

CITY OF LYNDEN

EXECUTIVE SUMMARY - FINANCE



Meeting Date:	October 21, 2024	
Name of Agenda Item:	RES-24-1105 Approving People's Bank Loan to Finance Quint Fire Truck	
Section of Agenda:	Consent	
Department:	Finance	
Council Committee Review:		Legal Review:
<input type="checkbox"/> Community Development	<input type="checkbox"/> Public Safety	<input type="checkbox"/> Yes - Reviewed
<input checked="" type="checkbox"/> Finance	<input type="checkbox"/> Public Works	<input type="checkbox"/> No - Not Reviewed
<input type="checkbox"/> Parks	<input type="checkbox"/> Other: _____	<input checked="" type="checkbox"/> Review Not Required
Attachments:		
RES-24-1105 and Governmental Certificate from People's Bank		
Summary Statement:		
<p>On December 19, 2022, City Council approve the purchase of the Pierce 107' Quint Fire Truck from Hughes Fire Equipment, totaling \$1,533,975.53.</p> <p>The first two installment payments (\$539,710 & \$319,784, respectively) have been made using cash reserves, and the third and final payment is anticipated to be due in November 2024. The payment must be made prior to taking possession of the Quint in December.</p> <p>The final payment is estimated at \$737,885. The City has sourced funding from People's bank in the form of a 5-year term loan. The interest rate on the loan is the Federal Home Loan Bank (FHLB) rates plus 1.5%, with a floor of 4.5%. The exact rate of the loan will be determined at the time of signing. The loan will be due in 5 combined principal and interest payments.</p> <p>This was reviewed in Finance Committee on October 21, 2024</p>		
Recommended Action:		
That City Council approve Resolution No. 24-1105 Approving People's Bank loan to finance Quint Fire Truck and authorize the Mayor's signature on the applicable agreement with People's bank.		