

TOWN OF PINETOP-LAKESIDE

RESOLUTION NO. 22-1636

A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA, APPROVING THE LEASE PURCHASE BY REFINANCING OF A CAT® MOTOR GRADER 120M2 IN AN AMOUNT NOT TO EXCEED \$106,818.04; AND AUTHORIZE THE TOWN MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THIS TRANSACTION.

WHEREAS, the Town of Pinetop-Lakeside (Town) Town Council approved the FY 2022/23 budget, and the Town's Capital Improvement Plan (CIP) cites the lease purchase of a Cat® Motor Grader 120M2; and

WHEREAS, the Town originally purchased this Motor Grader 120M2 through a finance agreement on March 19, 2015 that called for a balloon payment of \$84,720 to be made in September, 2022, and

WHEREAS, Town staff has reviewed the Finance Proposal from Caterpillar Financial Services Corporation (Exhibit B), and has determined it is in the best interest of the Town to refinance the outstanding balloon payment due of \$84,720,

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Town Council of the Town of Pinetop-Lakeside, Arizona approve the lease purchase by refinancing of a Motor Grader 120M2, in an amount not to exceed \$106,818.04 to be paid with annual payments that are subject to annual appropriation; and authorize the Town Manager to execute all documents necessary to complete this transaction.

PASSED AND ADOPTED by a majority vote of the Mayor and Town Council of the Town of Pinetop-Lakeside in an open meeting on this 20th day of October 2022.



TOWN OF PINETOP-LAKESIDE

Stephanie Irwin
Stephanie Irwin, Mayor

ATTEST:

Kristi Salskov
Kristi Salskov
Town Clerk

APPROVED AS TO FORM:

William Sims
William J. Sims, III
Town Attorney

Caterpillar Financial Services Corporation

Finance Proposal

CUSTOMER

Name: TOWN OF PINETOP - LAKESIDE

Address 325 W. WHITE MTN BLVD
 City LAKESIDE
 State AZ

Good if:
 Acknowledged by Nov-11-2022
 Funded by Nov-11-2022

DEALER

Non-Dealer Business _____
 Sales person Rep Sales, Dealer New
 Dealer contact _____
 Telephone _____

Quote number 4438555
 Fax Number _____
 Quote Date 12-Oct-22
 Quote Time 12:35:25 PM

FINANCE PROPOSAL

This is Caterpillar Financial Services Corporation's confirmation of the following finance proposal. This is a proposal only and is subject to credit approval, execution of documentation, and execution and approval of the application survey.

Finance Type Governmental Lease
 Number of Payments 5 Annual
 Payments in Advance

Quoted By Lewis Armstrong
 Report Created By Lewis Armstrong

	<u>Model</u>	<u>Ann. Hours</u>	<u>Qty</u>	<u>Sale Price</u>	<u>Amount Financed</u>	<u>Payment</u>	<u>Balloon</u>	<u>Fixed Rate</u>
Used	120M2	1000	1	86,992.86	97,586.95	See Amort. Schedule	1.00	6.3800%

Special Conditions:
 120M2

Serial Number - R9N00201, Model Year - 2015, Standard Environment;
 Major Attachments-Air Conditioning, Cab, Blades/Buckets/Rippers-Ripper;
 Manual Configuration and Work Tools:

Payment Structure – Asset
 4 Annual payment(s) 26,704.26
 1 Stub payment(s) 1.00

	<u>Model</u>	<u>Insurance</u>	<u>Payment w/Insurance</u>
Used	120M2	1,013.59	Amort. Sch.

The estimate for insurance is provided through Caterpillar Insurance Company (Provided by Westchester Insurance Company in Rhode Island) and is not an offer to contract for insurance.

CONDITIONS

- Insurance:** The customer must provide evidence of physical damage and liability insurance in an amount and from an insurance carrier satisfactory to CFSC. CFSC must be named on the policies, as loss payee and additional insured, as applicable, and a certificate of insurance, in form and substance acceptable to CFSC, must be provided to CFSC.
- Taxes:** All taxes are the responsibility of the customer and may or may not be included in the above payment amount.
- Equipment:** The equipment cannot be delivered until all documents are executed by CFSC. All equipment must reside in the United States at all times.
- Approval:** This proposal is subject to, among other things, final pricing, credit approval and document approval by CFSC.

The terms and conditions outlined herein are not all-inclusive and are based upon information provided to date. This proposal may be withdrawn or modified by Lessor at anytime. This proposal does not represent an offer or commitment by CFSC to enter into a transaction or to provide financing and does not create any obligation for CFSC. A commitment to enter into the transaction described herein may only be extended by CFSC after this transaction has been approved by all appropriate credit and other authorities within CFSC.

Caterpillar Financial Services Corporation
 2120 West End Avenue, Nashville, TN 37203
 (615)-341-1000

We appreciate the opportunity to provide you a proposal for this transaction.

Proposed by:

Caterpillar Financial Services Corporation

Acknowledged by:

TOWN OF PINETOP - LAKESIDE Date

Amortization Schedule

Quote Number	4438555
Customer	TOWN OF PINETOP - LAKESIDE
Model	120M2 Motor Grader
Serial Number	R9N00201

Number of Payments Made	Starting Balance	Loan	Payment	Option	Interest	Interest Rate	Principal	Ending Balance
		97,586.95						
1	97,586.95	0.00	26,704.26	0.00	0.00	6.38%	26,704.26	70,882.69
		-----	-----	-----	-----		-----	
total		97,586.95	26,704.26	0.00	0.00		26,704.26	
2	70,882.69	0.00	26,704.26	0.00	4,522.32	6.38%	22,181.94	48,700.75
		-----	-----	-----	-----		-----	
total		0.00	26,704.26	0.00	4,522.32		22,181.94	
3	48,700.75	0.00	26,704.26	0.00	3,107.11	6.38%	23,597.15	25,103.60
		-----	-----	-----	-----		-----	
total		0.00	26,704.26	0.00	3,107.11		23,597.15	
4	25,103.60	0.00	26,704.26	0.00	1,601.61	6.38%	25,102.65	0.95
		-----	-----	-----	-----		-----	
total		0.00	26,704.26	0.00	1,601.61		25,102.65	
5	0.95	0.00	1.00	0.00	0.06	6.38%	0.94	0.01
		-----	-----	-----	-----		-----	
total		0.00	1.00	0.00	0.06		0.94	
total		97,586.95	106,818.04	0.00	9,231.10		97,586.94	

Ending Balance not equal to early buy out amount.