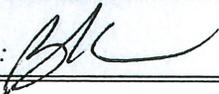


TOWN OF KILL DEVIL HILLS
BUDGET AMENDMENT REQUEST



<i>Finance Department Use Only</i>
<i>Budget Amendment Number: 13</i>
<i>Finance Officer:</i> 

INCREASE (DECREASE)			INCREASE (DECREASE)		
CODE	ACCOUNT DESCRIPTION	AMOUNT	CODE	ACCOUNT DESCRIPTION	AMOUNT
5100 575000	C/O Vehicle	\$262,153.00	10 490000	Lease Proceeds	\$2,054,744.00
5100 576100	IT software	\$153,318.00			
5300 575000	C/O Vehicle	\$791,838.00			
5600 575000	C/O Vehicle	\$46,749.00			
5600 574000	C/O Machinery and Equipment	\$20,002.00			
5800 574000	C/O Machinery and Equipment	\$101,542.00			
5800 575000	C/O – Vehicles	\$679,142.00			
TOTAL		\$2,054,744.00	TOTAL		\$2,054,744.00

JUSTIFICATION: To record FY 22-23 lease proceeds

RECOMMENDED:  _____ APPROVED: _____

DATE: April 5, 2023



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

April 5, 2023

TO: Debbie Diaz, Town Manager

FROM: Beverly Kissinger, Finance Director
 Angell Doughtie, Assistant Finance Director

RE: Recommendation for 2022/2023 Lease Purchase Agreement

Finance has obtained lease purchase financing quotes from the following financial institutions:

	Interest Rate 4-Yr	Interest Rate 7-Yr
Truist Bank	4.20%	4.13%
First National Bank PNC	4.337%	4.256%
Southern Bank	4.95%	4.99%
PNC	N/A	N/A

The financed amount is as follows:

(5) Police vehicles	\$ 242,814
Police Utility vehicle	19,339
Police Software	153,318
Streets F150 Pick Up Truck	46,749
Streets Dept John Utility Tractor	20,002
Solid Waste Grapple Attachment	101,542
(2) Commercial Garbage Trucks	<u>679,142</u>
Total (4-year term request)	<u>\$ 1,262,906</u>

Fire Pumper Truck (7-year term request)	<u>\$ 791,838</u>
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Staff is recommending we accept the proposal received from Truist Bank at a 4- year fixed rate of 4.20% for the vehicles and equipment and the 7-year fixed rate of 4.13% for the Fire Pumper Truck. The terms of repayment are (8) and (14) semiannual payments in advance respectively. There are no fees and the loan is pre-payable in whole at any time without penalty. Due to supply and demand, as well as inflationary cost, some items exceeded individual department budget estimates.

A budget amendment to record this financing and additional departmental lease payment appropriation is included.



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

Resolution Approving Financing Terms

WHEREAS: The TOWN OF KILL DEVIL HILLS (“Borrower”) has previously determined to undertake a project for the financing of Equipment (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Borrower hereby determines to finance the Project through Truist Bank (“Lender”) in accordance with the proposal dated March 23, 2023. The amount financed shall not exceed \$1,262,906.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 4.20%, and the financing term shall not exceed) 4 years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document’s final form.
4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower’s official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower’s general

fund or any other Borrower fund related to the Project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this _____ day of _____, 20____

By: _____ By: _____

Title: _____ Title: _____

SEAL



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

Resolution Approving Financing Terms

WHEREAS: The TOWN OF KILL DEVIL HILLS (“Borrower”) has previously determined to undertake a project for the financing of Fire Truck (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Borrower hereby determines to finance the Project through Truist Bank (“Lender”) in accordance with the proposal dated March 23, 2023. The amount financed shall not exceed \$791,838.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 4.13%, and the financing term shall not exceed) 7 years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document’s final form.
4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower’s official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower’s general fund or any other Borrower fund related to the Project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this _____ day of _____, 20____

By: _____ By: _____

Title: _____ Title: _____

SEAL