



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: John Buchanan

MEETING DATE: 08/03/2023

AGENDA SECTION: Consent

DEPARTMENT: Finance

TITLE OF ITEM: Approval of United Financial, a Division of HomeTrust Bank to Provide Installment Financing for Vehicles and Equipment Purchased in Fiscal Year 2023-2024 – *John Buchanan, Finance Director*

SUGGESTED MOTION(S):

I move that City Council adopt the Resolution by the City of Hendersonville City Council to Approve the Financing terms for the Purchase of Vehicles and Equipment as presented.

SUMMARY:

As detailed in the Capital Improvement Plan, the City has or will purchase vehicles and equipment totaling \$1,832,500, with \$1,814,250 to be financed. Staff requested proposals earlier in the year for the FY2023 financing and United Financial, a division of HomeTrust Bank was selected. Staff spent significant time working with the lender to develop an agreement that would be easier for our legal team to review and approve future agreements. Staff is requesting that we again use United Financial to provide needed cash flow for purchases for FY2024 vehicle and equipment purchases. There will be two financing agreements, one at 4 years at a principal amount not to exceed \$932,250 with an annual rate of 3.8% and a 7 year at a principal amount not to exceed \$882,000 with an annual rate of 3.93%

BUDGET IMPACT: Detailed Above

Is this expenditure approved in the current fiscal year budget? Yes

If no, describe how it will be funded.

ATTACHMENTS:

4-year Proposal

7-year Proposal

Resolution