

GILPIN AMBULANCE AUTHORITY
NOTICE OF SPECIAL MEETING AND AGENDA
Friday, October 6, 2023, 9:00 am
Zoom Meeting

- I) Call to Order
- II) Roll Call
- III) Conflicts of Interest
- IV) Additions/Amendments to the Agenda
- V) Vehicle Chassis and Lease Purchase Discussion
 - a) Request to expend funds for one chassis in 2023 as a prepaid expense applied to the 2024 budget for the EMTS grant awarded.
 - b) Review of Leasing 2 Lease Financing Proposal with payment deferral to the 2025 budget.
- VI) Action Items
 - a) Vote to approve to expend funds for one chassis in 2023 as a prepaid expense applied to the 2024 budget.
 - b) Resolution 02-2023 – The Gilpin Ambulance Authority Board of Directors authorizes Chief Cody Carroll to enter into a 5 or 7 year Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of a new ambulance in the amount of \$270,100 purchased from Frazer.
- VII) Public Comment
- VIII) Board Comment
- IX) Next Meeting October 18, 2023 – 10 am
- X) Adjourn Meeting

LEASE FINANCING PROPOSAL



Lessee

Gilpin Ambulance Authority, CO

Vendor

Frazer

Proposal Date:	September 28, 2023	
Equipment Description:	Frazer Type I Ambulance on a Ford F450 4x4 Diesel Chassis	
Commencement Date:	October 15, 2023	
	<u>Option 1</u>	<u>Option 2</u>
Equipment Cost:	\$264,015	\$264,015
Lessee Down Payment:		
Amount Financed:	\$264,015	\$264,015
Lease Term:	5 Years	7 Years
First Payment Date:	2/1/2025	2/1/2025
Payment Frequency:	Annual	Annual
Lease Rate:	6.22%	6.12%
Payment Amount:	\$64,239.84	\$48,372.24

Qualifications:

1. **Pricing:** This is a lease proposal for the payment stream(s) indicated above. If any of the information identified above are not correct, please advise us so that we can determine if a new proposal is required. Other important elements of this proposal are:

a) **Rate Expiration:** Due to the current increasing rate markets, this proposal is valid under the following circumstances:

- The award is received within 7 days of the Proposal Date.
- The transaction is closed within 30 days off the Proposal Date.

If you are unable to award within 7 days, please contact us prior to your decision meeting date and we will provide a current proposal.

b) **Closing Costs:** There will be no up-front costs of any kind charged by Lessor including closing costs, points, administrative costs, etc. Your attorney may charge you to review the lease documents and complete the opinion letter required with our lease documentation.

c) **Fixed Rates:** Rates for ten (10) years and under are fixed for the entire term. Terms over ten years have a one time rate adjustment after ten (10) years to the then current interest rates for the remaining term.

2. **Type of Lease:** This is a lease-purchase type of financing. After all the lease payments are made, Lessee will own the equipment without further cost.

3. **Financial Reporting:** All city, county and tax districts (including fire districts) will be expected to provide GAAP audited financial reports. All non-profit corporations (vfd's) will be expected to provide IRS 990 federal tax returns. If you do not maintain these types of financial reports, please contact us to discuss.

4. **Vendor Payable / Escrow Account (where applicable):** In the event that the truck(s) and/or equipment are not ready to be delivered, proceeds of this lease will be held in a vendor payable account until delivery/acceptance. This is a non-interest bearing account to Lessee.

5. **Credit Approval and Documentation:** This is a proposal only, and does not represent a commitment to lease. This financing is subject to credit review and approval and execution of mutually acceptable documentation, including the opinion of lessee's counsel opining that the agreement is legal, valid and binding, obligation of Lessee.

Financing by:

Leasing 2, Inc.

Contact:

Rick Carney

Phone:

813-258-9888 x16

Email:

rcarney@leasing2.com

Web:

www.leasing2fire-ems.com



REQUEST TO PROCEED:

When you are ready to proceed with Leasing 2 towards finalizing this lease financing arrangement, please indicate so by signing below and completing the requested information. We will immediately email you our application. Thank you for your confidence and consideration.

Proposal date: September 28, 2023

Option Chosen: _____ (where applicable)

Upcoming Governing Body meeting date for lease approval: 10/18/2023

Gilpin Ambulance Authority, CO

Name of Lessee

Authorized Signature

10/06/2023
Date

Board President
Title

Buddy Schmalz
Printed Name Of Authorized Signature

December
Last month of your budget year?

Cody Carroll
Contact Name
(If Different Than Authorized Signature)

720-485-9200
Contact Phone

ccaroll@gilpinambulance.com
Contact Email

Erin Gibbs
Financial Contact Name
(Can be Treasurer or Clerk)

720-575-0193
Contact Phone

erin@gilpinambulance.com
Contact Email

Please complete the above information and **fax or email** all pages of the proposal to
813-258-9333 / rcarney@leasing2.com



**** Important: A Resolution will be required with the lease contract ****

**In the event that you require board action to sign this proposal,
please call us so that we may forward the preferred form for the meeting.**

Are you ready to move forward with Leasing 2?

Here is a quick overview on our process

- 1. Signed Proposal** - When you are ready to move forward with Leasing 2, email a scan of the completed and signed proposal back to Leasing 2.
- 2. Credit Application** - A credit application and request for current financial reports will be emailed to the designated contacts upon receipt of the signed proposal. The credit application should be completed and returned promptly to protect your quoted interest rates. Credit approval usually comes within a few days receipt of the completed credit application.
- 3. Financing Agreement** - Once credit approval is accomplished, the financing agreement will be emailed for review and signature. Once the contracts are signed and returned, we are ready for closing.



CREDIT PACKAGE CHECKLIST

Thank you for recently awarding your lease-purchase transaction to our company. Please begin to compile a credit package using the following check list. We will be in contact with you soon to see if you have any questions and arrange for its return.

Credit Package	Checklist
1. Completed Credit Application	_____
2. Completed W-9	_____
3. Sales & Use Tax Certificate of Exemption	_____
4. Do you have a signed Sales Contract with Vendor/Manufacturer? Yes _____ No _____	
• If Yes, please include a copy	_____
• If No, please include a quote, proposal, or other document that accurately identifies the equipment description and cost.	_____
5. Financial Reports	
a. Last 3 year-end audit reports. (All pages)	
• 2020	_____
• 2021	_____
• 2022	_____
• 2023 Internal Budget vs Actual Revenue and Expenses	_____

NOTE: Resolution of Governing Body can be addressed after credit submittal:

Review the attached resolution. If you took sufficient action to sign it at your last meeting then you are all set. Otherwise add this to your agenda for the next meeting. An original will be sent to you with the lease contracts for execution.

Please overnight or email this package to my attention at:

Leasing 2, Inc.
Attn: Donna Womack
1720 W. Cass Street
Tampa, FL 33606
813-258-9888 x14
dwomack@leasing2.com

Thank you for your effort in getting the above information to us.

CREDIT APPLICATION (Continued)

DEMOGRAPHIC INFORMATION:

Approx. square miles _____ Population _____ Increasing or Decreasing? _____

If decreasing, please explain: _____

INSURANCE TYPE:

- | | | |
|--------------------------|-----------|----------|
| 1. Commercially Insured: | Yes _____ | No _____ |
| 2. Self Insured*: | Yes _____ | No _____ |
| 3. Managed Risk Pool*: | Yes _____ | No _____ |
| 4. Other: | _____ | |

General Liability Coverage Limits: Aggregate: \$ _____ Each Occurrence: \$ _____

Contact Name: _____ Phone: _____

*If self-insured or Managed Risk Pool, please provide a contact name and number for us to secure additional information:

ATTORNEY: Should we send a copy of the lease document directly to your attorney? Y _____ N _____

Name

Phone

Firm

Fax

Physical Address

or, if your attorney prefers,

City, State, Zip

E-mail address

I certify that the information stated in this application is true and correct to the best of my knowledge. I understand that you will retain this application whether or not it is approved. You are authorized to obtain credit information as needed to process this application.

Applicant's signature

Printed name and title

Date

Sample

EXHIBIT A

RESOLUTION OF GOVERNING BODY EXTRACT OF MINUTES

LESSEE (legal name): _____

At a duly called meeting of the governing body of Lessee (as defined in the Agreement) held on the _____ day of _____ 20_____ the following resolution was introduced and adopted.

WHEREAS, the governing body of Lessee has determined that a true and very real need exists for the acquisition of the Equipment described in the Lease-Purchase Agreement presented to this meeting; and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use.

WHEREAS, the governing body of Lessee has taken the necessary steps, including any legal bidding requirements, under applicable law to arrange for the acquisition of such equipment.

BE IT RESOLVED, by the governing body of Lessee that the terms of said Lease-Purchase Agreement and Escrow Agreement are in the best interest of Lessee for the acquisition of such equipment, and the governing body of Lessee designates and confirms the following persons to execute and deliver, and to witness (or attest), respectively, **Leasing 2, Inc.** Lease-Purchase Agreement and Escrow Agreement, if applicable, and any related documents necessary to the consummation of the transactions contemplated by the Lease-Purchase Agreement and Escrow Agreement.

(Signature of Party to Execute Lease-Purchase Agreement and Escrow Agreement)

(Print Name and Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect and further certifies that the above and foregoing Lease-Purchase Agreement and Escrow Agreement is the same as presented at said meeting of the governing body of Lessee.

Secretary/Clerk

Date

****Please include the following language in your meeting minutes associated with passing this Resolution:**

“(Name of Entity) authorizes (Name or Title of person with authority to sign Agreement) to enter into a (Term of Lease) Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of (Description of Equipment) in the amount of (\$ Amount) purchased from (Name of Vendor).”

Sample Agenda Item or Minutes:

City of XYZ authorizes the City Manager to enter into a 5 year Lease Purchase Agreement with Leasing 2, Inc. to finance the purchase of a new Fire Pumper, Vacuum Truck, etc. in the amount of \$500,000 purchased from Vendor XYZ.

GILPIN AMBULANCE AUTHORITY

A RESOLUTION AUTHORIZING LEASE-PURCHASE FINANCING TO PROVIDE FUNDS FOR THE ACQUISITION OF TWO AMBULANCES, AND, IN CONNECTION THEREWITH, APPROVING A LEASE PURCHASE AGREEMENT, ESCROW AGREEMENT, AND OTHER DOCUMENTATION RELATING TO THE FINANCING

WHEREAS, the Gilpin Ambulance Authority (“Authority” or “Lessee”) is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing pursuant to Section 29-1-203 of the Colorado Revised Statute (“C.R.S.”) and Part 1 of Article 11 of Title 29, C.R.S. (collectively, the “Act”); and

WHEREAS, as authorized by the Act, the Authority was established pursuant to the Establishing Contract for Gilpin Ambulance Authority dated June 2, 2009, and as amended, (the “IGA”) by and among Clear Creek County, the Town of Black Hawk, and Central City (collectively, the “Parties”) to provide emergency medical services; and

WHEREAS, pursuant to applicable law and the IGA, the Authority is authorized to acquire, dispose of and encumber real and personal property, including without limitation rights and interest in equipment, vehicles and leases necessary to the functions and operations of the Authority; and

WHEREAS, the Board of Directors of the Authority hereby finds that a true and very real need exists for the acquisition of two ambulances (the Equipment”), it is in the best interests of the Authority, the Parties, and their residents and visitors to acquire the Equipment, and has further determined that the Equipment will be used solely for essential governmental functions and not for private business use; and

WHEREAS, to finance the purchase of the Equipment, the Authority shall lease the Equipment from Leasing 2, Inc. (the “Lessor”) pursuant to a Lease Purchase Agreement (the “Lease”); and

WHEREAS, the Authority’s obligation to pay the annual charges under the Lease constitute a current expense of the Authority payable exclusively from its funds and shall not in any way be construed to be a general obligation indebtedness or other multiple fiscal year financial obligation whatsoever of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Gilpin Ambulance Authority as follows:

1. Authorization of Lease and Escrow Agreement. The Lease and Escrow Agreement, in substantially the form and with substantially the content presented to the Authority attached hereto as Exhibit A, are in all respects approved, authorized and confirmed. The Board hereby approves the leasing of the Equipment by the Authority from the Lessor for an annual rental amount not to exceed \$65,000. The Board hereby determines and declares: (a) the rental amount under the Lease is the fair value of the use of the Equipment, (b) the fair purchase price of the Equipment is not more than

\$265,000 and (c) the rental amount under the Lease, the purchase price of the Equipment and the other terms of the Lease and Escrow Agreement do not place the Authority under an economic or practical compulsion to appropriate moneys to make payments under the Lease or to exercise its option to purchase the Equipment pursuant to the Lease. In making such determinations, the Board has given consideration to the current market value of the Equipment, the cost and use of the Project and the Equipment, the Project's benefits to the residents and visitors of the Authority, the option of the Authority to purchase the Equipment, and the expected eventual vesting of the full title to the Equipment in the Authority.

2. Execution of Miscellaneous Documents. The Manager is authorized and directed to execute the Lease and Escrow Agreement in substantially the form and with substantially the same content as presented to the Authority, for and on behalf of the Authority, and to execute all other additional certificates, documents and other papers associated with the transactions and other matters authorized by this Resolution (the "**Financing Documents**") but with such changes therein as the Manager may deem necessary or appropriate, as evidenced by the execution thereof.

3. Lease Subject to Annual Appropriation. No provisions of this Resolution or the Lease shall be construed as creating or constituting a general obligation or multiple-fiscal year direct or indirect indebtedness or other financial obligation whatsoever of the Authority nor a mandatory payment obligation of the Authority in any ensuing fiscal year during which the Lease shall be in effect. The term of the Lease shall not extend beyond one year, subject to annual renewal for an aggregate renewal period not to exceed ☐ years, and the Authority shall have no obligation to make any payment except in connection with the payment of rent and other amounts due under the Lease in accordance with the provisions of the Lease. The Board hereby determines and declares that the duration of the Lease, including all optional renewal terms, does not exceed the weighted average useful life of the Equipment.

4. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

5. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the Board or by the officers, employees and agents of the Authority directed toward the purchase of the Equipment and its financing for the purposes herein set forth are hereby ratified, approved and confirmed.

6. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the Board.

RESOLVED this 6th day of October, 2023.

GILPIN AMBULANCE AUTHORITY

By:

Buddy Schmalz, Board President

Attest:

Ray Rears, Secretary/Treasurer

Exhibit A

Lease Purchase Agreement and Escrow Agreement