

CITY OF SEGUIN

To: City Council
From: Susan Caddell, Director of Finance
Date: June 26, 2025
Subject: Lease Purchase Agreement with Government Capital Corporation



It's real.

Historical Background

Police Department staff has the opportunity to purchase ten 2023 Dodge Chargers. The cost of the Chargers along with any upfitting is \$700,098.30. This purchase will require financing through a lease-purchase agreement. Since 2017, staff has been purchasing the police vehicles through a lease-purchase agreement with American National Leasing. This past year, several issues arose with this company. Staff would like to enter into a lease-purchase agreement with Government Capital Corporation (GCC) for the purchase of these vehicles. The City has used GCC over the past several years for the purpose of financing golf equipment along with some public works equipment and have had very good experience with them. We have received quotes on a four-year term (4.983%), a five-year term (5.05%) and a six-year term (5.10%).

Action Requested

City Council must approve the resolution attached.

Staff Recommendation

Staff recommends approval of entering into the lease-purchase agreement for a five-year term at a rate of 5.05%.

ATTACHMENTS

1. Resolution approving the lease-purchase agreement.
2. Financing proposal