

Washington Township, Hendricks County Bid Packet

2016 Lease Purchase Financing of Ladder

Washington Township will receive bids through 4:00 p.m. Eastern Daylight Time, October 20, 2016.

The successful lessor will be determined by the least amount of interest to be paid over the lease term of the Ladder. The closing date is expected to be on or before November 4, 2016. Please provide complete amortization schedules as part of your bid.

The successful lessor is expected to provide the necessary documents to effectuate the lease to the Township's Attorney for review and approval by the Township's Administration as soon as possible but no later than October 26, 2016. The lease is expected to allow for purchase at nominal value (\$1.00) upon completion.

Ladder:

The first payment date for the Ladder will be December 5, 2016 and on or about the end of each month thereafter until paid in full on or about November 30, 2022 (59 payments). The value/purchase cost of the Ladder is approximately \$1,030,000. The Township will make a down payment of \$200,000, leaving a remaining balance to lease finance of \$830,000. The exact amount of the lease will be determined at closing. Beginning with the first payment, an invoice must be provided each month for lease payments.

Payment Source:

The payments for the Ladder will be made from annual appropriations from the Township's Cumulative Fire Building and Equipment Fund. This Fund was established and authorized under IC 36-8-14 and has been utilized by the Township for numerous years. The lease payments for the Ladder are programmed as part of the projected expenditures of the Fund. (Please see the attached excerpt from the Township's Fiscal Plan). The projected revenue stream is based on the continuation of the fund's tax rate and assessed value at the same level as certified by the Department of Local Government Finance (DLGF) for 2016. No increases in rate or assessed value were assumed.

Background Data:

The Township refunded three outstanding fire related bonds in March of 2013 with a Standard & Poor's rating of "A/Stable". The General Obligation Refunding Bonds, Series 2013 apply to the same tax base as does the levy for the Cumulative Fire Building and Equipment Fund. Information relevant to the Township and the fire service area tax base can be found at the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) website.

Questions:

Questions specific to the equipment to be purchased should be directed to the Fire Chief, Dan Smith at (317) 272-2155. Questions specific to legal issues should be directed to the Township Attorney, Tony Jost at (317) 636-8000.