

Town of Windsor

Memorandum

August 13, 2019

TO: The Honorable Mayor and Town Council
FROM: Michael Stallings, Town Manager *MS*
SUBJECT: Police Car Purchase

As you are aware, the adopted budget calls for the purchase of three police vehicles. As with previous years, we plan to do a lease purchase for these vehicles. This allows us to take delivery of the vehicles this fiscal year, but break the payments up over this fiscal year and the next.

The budgeted amount for the purchase of these vehicles is \$70,000, or \$35,000 for this fiscal year and the next. We anticipate the total cost of these vehicles to be around \$69,528. This includes the purchase of the vehicles as well as all required up fitting.

As we did last year, we have reached out to VML/VACO finance to secure the lease for these vehicles. As you can see, Home Trust Bank submitted the winning bid at 2.39%.

I recommend that Council authorize and direct the manager to move forward with the purchase of the three police vehicles and execute any required documents.

Recommended Motion

Move that Council authorize and direct the manager to move forward with the purchase of the two police vehicles and execute any required documents.



8 E. Canal Street, Suite 100
Richmond, Virginia 23219
(804) 648-0635

Steve Mulroy
Managing Director

July 15, 2019

MEMORANDUM

To: Mr. Michael Stallings – Town Manager
From: Steve Mulroy
Re: VML/VACo Equipment Leasing – Town of Windsor, Virginia
Results of Bids for police vehicles

We are pleased to present the results of our request for bids related to the Town of Windsor's lease purchase financing for new police vehicles.

VML/VACo Finance solicited bids from several banks, including local, regional, and national financial institutions. HomeTrust Bank submitted the winning bid with an interest rate of 2.39% fixed for 2 years. The preliminary plan of finance is detailed below:

Program	VML/VACo Equipment Leasing Program
Borrower	Town of Windsor, Virginia
Program Administrator	VML/VACo Finance
Purpose	Lease financing for new police vehicles
Security Pledge	Equipment Lease
Tax Treatment	Tax-exempt and Bank Qualified
Lease Amount	\$69,528 <i>(includes \$2,000 program fee and \$350 bank documentation fee)</i>
Final Maturity	August 5, 2021

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Amortization	Fully amortizing with level, annual debt service payments
Principal & Interest Due	Annually on August 5th, commencing August 5, 2020
Call Provision	Pre-payable any time, without penalty
Anticipated Closing Date	August 5, 2019

Please note that HomeTrust Bank's bid is subject to final credit approval and acceptable documentation. A preliminary payment schedule is attached for your review.

I will give you a call to follow up and discuss next steps. In the meantime, don't hesitate to call me with any questions. We look forward to working with you on this financing.

Thank you.

Attachments

Resolution

A Resolution Authorizing The Town Manager
To Execute The Required Documents To Accept
The Equipment Lease From Home Trust Bank

WHEREAS, the 2019-20 Town of Windsor operating budget calls for the purchase of two police cars to be financed over two years, and;

WHEREAS, VML/VACO Finance obtained financing bids for this funding, with Home Trust Bank submitting the winning bid at 2.39%, and;

WHEREAS, the Town Council of the Town of Windsor wishes to proceed with the financing and purchase of these police cars, and;

NOW, THEREFORE BE IT RESOLVED by the Council of the Town of Windsor, Virginia as follows:

Section 1. That the Town Council accepts the bid from Home Trust Bank for the financing of two police cars.

Section 2. That the Town Manager is authorized to sign all required documents related to this financing and purchase.

Section 3. This resolution shall be in effect on and after its adoption.

Adopted: August 13, 2019

TESTE:

Town Clerk