

VAN BUREN COUNTY QUORUM COURT

RESOLUTION NO. 2021-19

BE IT RESOLVED BY THE QUORUM COURT OF THE COUNTY OF VAN BUREN, STATE OF ARKANSAS, A RESOLUTION TO BE ENTITLED:

A RESOLUTION AUTHORIZING AND APPROVING EXECUTION OF AN EQUIPMENT LEASE-PURCHASE AGREEMENT WITH BANCORP-SOUTH EQUIPMENT FINANCE, A DIVISION OF BANCORPSOUTH BANK FOR THE PURPOSE OF LEASE-PURCHASING CERTAIN EQUIPMENT.

WHEREAS: The Van Buren County Quorum Court, the Governing Body (the "Governing Body") of Van Buren County, Arkansas (the "Lessee"), acting for and on the behalf of the Lessee hereby finds, determines and adjudicates as follows:

1. The Lessee desires to enter into an Equipment Lease-Purchase Agreement with the Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" (the "Agreement") with BancorpSouth Equipment Finance, a division of BancorpSouth Bank (the "Lessor") for the purpose of presently purchasing the equipment as described therein for the total cost specified therein (collectively the "Equipment") and to purchase such other equipment from time to time in the future upon appropriate approval; and
2. The Lessee is authorized pursuant to "the City and County Government Development Bond and Short-Term Financing Amendment" to the Constitution of the State of Arkansas to acquire tangible personal property with an expected useful life of more than one (1) year by Lease-Purchase agreement and pay interest thereon by contract for a term not to exceed five (5) years; and
3. It is in the best interest of the residents served by Lessee that the Lessee acquire the Equipment pursuant to and in accordance with the terms of the Agreement; and
4. It is necessary for the Lessee to approve and authorize the Agreement.
5. The Lessee desires to designate the Agreement as a qualified tax-exempt obligation of Lessee for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code").

NOW, THEREFORE, BE IT RESOLVED BY THE QUORUM COURT OF VAN BUREN COUNTY FOR AND ON BEHALF OF THE LESSEE AS FOLLOWS:

Section 1. The Agreement and Exhibits attached thereto in substantially the same form as attached hereto as Exhibit "A" by and between the Lessor and the Lessee is hereby approved and County Judge Roger Hooper (the "Authorized Officer") is hereby authorized and directed to execute said Agreement on behalf of the Lessee.

Section 2. The Agreement is being issued in calendar year 2012.

Section 3. Neither any portion of the gross proceeds of the Agreement nor the Equipment identified to the Agreement shall be used (directly or indirectly) in a trade of business carried on by any person other than a governmental unit, except for such use as a member of the general public.

Section 4. No portion of the rental payments identified in the Agreement (a) is secured, directly or indirectly, by property used or to be used in a trade or business carried on by a person other than a governmental unit, except for such use as a member of the general public, or by payments in respect of such property; or (b) is to be derived from payments (whether or not to Lessee) in respect of property or borrowed money used or to be used for a trade or business carried on by any person other than a governmental unit.

Section 5. No portion of the gross proceeds of the Agreement are used (directly or indirectly) to make or finance loans to persons other than governmental units.

Section 6. Lessee hereby designates the Agreement as a qualified tax-exempt obligation for purposes of Section 265(b) of the Code.

Section 7. In calendar year 2012, Lessee has designated \$ 60,000.00 of tax-exempt obligations (including the Agreement) as qualified tax-exempt obligations. Including the Agreement herein so designated, Lessee will not designate more than \$30,000,000.00 of obligations issued during calendar year 2012 as qualified tax-exempt obligations.

Section 8. Lessee reasonably anticipates that the total amount of tax-exempt obligations (other than private activity bonds) to be issued by Lessee during calendar year 2012 will not exceed \$30,000,000.00.

Section 9. For purposes of this resolution, the amount of Tax-exempt obligations stated as either issued or designated as qualified tax-exempt obligations includes tax-exempt obligations issued by all entities deriving their issuing authority from Lessee or by an entity subject to substantial control by Lessee, as provided in Section 265(b)(3)(E) of the Code.

Section 10. The assessed value of taxable property located within the municipality or county is \$ 60,000.00 as determined by the last completed tax assessment.

Section 11. The aggregate principal amount of short-term financing obligations incurred by Lessee, including the obligations under the Agreement, does not exceed five percent (5%), if Lessee is a municipality, or two and one-half percent (2.50%), if Lessee is a county, of the assessed value of taxable property located within the municipality or county, as determined by the last completed tax assessment.

Section 12. The Authorized Officer is further authorized for and on behalf of the Governing Body and the Lessee to do all things necessary in furtherance of the obligations of the Lessee pursuant to the Agreement, including execution and delivery of all other documents necessary or appropriate to carry out the transactions contemplated thereby in accordance with the terms and provisions thereof.

Following the reading of the foregoing resolution, Dell Holt moved that the foregoing resolution be adopted, James Kirkendoll seconded the motion for its adoption.

County Judge Roger Hooper put the question to a roll call vote and the result was as follows:

Richard Collins, Jr	voted <u>yea</u>
Shannon Deckard	voted <u>yea</u>
John Harmon	voted <u>yea</u>
Dell Holt	voted <u>yea</u>
Dale James	voted <u>yea</u>
James Kirkendoll	voted <u>yea</u>
Kenneth Lemings	voted <u>yea</u>
David McBee	voted <u>yea</u>
Randy Story	voted <u>yea</u>

The motion having received the affirmative vote of all members present, the County Clerk declared the motion carried and the resolution adopted this 18th day of October, 2012.

APPROVED: Roger W. Hooper
Roger Hooper, County Judge

ATTEST: Ester Bass
Ester Bass, County Clerk



BancorpSouth
Equipment Finance

10/16/2012

Sent via: tlawrence@tristatetruck.com

Van Buren County
1414 Highway 65 South
Clinton, AR 72031

It is a pleasure to submit for your consideration the following proposal to provide lease-purchase financing based on the terms and conditions set forth below:

1. Lessor: BancorpSouth Equipment Finance, a division of BancorpSouth Bank
2. Lessee: Van Buren County
3. Equipment Description: 2103 Mack CHU613 Tractor
4. Equipment Cost: \$95,700.00
5. Lease Term: 5 Years
6. Lease Payments: (These are approximate payment amounts. The actual payment will be determined at funding date.)
60 Monthly payments of \$1,023.29 w/ balloon \$43,000.00 due 1 month after final payment
Payments in arrears
7. Lease Rate: 2.45%
8. Funding Date: This proposal is contingent upon the equipment being delivered and the lease funded prior to 12/31/12. If the equipment is not delivered and the lease funded prior to 12/31/12, this proposal is null and void. Any extension of the funding date must be in writing.
9. Purchase Option: Title is passed to Lessee at lease expiration for no further consideration.

10. Non-appropriation/Termination: The lease provides that Lessee is to make reasonable efforts to obtain funds to satisfy the obligation in each fiscal year. However, the lease may be terminated without penalty in the event of non-appropriation. In such event, the Lessee agrees to provide an attorney's opinion confirming the events of non-appropriation and Lessee's exercise of diligence to obtain funds.

11. Bank Qualification: This lease-purchase financing shall be designated as a bank qualified tax-exempt transaction as per the 1986 Federal Tax Bill. This means that the Lessee's governing body will pass a resolution stating that it does not anticipate issuing more than \$10 million in General Obligation debt or other debt falling under the Tax Bill's definition of qualifying debt during the calendar year that the lease is funded.

12. Tax Status: This proposal is subject to the Lessee being qualified as a governmental entity or "political subdivision" within the meaning of Section 103(a) of the Internal Revenue Code of 1954 as amended, within the meaning of said Section. Lessee agrees to cooperate with Lessor in providing evidence as deemed necessary or desirable by Lessor to substantiate such tax status.

13. Net Lease: This will be a net lease transaction whereby maintenance, insurance, taxes (if applicable), compliance with laws and similar expenses shall be borne by Lessee.

14. Financial Statements: Complete and current financial statements must be submitted to Lessor for review and approval of Lessee creditworthiness.

15. Lease Documentation: This equipment lease-purchase package is subject to the mutual acceptance of lease-purchase documentation within a reasonable time period, otherwise payments will be subject to market change.

If the foregoing is acceptable, please so indicate by signing this letter in the space provided below and returning it to BancorpSouth Equipment Finance. **The proposal is subject to approval by BancorpSouth Equipment Finance's Credit Committee and to mutually acceptable terms, conditions and documentation.**

This proposal expires as of the close of business on 12/31/12. Extensions must be approved by the undersigned.

Any concerns or questions should be directed to Bob Lee at 1-800-222-1610.


Bob Lee
Municipal Finance Manager

ACKNOWLEDGMENT AND ACCEPTANCE

By: _____
Title

Date: _____

From: Lawrence, Tommy <tlawrence@tristatetruck.com>
To: <vbc911@artelco.com>
Sent: Tuesday, October 16, 2012 9:41 AM
Attach: [Untitled].pdf
Subject: FW: Van Buren COunty Arkansas

From: Lee, Bob [mailto:blee@bxequipmentfinance.com]
Sent: Tuesday, October 16, 2012 9:37 AM
To: Lawrence, Tommy
Subject: RE: Van Buren COunty Arkansas

Attached is the proposal you requested.

Thank you,

Bob Lee, VP
Municipal Finance Manager
BancorpSouth Equipment Finance
P. O. Box 15097
Hattiesburg, MS 39404-15097
Ph 601-544-3252
Ph 800-222-1610
Fax 601-545-1830



NOTICE: This electronic mail message and any files transmitted with it are intended exclusively for the individual or entity to which it is addressed. The message, together with any attachments, may contain confidential and/or privileged information. Any unauthorized review, use, printing, saving, copying, disclosure or distribution is strictly prohibited. If you have received this message in error, please immediately advise the sender by reply email and delete all copies.

From: Lawrence, Tommy [mailto:tlawrence@tristatetruck.com]
Sent: Tuesday, October 16, 2012 9:24 AM
To: Lee, Bob
Subject: Van Buren COUNTY Arkansas

Bob,

Van Buren County Arkansas is wanting to do the guaranteed buyback on the 2013 Day Cab Tractor we talked about yesterday.

Price of Mack 2013 Day cab tractor:	\$ 108,753.00
Less Trade 2008 Mack CHU613 VIN# N002246:	\$ <u>55,000.00</u>
Difference:	\$ 53,753.00

Payoff on N002246: 41,947.00

TOTAL Finance: \$ 95,700.00

60 Month Guaranteed residual: \$ 43,000.00

Need payment amount for 60 months.

Thanks,

Tommy Lawrence
Truck Sales
Tri-State Truck Center
4614 Thibault Road
Little Rock, AR 72206
1-800-737-5457
tlawrence@tristatetruck.com

