

Rutherford County

Finance Department

TO: Steve Garrison, County Manager

FROM: Paula Roach, Finance Director



DATE: March 6, 2017

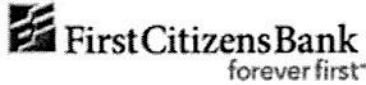
SUBJECT: Vehicle/Equipment Replacement Plan Financing Bids

Proposals were received February 24, 2017, for the \$1,091,719 installment financing for vehicles and associated equipment. The proposals are as follows. Each proposal assumed monthly payments over a 36-month period. A copy of the proposal is attached.

Summary of Proposals

BANK	CONTACT		RATE	OTHER COSTS
Santander	Bruce Block		2.22%	Escrow fees \$2,000 minimum up to \$2,500
First Citizens Bank	Steve Groth		1.58%	No fee escrow account
US Bancorp	Denise Beauchamp		1.593%	no fee escrow account
	*prepayment allowed on any payment date at 103% of outstanding balance			
Carolina Alliance Bank	Merrill Tibbals		2.23%	No prepayment penalty
SunTrust	Dennis McDermott		1.87%	Documentation Fee \$250

First Citizens Bank is recommended as qualified lowest bidder. Funds for the financing have been budgeted in the Vehicle Replacement Fund.



February 23, 2017

To: Paula Roach, Finance Director

Re: Proposal for 2017 Lease Purchase, Rutherford County, North Carolina

Dear Paula,

Following is our offer for the financing requested in the amount of \$1,091,719:

Interest Rate	Final Maturity	Proposed Payment Structure
1.58%	36 months	See Attached Exhibit

This transaction can be closed using draft documents provided by First-Citizens Bank & Trust Company. In addition to executed transaction documents in form satisfactory to the Bank, you must provide an opinion of your attorney addressing certain matters, including, but not limited to:

1. The Borrowing Structure is valid, legal, binding, and enforceable;
2. The tax status of the interest component of payments due under the financing. The attorney's opinion must state that the borrowing is designated as a "qualified tax-exempt obligation" under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

The borrowing entity must also designate the obligation as a "qualified tax-exempt obligation" prior to closing. It is recommended that this designation be included or recited in the borrowing ordinance/resolution. If the amount borrowed hereunder exceeds \$1,000,000, your attorney will be required to provide you with such tax certifications as required by the Internal Revenue Code of 1986, as amended. You or your advisors will be responsible for preparing and filing any IRS required documents.

The rate contained in this proposal is subject to change unless the loan is closed within 45 days of the date hereof. If you have any questions, please contact Courtney Dunlap at 803-931-1721 or me at 803-931-1723.

Thank you for the opportunity to submit this proposal.

First-Citizens Bank & Trust Company

By: Steve Groth
Director of Government & Institutional Banking

The foregoing proposal is accepted and approval of rate and funding is requested:

Rutherford County, North Carolina

By: _____

Title: _____

Date: _____

Rutherford County 2017 Lease Purchase

Computation Interval: Monthly

Nominal Annual Rate: 1.580%

Cash Flow Data - Loans and Payments

Event	Date	Amount	Number	Period	End Date
1 Loan	03/15/2017	1,091,719.00	1		
2 Payment	04/15/2017	31,069.88	35	Monthly	02/15/2020
3 Payment	03/15/2020	31,069.76	1		

TValue Amortization Schedule - U.S. Rule, 30E3/360

	Date	Payment	Interest	Principal	Balance
Loan	03/15/2017				1,091,719.00
1	04/15/2017	31,069.88	1,437.43	29,632.45	1,062,086.55
2	05/15/2017	31,069.88	1,398.41	29,671.47	1,032,415.08
3	06/15/2017	31,069.88	1,359.35	29,710.53	1,002,704.55
4	07/15/2017	31,069.88	1,320.23	29,749.65	972,954.90
5	08/15/2017	31,069.88	1,281.06	29,788.82	943,166.08
6	09/15/2017	31,069.88	1,241.84	29,828.04	913,338.04
7	10/15/2017	31,069.88	1,202.56	29,867.32	883,470.72
8	11/15/2017	31,069.88	1,163.24	29,906.64	853,564.08
9	12/15/2017	31,069.88	1,123.86	29,946.02	823,618.06
10	01/15/2018	31,069.88	1,084.43	29,985.45	793,632.61
11	02/15/2018	31,069.88	1,044.95	30,024.93	763,607.68
12	03/15/2018	31,069.88	1,005.42	30,064.46	733,543.22
13	04/15/2018	31,069.88	965.83	30,104.05	703,439.17
14	05/15/2018	31,069.88	926.19	30,143.69	673,295.48
15	06/15/2018	31,069.88	886.51	30,183.37	643,112.11
16	07/15/2018	31,069.88	846.76	30,223.12	612,888.99
17	08/15/2018	31,069.88	806.97	30,262.91	582,626.08
18	09/15/2018	31,069.88	767.12	30,302.76	552,323.32
19	10/15/2018	31,069.88	727.23	30,342.65	521,980.67
20	11/15/2018	31,069.88	687.27	30,382.61	491,598.06
21	12/15/2018	31,069.88	647.27	30,422.61	461,175.45
22	01/15/2019	31,069.88	607.21	30,462.67	430,712.78
23	02/15/2019	31,069.88	567.11	30,502.77	400,210.01
24	03/15/2019	31,069.88	526.94	30,542.94	369,667.07
25	04/15/2019	31,069.88	486.73	30,583.15	339,083.92
26	05/15/2019	31,069.88	446.46	30,623.42	308,460.50

Rutherford County 2017 Lease Purchase

	Date	Payment	Interest	Principal	Balance
27	06/15/2019	31,069.88	406.14	30,663.74	277,796.76
28	07/15/2019	31,069.88	365.77	30,704.11	247,092.65
29	08/15/2019	31,069.88	325.34	30,744.54	216,348.11
30	09/15/2019	31,069.88	284.86	30,785.02	185,563.09
31	10/15/2019	31,069.88	244.32	30,825.56	154,737.53
32	11/15/2019	31,069.88	203.74	30,866.14	123,871.39
33	12/15/2019	31,069.88	163.10	30,906.78	92,964.61
34	01/15/2020	31,069.88	122.40	30,947.48	62,017.13
35	02/15/2020	31,069.88	81.66	30,988.22	31,028.91
36	03/15/2020	31,069.76	40.85	31,028.91	0.00
Grand Totals		1,118,515.56	26,796.56	1,091,719.00	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
1.580%	\$26,796.56	\$1,091,719.00	\$1,118,515.56