

**CITY OF LARAMIE COUNCIL REGULAR MEETING      February 2, 2021**



**Agenda Item: Resolution**

**Title: Resolution 2021-08, Authorizing the City of Laramie to Enact a Reimbursement Resolution to Pay for Equipment Expenditures and Seek Reimbursement from Proceeds**

**Recommended Council MOTION:**

Move to approve Resolution 2021-08, authorizing the City of Laramie, Wyoming to enact a Reimbursement Resolution to pay for equipment expenditures and seek reimbursement from proceeds of one or more tax exempt leases for projects bid on in FY 2021 budget, and authorize the Mayor and Clerk to sign.

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**Administrative or Policy Goal:**

The Finance department must bid and contract with banking authorities for lease purchases, which can cause a timing delay or issue with departments bidding and taking delivery of equipment.

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**Background:**

Large equipment is often funded by a lease purchase agreement. The Finance department cannot issue a lease purchase without appropriate timing of the equipment (once bid and contracted). In order to seek lease purchases from banking authorities, the City requests bids for the best available rates. The City must then contract with the banking agency for the lease terms and conditions and seek council approval for the lease purchase contract. This usually takes about a month due to timing of Council meetings. This resolution will allow the City to pay the vendor and relieve City Departments from the constraints of lease purchase timing issues. This resolution allows the City to seek reimbursement from lease proceeds after payment of the equipment with City funds.

We are recommending that you allow this proposal to be in place for the equipment schedule to be bid and purchased for FY2021 but delivery and leasing may extend into Fy2022. However, the Finance department will only utilize this process when necessary. The resolution requires an amount to allow to lease, and we are recommending \$\$1,835,000 over the biennium for all funds.

The items currently scheduled for lease purchase financing are listed below, but the City may elect to finance additional equipment if necessary:

- Unit 676 Garbage Truck (Solid Waste Fund) \$353K
- Unit 303 Sewer Truck Trailer (Wastewater Fund) \$233K
- Unit 601 Scraper (Solid Waste Fund) \$865K
- Unit 211 Dump Truck (General Fund) \$251K
- Unit 961 Mower replacement. (General Fund) \$133K

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**Legal/Statutory Authority:**

W.S. 15-1-702, IRS Code 103

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**BUDGET/FISCAL INFORMATION:**

**REVENUE**

Source	Amount	Type
Fees/Charges for Service		
Grants for Projects		
Loans on Project		
Other	\$1,835,000.00	Lease revenues pertaining to all funds
Total	\$1,835,000.00	

**EXPENSE**

Proposed Project Cost.

Project Cost		
Lease purchases	\$1,835,000.00	Lease Purchase Equip Expenditures - All Funds
Grants for Project		
Other/Outside Projects		
City's Amount		
Contingency 0%	\$0.00	
Total Amount	\$0.00	Nets (cost of lease finance/ principal reimbursed)

Amount spent to date (approved and adopted by Council)

Budget	Amount	Funds
Total Budget Allocation		
Less Amount Spent to Date		
Remainder of Budget	\$0.00	

Proposed Cost (Approval of this item authorizes preparation of a budget revision for the proposed amount)

Expenditures	Amount	Fund
Proposed Expenditure		
Current Budget		
Additional Amount Requested		
Total Proposed Budget	\$0.00	

**Responsible Staff:**

Malea Brown, Chief Operating Officer

Attachments:

Resolution 2021-08