

## Town of Windsor

### Memorandum

August 10, 2021

7 PM

**TO:** The Honorable Mayor and Town Council

**FROM:** William G. Saunders, IV, Town Manager

*WGS IV*

**SUBJECT:** Police Vehicle Acquisition Resolution

#### Background

The acquisition of two (2) new police vehicles through lease-purchase agreement.

#### Specifics

As has been recent practice, lease-purchase agreements have been utilized in order to acquire multiple police vehicles in a single year, while spreading the cost over multiple years. In this case, \$45,000 has been allocated in the Capital Improvement Plan for police vehicles for FY22 and an additional \$45,000 for FY23.

The lease-purchase agreement will enable the immediate acquisition of two (2) vehicles, while paying up to \$45,000 for each of the next two budget years.

The estimated combined cost of the two (2) improved vehicles is \$87,686.00. VML/VACO Finance fees and bank loan interest will add to this cost, but should be more than compensated by the sale of older vehicles.

VML/VACO Finance is conducting a competitive RFP to acquire an appropriate lending institution to be a party to the acquisition. The results of the RFP are due August 5<sup>th</sup>, so the resolution will not be completed in time to be included in this agenda packet, but will be available by the meeting date.

#### Enclosures

Resolution (Forthcoming)  
VML/VACO Finance proposal estimate  
Bank proposal (Forthcoming)

#### Recommended Action

Recommend adoption of resolution

**\$90,000**

**Preliminary**

Town of Windsor, VA  
Lease-Purchase Financing, Series 2021  
Tax-Exempt and Bank Qualified

### Sources & Uses

Dated 09/01/2021 | Delivered 09/01/2021

#### Sources Of Funds

Par Amount of Bonds	\$90,000.00
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<b>Total Sources</b>	<b>\$90,000.00</b>
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#### Uses Of Funds

VML/VACo Finance Fee	3,000.00
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Project Amount	87,000.00
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<b>Total Uses</b>	<b>\$90,000.00</b>
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**\$90,000**

**Preliminary**

Town of Windsor, VA  
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### Debt Service Schedule

Date	Principal	Coupon*	Interest	Total P+I	Fiscal Total
09/01/2021	-	-	-	-	-
09/01/2022	45,000.00	1.500%	1,350.00	46,350.00	46,350.00
09/01/2023	45,000.00	1.500%	675.00	45,675.00	45,675.00
<b>Total</b>	<b>\$90,000.00</b>	<b>-</b>	<b>\$2,025.00</b>	<b>\$92,025.00</b>	<b>-</b>

#### Yield Statistics

Bond Year Dollars	\$135.00
Average Life	1.500 Years
Average Coupon	1.5000000%
Net Interest Cost (NIC)	1.5000000%
True Interest Cost (TIC)	1.4944168%
Bond Yield for Arbitrage Purposes	1.4944168%
All Inclusive Cost (AIC)	3.8001403%

#### IRS Form 8038

Net Interest Cost	1.5000000%
Weighted Average Maturity	1.500 Years

*\*Preliminary interest rate. Actual rate will be determined through a competitive request for proposals process.*