

MEMORANDUM

To: Mayor and City Councilmembers
Steve Parker, City Manager

From: Susan Caddell, Director of Finance, City of Seguin

Subject: Equipment Financing

Date: October 27, 2022

In the FY2023 budget, a sprayer, top dresser, tee mower and equipment lift were budgeted to be purchased through a finance contract. We have financed several of our golf course equipment through Government Capital over the last several years. They quoted a maximum amount financed of \$150,000 at an interest rate of 5.85% over four years of annual payments. The first payment would not be due until next fiscal year. I am recommending financing through Government Capital once again.

Attached is a resolution approving the financing and a sample contract. The City Attorney has reviewed it. Once we get the final costs of the equipment a final contract will be signed.

Staff is recommending approval of the attached resolution approving a four-year lease purchase agreement with Government Capital Corporation.

Please let me know if you have any further questions.