

# MEMO

**To:     Dustin Anderson**

**From: Lt. Dan Broelmann**

**Date: November 9, 2023**

**Re:     Lease purchase finance of Four (4) 2024 or Current Ford Police Vehicles**

The police vehicles are to be purchased under the statewide QPA program from Bloomington Ford, who has the state bid on vehicles. The quotes for the equipment to outfit the vehicles have been gathered. The terms of the payment are through Flagstar Public Funding Corp. for 3 years with 6 semi-annual payments. The amount financed for all (4) four vehicles is \$ 285,830.00 (all emergency equipment included) with an annual rate of 5.77%. The final total amount including finance charge is calculated at \$315,375.41. The first payment is scheduled for 05/01/2024, with payments as follows:

| <b>PAYMENT<br/>NUMBER</b> | <b>PAYMENT<br/>DATE</b> | <b>PRINCIPAL<br/>COMPONENT</b> | <b>INTEREST<br/>COMPONENT</b> | <b>PAYMENT<br/>AMOUNT</b> | <b>OPTION<br/>PURCHASE<br/>PRICE</b> |
|---------------------------|-------------------------|--------------------------------|-------------------------------|---------------------------|--------------------------------------|
| 1                         | 05/01/2024              | 44,316.37                      | 8,246.20                      | 52,562.57                 | 246,343.90                           |
| 2                         | 11/01/2024              | 45,594.90                      | 6,967.67                      | 52,562.57                 | 199,837.10                           |
| 3                         | 05/01/2025              | 46,910.31                      | 5,652.26                      | 52,562.57                 | 151,988.58                           |
| 4                         | 11/01/2025              | 48,263.67                      | 4,298.89                      | 52,562.57                 | 102,759.64                           |
| 5                         | 05/01/2026              | 49,656.08                      | 2,906.49                      | 52,562.57                 | 52,110.43                            |
| 6                         | 11/01/2026              | 51,088.66                      | 1,473.91                      | 52,562.57                 | 0.00                                 |

## **Recommendation**

By motion and voice vote, authorize the Police Department to purchase four squads through Flagstar Public Funding Corp.