



TOWN OF BOONSBORO

21 NORTH MAIN STREET ♦ BOONSBORO, MARYLAND 21713

WWW.TOWN.BOONSBORO.MD.US ♦ 301-432-5141

MEMORANDUM

To: Mayor Long and Town Council Members
From: Megan Clark, Town Manager *MC*
Date: August 31, 2017
Subject: CIP Purchase – Public Works Truck

As discussed at the workshop, the Fiscal Year 2018 CIP budget includes shared expenses for the replacement of a 2004 Public Works Truck (The Fiscal Year 2018 CIP budgets \$17,500 in each of three funds, thus total budgeted expenses are \$52,500). Staff is requesting to move forward with the purchase of a new truck, due to repairs needed to the vehicle.

Estimated repairs to the vehicle cost approximately \$18,000.

Utilizing the Blanket Purchase Order for the State of Maryland, a 2017 Ford F-350 diesel engine with a utility body, lift gate, 4WD, and a Boss VPlow will cost approximately \$47,700.

Hagerstown Ford has provided a quote that closely mirrors the state pricing for a 2017 Ford F-350 diesel engine with a utility body, lift gate, 4WD, and a Fisher VPlow for \$48,481.00.

Hagerstown Ford is also able to provide a municipal lease for various terms and interest. A few options quoted for the lease include a 2-year lease, totaling \$50,564.00, a 3-year lease totaling \$51,879.12, and a 5-year lease totaling \$54,853.60 (see attached proposals).

Staff is requesting to move forward with the purchase of the vehicle due to major repairs needed on the 2004 PW Truck.

Thank you in advance for your consideration.



FORD CREDIT

Municipal Finance Department
1 American Road, MD 7500
Dearborn, Michigan 48126

August 25, 2017

Chuck Wade
Hagerstown Ford
cwade@hagerstownford.com

RE: Town of Boonsboro, MD, Quote #88719

Ford Credit Municipal Finance is pleased to present the following financing options for your review and consideration.

2 year

Option	Quantity	Description					Price
A	1	2017 Ford F-350					\$47,700.00
	Total Amount Financed*	Number of Payments	Payment Timing	APR	Payment Factor	Payment Amount	
	\$48,245.00	4	semi-annual in Advan	6.45%	0.262026	\$12,641.44	

3 year

Option	Quantity	Description					Price
B	1	2017 Ford F-350					\$47,700.00
	Total Amount Financed*	Number of Payments	Payment Timing	APR	Payment Factor	Payment Amount	
	\$48,245.00	6	semi-annual in Advan	6.00%	0.179221	\$8,646.52	

*\$545.00 underwriting fee included

EXPIRATION DATE: 11/30/2017

This quotation, until credit approved, is not a commitment by Ford Credit Municipal Finance. It has been prepared assuming that the lease qualifies for Federal Income Tax Exempt Status for Ford Credit Company LLC under Section 103 of the IRS Code. Financing is subject to credit review and approval of acceptable documentation by Ford Credit Municipal Finance.

Ford Credit Municipal Finance Program

- There is no security deposit, no prepayment penalty, and no mileage penalty.
- At inception, the new equipment title/registration indicates the municipality as Registered Owner, with Ford Motor Credit Company LLC as first lien holder.
- At term end, the municipality buys the equipment for \$1.

Thank you for allowing Ford Credit Municipal Finance the opportunity to provide this quotation. If you have any questions regarding the option presented, need additional options, or would like to proceed with the approval process, please contact me at (800) 241-4199, option 1.

Sincerely,

Mary Beth Leonard

Mary Beth Leonard
Marketing Coordinator
mleona38@ford.com



Ford Motor Credit Company ("FMCC") is providing the information contained in this document for discussion purposes only in connection with a proposed arm's length commercial leasing transaction between you and FMCC. FMCC is acting for its own interest and has financial and other interests that differ from yours. FMCC is not acting as a municipal advisor or financial advisor to you, and has no fiduciary duty to you. The information provided in this document is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC. FMCC is not recommending that you take an action and you should discuss any actions with your own advisors as you deem appropriate.



Municipal Finance Department
1 American Road, MD 7500
Dearborn, Michigan 48126

August 31, 2017

Chuck Wade
Hagerstown Ford
cwade@hagerstownford.com

RE: **Town of Boonsboro, MD, Quote #88781**

Ford Credit Municipal Finance is pleased to present the following financing options for your review and consideration.

Quantity	Description	Price
1	2017 F-350 Utility Body with Plow	\$47,700.00

Total Amount Financed*	Number of	Payment Timing	APR	Payment Factor	Payment Amount
\$48,245.00	10	Semi-annual in Advance	5.95%	0.113698	\$5,485.36

*\$545.00 underwriting fee included

EXPIRATION DATE: 11/30/2017

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