

MEMORANDUM

To: Mayor and City Councilmembers
Steve Parker, City Manager

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

Subject: Lease-Purchase Financing

Date: March 31, 2021

In the FY2021 budget, a trimax mower for the Golf Course was budgeted to be purchased through a lease purchase contract. We have financed several of our golf course equipment through Government Capital over the last several years. They quoted me an interest rate of 3.865% over three years of annual payments. The first payment would not be due until next fiscal year, but we will be putting a down payment of \$16,000 this fiscal year as this is what was budgeted. I am recommending financing through Government Capital once again.

Attached is a resolution and sample contract with Government Capital. The City Attorney has reviewed the contract.

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

Please let me know if you have any further questions.