

Memorandum



To: Whom it may concern
From: Barry DeHart, Deputy Chief
Date: 1/14/2016
Re: Rescue Truck

Attached you will find information concerning the Lease purchase of a new Pierce wet rescue truck from Conrad Fire Equipment. This unit would be replacing a single cab 1997 Ford 1 ton dry rescue. This new truck will serve our community as well as surrounding communities better than the current rescue truck we have. This new rescue will be a Ford crew cab F550 which will allow us to transport more personnel as well as carry 300 gallons of water, 10 gallons of foam, and our rescue equipment. This new truck will enable us to have a quick attack to any vehicle accident that turns into a vehicle fire. This truck will provide a more comprehensive means for us to perform our job. This is a project that was started by our previous Chief Danny Cox who believed this is the truck that the City of Clinton needed to best fit our needs. It is our desire to finish what he started concerning this project.



FINANCIAL SOLUTIONS



Tax Exempt Lease Purchase

SALES ORGANIZATION: **Conrad Fire - Ryan**
 LESSEE: Clinton FD, OK
 TYPE OF EQUIPMENT: Pierce Utility/Rescue
 EQUIPMENT COST: \$158,738.00
 CUSTOMER DOWNPAYMENT: \$0.00
 TRADE-IN: \$0.00
 DELIVERY TIME: Std delivery
 PAYMENT MODE: Annual In Arrears
 FIRST PAYMENT DUE DATE: 1 Year After Lease Commencement
 LEASE COMMENCEMENT DATE: Upon contract signing with Pierce

Contact information:
 Wednesday, January 13, 2016
 Kim Simon
 Locator: B3-B230-05-07
 155 East Broad St
 Columbus, OH 43215
 P: (800) 820-9041, ext. 1
 M: (614)-670-3994
 Fax:(800)-678-0602
 Kim.simon@pnc.com

Term	5 years	7 years
Number of Payments	5 annual	7 annual
Payment Amount	\$ 33,690.11	\$ 25,170.39

NOTE: All lease documents must be fully executed within 14 days of the date of this proposal. Failure to receive completed documents may alter the final payment schedule due to changes in rates and/or discounts.

PERFORMANCE BOND: To utilize the prepay program, a performance bond is required. Said performance bond shall be paid for directly to Pierce manufacturing or financed by PNC Equipment Finance as part of the transaction

TYPE OF FINANCING: Tax-exempt Lease Purchase Agreement with a \$1.00 buy out option at end of lease term. Said agreement shall be a net lease arrangement whereby lessee is responsible for all costs of operation, maintenance, insurance, and taxes.

BANK QUALIFICATION: This proposal assumes that the lessee will not be issuing more than \$10 million in tax-exempt debt this calendar year. Furthermore, it is assumed that the lessee will designate this issue as a qualified tax-exempt obligation per the tax act of 1986.

LEGAL TITLE: Legal title to the equipment during the lease term shall vest in the lessee, with PNC Equipment Finance perfecting a first security interest

AUTHORIZED SIGNORS: The lessee's governing board shall provide PNC Equipment Finance with its resolution or ordinance authorizing this agreement and shall designate the individual(s) to execute all necessary documents used therein.

LEGAL OPINION: The lessee's counsel shall furnish PNC Equipment Finance with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to PNC Equipment Finance.

VOLUNTEER FIRE DEPARTMENTS: If Lessee is a Volunteer Fire Department, a public hearing under the requirements of Section 147(f) of the Internal Revenue Code of 1986 shall be conducted to authorize this transaction. It is recommended that a notice of the public hearing be published 10 to 14 days in advance of the public hearing.

This proposal will be valid for **fourteen (14) days** from the above date and is subject to final credit approval by PNC Equipment Finance and approval of the lease documents in PNC Equipment Finance's sole discretion. To render a credit decision, lessee shall provide PNC Equipment Finance with their most recent two years' audited financial statements, copy of their most recent interim financial statement, and current budget.

Accepted by: _____ Proposal submitted by Kim Simon