



ORDINANCE NUMBER 35-2020

AUTHORIZING A LEASE-PURCHASE AGREEMENT, SERIES 2020, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$2,057,103 RELATING TO THE FINANCING OF EQUIPMENT FOR MUNICIPAL PURPOSES; AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS INCLUDING THE LEASE AGREEMENT; AND OTHER RELATED MATTERS

THE CITY COUNCIL (“COUNCIL”) OF THE CITY OF GREER, SOUTH CAROLINA (“CITY”), ORDAINS:

Section 1. The City of Greer, South Carolina, finds:

- (a) the City is a body politic and corporate and a municipal corporation and possesses all powers granted to municipal corporations by the Constitution and general laws of South Carolina;
- (b) the City desires to enter a lease-purchase arrangement (“Lease”) to finance the purchase of equipment (“Equipment”) as more fully described on *Exhibit A* and *Exhibit B*, a copy of each of which is attached to this Ordinance; and
- (c) the City’s payments under the Lease are subject to annual appropriation by the Council.

Section 2. The Council authorizes the City Administrator, and his designees, to distribute a request for proposals to various financial institutions, determine the final principal amount (subject to the limit established in the City’s Budget Ordinance for Fiscal Year 2020-2021), the interest rate, and maturity date of the Lease, and to select a financial institution based on a variety of factors, as the City Administrator deems appropriate, all without further action required of the Council.

Section 3. The City intends to reimburse itself for any expenditures under IRS regulations according to *Exhibit C* of this Ordinance.

Section 4. The Council authorizes the Mayor, the City Administrator, the Chief Financial Officer, the City Attorney, and the City Clerk, acting jointly or individually, to execute and deliver the Lease and whatever other documents as are necessary to effect the execution and delivery of the Lease.

[ONE SIGNATURE PAGE AND THREE EXHIBITS FOLLOW]
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EXHIBIT A
FIVE-YEAR EQUIPMENT LIST

City of Greer
Capital Equipment Fund
Equipment Listing
Lease Purchase, FY 6/30/20

	Administration Dept. 411	Mun. Court Dept. 412	Gen. Govt. Dept. 419	Fire Dept. Dept. 422	Police Dept. Dept. 435	Public Services Dept. 445	Recreation Dept. 450	Codes Dept. Dept. 451	Total
Appliances					2,000				2,000
Aerial Drone					23,600				23,600
Banners / Christmas Decorations							31,500		31,500
Cameras					48,010	22,500		2,500	73,010
Computers, Equipment, and Software	10,000	700	27,200	10,000	14,153	55,400	9,150	3,000	129,603
Fencing & Lighting							28,950		28,950
Fire Hoses & Adapters				15,000					15,000
Furniture & Furnishings, Fixtures & Equipment		11,000		1,700	24,700	8,000	68,500		113,900
Gas Pumps						79,000			79,000
HVAC						5,000	8,500		13,500
In-Car Computers/Modems					27,200				27,200
Medical Equipment				154,000					154,000
Mowers / Maintenance Equipment							253,000		253,000
Network Equipment			131,000						131,000
Portable Radios / Radio Equipment					147,688				147,688
Rescue Equipment				75,000					75,000
Security System			31,000						31,000
Shop Equipment						16,500			16,500
Signage					3,522				3,522
Snow Removal Equipment						8,000			8,000
Sports Equipment							5,800		5,800
Tractor						31,000			31,000
Training Props & Materials				17,000					17,000
Utility Vehicle							3,500		3,500
Vehicles and Equipment					364,000	131,500	64,900		560,400
Video Recording System					75,430				75,430
Weapons and Weapons Upgrades					7,000				7,000
	10,000	11,700	189,200	272,700	711,703	356,900	473,800	5,500	2,057,103

<u>Vehicles and Equipment</u>			
Dept. 435	364,000	8	Ford Interceptors and lights/sirens/equipment
Dept. 445	131,500	2	Dump Truck, Sanitation Trailer
Dept. 450	64,900	2	Explorer, F150 4x4
	560,400	12	

EXHIBIT B
TEN-YEAR EQUIPMENT LIST

NONE

EXHIBIT C
REIMBURSEMENT FOR PROJECT EXPENSES

The Internal Revenue Service and U.S. Treasury Department have promulgated Treasury Regulation, Section 1.150-2 (“Regulation”) that authorizes a political subdivision to reimburse itself for expenditures made with respect to projects prior to the issuance of tax-exempt obligations for those projects;

The Regulation requires the governing body of the political subdivision declare its official intent to reimburse an expenditure prior to the incurrence of the expenditure;

The City anticipates incurring expenditures related to Project as described in the Ordinance to which this Exhibit C is attached prior to the consummation of a federally tax-exempt financing for that purpose.

By adopting the Ordinance, with this Exhibit C, the Council declares its official intent to reimburse itself for any Project-related expenditures, incurred and paid on and after the date occurring 60 days prior to the date of this Ordinance’s enactment, from the proceeds of federally tax-exempt obligations.

The City understands that expenditures, for which the City may reimburse itself, are limited to expenditures, which are (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of “placed in service” under the Regulation) under general federal income tax principles; and (b) certain *de minimis* or preliminary expenditures satisfying the Regulation’s requirements.

The City anticipates the source of funds for the pre-borrowing, Project-related expenditures to be the City’s general fund, the City’s hospitality fund and accommodation fund, or one or more designated capital project funds.

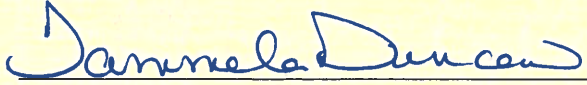
To be eligible for reimbursement of the expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the expenditures were paid, or (b) the date the Project was placed in service, but in no event more than three years after the City made the original expenditures.

CITY OF GREER, SOUTH CAROLINA



Richard W. Danner, Mayor

[SEAL]
ATTEST:



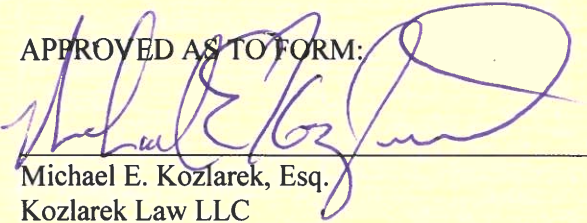
Tammela Duncan, Municipal Clerk

Introduced by: Councilmember Jay Arrowood

First Reading: July 14, 2020

Second Reading / Final Approval: July 28, 2020

APPROVED AS TO FORM:



Michael E. Kozlarek, Esq.
Kozlarek Law LLC