject: Re: MADISON COUNTY LEASE-PURCHAS QUOPTE REQUEST

Hardy Trustmark's bid on the lease-purchase listed below will be 1.47%. If our bid is accepted we will need an attorneys opinion stating that this is a bank qualified tax exempt obligation.

Sam P. Smith-Vaniz
Trustmark Bank
P.O.Box 409
Canton, Ms. 39046
Ph. 601-859-0201
Cell 601-955-9932
Fax 601-859-4746
ssmith-vaniz@trustmark.com

CONFIDENTIALITY NOTICE

This email and any attachments are confidential. If you are not the intended recipient, any further dissemination or use of this email is prohibited. If you have received this email in error, please notify us immediately by returning it to the sender. You should then delete all copies from your system and destroy any hard copies you may have made.

"Hardy Crunk" <hardy@madison-co.com>

"Hardy Crunk" <hardy@madison-co.com>

03/13/2013 03:18 PM

To <jonathan_king@hancockbank.com>, <RJACKSON@MFBANK.COM>, <SSmith-Vaniz@trustmark.com>, "Lee, Bob" <blee@bxsequipmentfinance.com>, <sjohnson@bxsequipmentfinance.com>

cc

Subject MADISON COUNTY LEASE-PURCHAS QUOPTE REQUEST

I am resending Madison County's request for quotes for lease-purchase financing for three new Case backhoes. The quote should be to finance \$247,020 for 36 months. It will be bank qualified tax exempt. Please submit your quote via email by 10 A.M. on Monday, 18 March 2013.

Thank you,

Hardy

Hardy Crunk
Purchase Clerk
Madison County, Mississippi
hardy@madison-co.com
601-397-0360



VIA E-MAIL

March 14, 2013

Board of Supervisors
Madison County, Mississippi
C/o Mr. Hardy Crunk

Re: Lease Purchase Financing – Three (3) New Case Backhoes

Gentlemen:

We understand that Madison County, Mississippi is considering lease-purchase financing for a Three (3) New Case Backhoes (hereinafter the "Equipment") under the authority of Sec. 31-7-13(e) of the Miss. Code of 1972, as amended. The Equipment has a total cost of \$247,020.00 and 100% of the cost will be lease-purchase financed.

The rates provided below assumes that the debt will be designated as "bank-qualified" tax exempt within the meaning of Sec. 265(b)(3) of the Internal Revenue Code of 1986, as amended. If it is determined that the County is ineligible to issue bank-qualified debt this calendar year, different rates will apply.*

Amount Financed:	Terms**:	Rate:
\$247,020.00	36 monthly payments @ \$7,024.72 per month	1.53%

* Determination of taxability would be the responsibility of the County's legal counsel.

** The County will certify that the Equipment will not be replaced by other equipment, performing the same or similar functions, until the term of the financing option expires.



This proposal assumes compliance by the County with applicable state and federal law governing borrowings by political subdivisions. In addition, normal Bank credit approval requirements for lending to these types of entities would apply. Credit approval includes approval of both the manufacturer and vendor of the Equipment to be purchased. Necessary documentation would include, but not be limited to, a legal and tax opinion from issuer's legal counsel. Liability and physical damage insurance would be required with Hancock Bank being shown as the additional insured and/or loss payee as its interest may appear.

This proposal is good if accepted within 30 days and the obligation is funded within 60 days of the date of this letter.

Thank you for considering Hancock Bank for your Governmental Leasing needs!

Sincerely,

HANCOCK BANK

A handwritten signature in cursive script, appearing to read "Jonathan King", written over a horizontal line.

Jonathan King
Government Leasing
Public Finance Department



3/15/2013

Sent via: hardy@madison-co.com

Madison County
146 West Center Street
Canton, MS 39406

It is a pleasure to submit for your consideration the following proposal to provide lease-purchase financing based on the terms and conditions set forth below:

1. Lessor: BancorpSouth Equipment Finance, a division of BancorpSouth Bank
2. Lessee: Madison County
3. Equipment Description: 3 New Case Backhoes
4. Equipment Cost: \$247,020.00
5. Lease Term: 3 Years
6. Lease Payments: (These are approximate payment amounts. The actual payment will be determined at funding date.)
36 Monthly payments of \$7,029.01
Payments in arrears
7. Lease Rate: **1.57%**
8. Funding Date: This proposal is contingent upon the equipment being delivered and the lease funded prior to 5/30/13. If the equipment is not delivered and the lease funded prior to 5/30/13, this proposal is null and void. Any extension of the funding date must be in writing.
9. Purchase Option: Title is passed to Lessee at lease expiration for no further consideration.

10. Non-appropriation/Termination: The lease provides that Lessee is to make reasonable efforts to obtain funds to satisfy the obligation in each fiscal year. However, the lease may be terminated without penalty in the event of non-appropriation. In such event, the Lessee agrees to provide an attorney's opinion confirming the events of non-appropriation and Lessee's exercise of diligence to obtain funds.

11. Bank Qualification: This lease-purchase financing shall be designated as a bank qualified tax-exempt transaction as per the 1986 Federal Tax Bill. **This means that the Lessee's governing body will pass a resolution stating that it does not anticipate issuing more than \$10 million in General Obligation debt or other debt falling under the Tax Bill's definition of qualifying debt during the calendar year that the lease is funded.**

12. Tax Status: This proposal is subject to the Lessee being qualified as a governmental entity or "political subdivision" within the meaning of Section 103(a) of the Internal Revenue Code of 1954 as amended, within the meaning of said Section. Lessee agrees to cooperate with Lessor in providing evidence as deemed necessary or desirable by Lessor to substantiate such tax status.

13. Net Lease: This will be a net lease transaction whereby maintenance, insurance, taxes (if applicable), compliance with laws and similar expenses shall be borne by Lessee.


14. Financial Statements: Complete and current financial statements must be submitted to Lessor for review and approval of Lessee creditworthiness.

15. Lease Documentation: This equipment lease-purchase package is subject to the mutual acceptance of lease-purchase documentation within a reasonable time period, otherwise payments will be subject to market change.

If the foregoing is acceptable, please so indicate by signing this letter in the space provided below and returning it to BancorpSouth Equipment Finance. **The proposal is subject to approval by BancorpSouth Equipment Finance's Credit Committee and to mutually acceptable terms, conditions and documentation.**

This proposal expires as of the close of business on 4/30/13. Extensions must be approved by the undersigned.

Any concerns or questions should be directed to Bob Lee at 1-800-222-1610.


Bob Lee
Municipal Finance Manager

ACKNOWLEDGMENT AND ACCEPTANCE

By: _____
Title

Date: _____



1101 Highway 80 West
 Jackson, MS 39204
 www.jwhequipment.com
 Ph: 601.974.8090 Fx: 601.974.8999

SOLD TO
 MA0006 MADISON COUNTY ROAD DEPT.
 3137 S. LIBERTY ST.
 CANTON, MS 39046

SHIP TO
 MADISON COUNTY ROAD DEPT.
 3137 S. LIBERTY ST.
 CANTON, MS 39046

Sold By: BGS PO #: 130264 Date 3/12/13 EQUIPMENT SALE EJ00104
 Ship By: Tax #: 9:29:37 PRT: 4

Tax	D	Qty	Description	Price	Amount
-----	---	-----	-------------	-------	--------

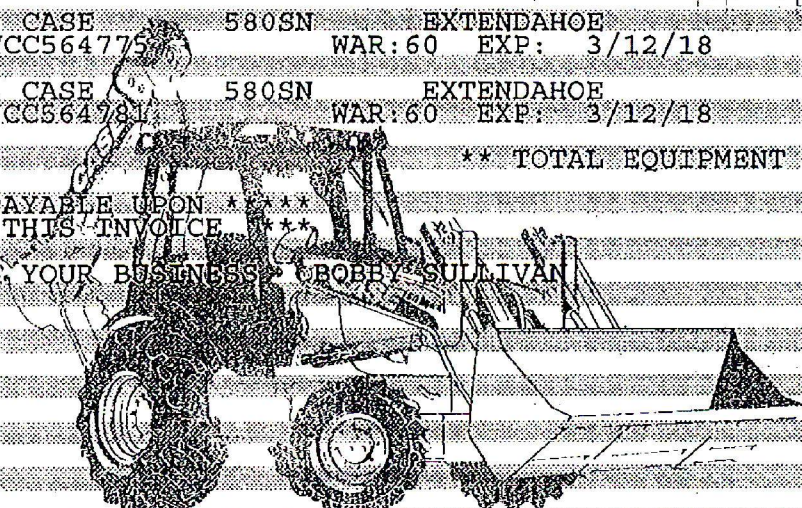
NOTES

TO INVOICE FOR THE PURCHASE OF THE FOLLOWING EQUIPMENT.
 ONE (1) 580SN BACKHOE W/ STANDARD LOADER BUCKET, SN NCC565342, AND
 TWO (2) 580SN BACKHOES W/ MULTI-PURPOSE LOADER BUCKETS,
 SN'S NCC564775 AND NCC564781.

Tax	D	Qty	Description	Price	Amount
00000			EQUIPMENT SALE 565342 CASE 580SN EXTENDAHOE SER#: NCC565342 WAR:60 EXP: 3/13/18		79730.00
00000			564775 CASE 580SN EXTENDAHOE SER#: NCC564775 WAR:60 EXP: 3/12/18		83645.00
00000			564781 CASE 580SN EXTENDAHOE SER#: NCC564781 WAR:60 EXP: 3/12/18		83645.00
** TOTAL EQUIPMENT SALE					247020.00

***** DUE AND PAYABLE UPON *****
 *** RECEIPT OF THIS INVOICE ***

THANK YOU FOR YOUR BUSINESS BOBBY SULLIVAN



All claims and parts returned must be accompanied by this invoice, returned parts are subject to a 20% RESTOCKING charge. Special order parts are non-returnable.
 No Parts may be returned after 30 days.

TERMS: All invoices due upon receipt, unless prior credit has been granted. All accounts are due NBT 30 a 1.5% SERVICE CHARGE equal to 18% Per Annum will be charged beyond 30 days

** SUBTOTAL 247020.00

X

Charge Sale

Phone: (800) 428-0584

PAY THIS AMOUNT



\$247020.00