



KANSAS CITY MISSOURI

Ordinance No. 230804

Fire Department

Ambulance Vehicles Financing

September 27, 2023

Finance, Governance, and Public Safety Committee



Purpose

- Authorize lease purchase with Banc of America Public Capital Corp.
 - Thirteen (13) ambulances
 - Aggregate amount not to exceed \$4.99 million
- Estimate and appropriate lease proceeds
- Designate requisitioning authority
- Close project funds upon completion, declare intent to reimburse with borrowed proceeds and authorize lease counsel

Master Lease Purchase Agreement with Banc of America Public Capital Corp (“BAPCC”)

- Entered Master Lease Purchase Agreement with Banc of America Public Capital Corporation (“BAPCC”) on May 1, 2020
- Allows the City to finance vehicles and equipment with set contract terms and a contract rate based on current market rates and a credit spread
- The City pledges to appropriate annual debt payments under the Lease Schedule
- BAPCC takes a security interest in the equipment being financed, through the filing of a Uniform Commercial Code financing statement

Background

- Fourth purchase cycle (Year 4) of ambulance replacement to continue the establishment of the fleet life cycle
 - 12 per year
 - Replacing one (1) ambulance due to an accident
 - Total purchase of 13 ambulances
- Ordinance No. 200499 approved first installment
 - To date, twenty-eight (28) have been built and delivered
 - Eight (8) are in progress, expected delivery by the end of 2023

Financial Impact and Source of Repayment

- Estimated annual debt service payment
 - \$1.1 million per year
 - Five year financing
 - 5% interest rate
- Source of repayment
 - Fire Capital Sales Tax Fund

Questions?