

RESOLUTION 12-114

**A RESOLUTION TO APPROVE LEASE-PURCHASE FINANCING
OF A KNUCKLE BOOM TRUCK**

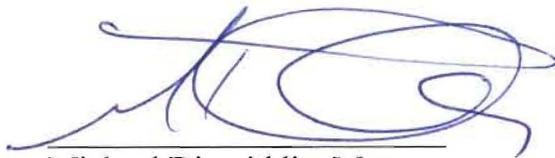
WHEREAS, the City of Spring Hill, Board of Mayor and Aldermen approved the purchase of a Knuckle Boom Truck on August 13, 2012 in Resolution 12-74; and

WHEREAS, the City of Spring Hill advertised Request for Proposals for Capital Financing of a Knuckle Boom Truck and accepted proposals on September 12, 2011; and

WHEREAS, City Staff received and reviewed proposals; and

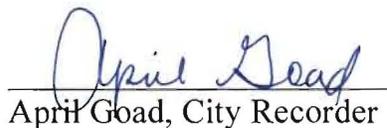
NOW, THEREFORE BE IT RESOLVED, that the City of Spring Hill approves the Lease-Purchase financing of a Knuckle Boom Truck, as recommended by staff, from First Farmers and Merchants Bank, at an interest rate of 1.75%, for a term of 2 years, with principal payment and interest in arrears. Recommended by the Budget and Finance Advisory Committee on October 8, 2012.

Passed and adopted by the Board of Mayor and Aldermen of the City of Spring Hill, Tennessee on the 15th day of October 2012.



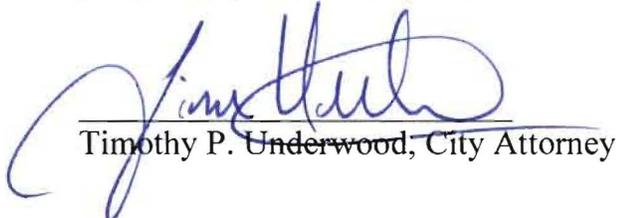
Michael Dinwiddie, Mayor

ATTEST:



April Goad, City Recorder

LEGAL FORM APPROVED:



Timothy P. Underwood, City Attorney



Kathy W. Lafferty
Commercial Banking Officer

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kathy.lafferty@myfirstfarmers.com

September 12, 2012

City of Spring Hill
Attn: Jim Smith
P.O. Box 789
199 Town Center Parkway
Spring Hill, TN 37174

Re: Capital Equipment Financing

Dear Mr. Smith:

First Farmers and Merchants Bank is pleased to submit the following bid for the City of Spring Hill:

Loan Amount:	\$75,000
Purpose:	To finance the lease-purchase of a Knuckleboom truck
Interest Rate:	Fixed at 1.75%
Loan Fee:	None
Terms and Conditions:	2 years with annual principal and interest payments in arrears
Closing Cost:	All customary closing costs will be paid by the Borrower, including, but not limited to, recording fees, taxes, flood certification, appraisal fees, title insurance, environmental, UCC-1 filings, and any other costs which may be reasonably required.
Reporting Requirements:	Annual audited financial statements are to be provided. Attorney's opinion certifying that the borrowing is a bank qualified tax exempt transaction.

First Farmers & Merchants Bank is in compliance with the Community Reinvestment Act. A complete copy of the most recent evaluation will be provided upon request.



Kathy W. Lafferty
Commercial Banking Officer

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First Farmers has handled similar lease transactions for many organizations, both in the private sector and public sector. A few of these customers are as follows: Maury Regional Hospital, City of Nolensville, and Town of Loretto.

Please note that this bid is subject to credit approval in accordance with the credit policies and guidelines of First Farmers and Merchants Bank.

Sincerely,

Kathy W. Lafferty
Commercial Banking Officer
First Farmers and Merchants Bank