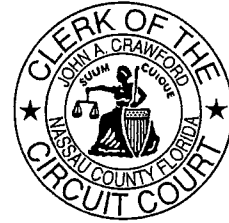




John A. Crawford
Clerk of the Circuit Court
Nassau County



June 20, 2007

The Honorable Jim B. Higginbotham, Chairman
Nassau County Board of County Commissioners
Post Office Box 1010
Fernandina Beach, FL 32035

Dear Chairman Higginbotham and Commissioners:

In accord with my responsibilities as Chief Financial Officer, please be advised that notification that the Board intends to amend its impact fee ordinance for the purpose of substantially increasing the impact fee amounts charged gives me great concern. It is necessary for me to advise you that amending the rates charged without assessing the unintended fiscal consequences to the Board's current and future total annual budgets appears ill advised.

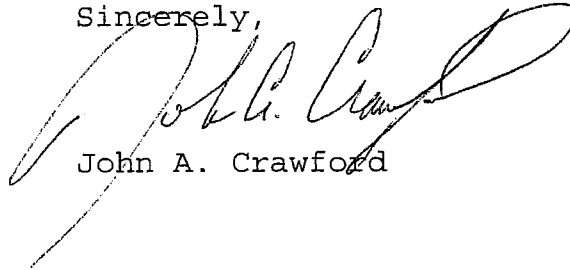
I must respectfully advise you to reconsider your apparent desire to raise impact fees because it appears that you have not demonstrated strict adherence over the years to the law which requires that impact fees be spent within a legally specified period. In other words, it appears that you have not spent within the required time frame what you already have in the bank. First, I recommend that you instruct your staff to immediately perform a "staleness" test of the fees already collected. Then, a determination should be made as to whether the Board owes refunds for funds not expended during the period allowed under the law. Failure to comply with the spirit and letter of the law may subject your ordinance to legal challenge.

Because impact fees cannot be used to cure existing deficiencies, you are required to provide additional (tax dollars) funding sources that will be dedicated and matched with every impact fee expenditure. Those funds required to be matched up with the impact fee expenditures are many multiples of the impact fee amounts you will be spending. Where will that money come from?

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I respectfully request that, before you proceed with any impact fee rate hike, you provide my office with your written plan for creating the matching funding required to cure existing capital project deficiencies for which you cannot legally attach a rational nexus specific to growth, but with which you intend to utilize impact fees within the project.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Crawford". The signature is fluid and cursive, with a large initial "J" and "C".

John A. Crawford

jgb