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**THE VILLAGE OF CHATHAM**

SANGAMON COUNTY, ILLINOIS

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ORDINANCE  
NUMBER 20-12

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**AN ORDINANCE APPROVING A LEASE PURCHASE AGREEMENT FOR THE  
CAPITAL LEASE FINANCING  
OF A POLICE VEHICLE**

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DAVE KIMSEY, Village President  
AMY DAHLKAMP, Village Clerk

KRISTEN CHIARO  
ANDREW DETMERS  
BRETT GERGER  
RYAN MANN  
MATT MAU  
PAUL SCHERSCHEL  
Village Trustees

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Published in pamphlet form by authority of the President and Board of Trustees of the Village of Chatham  
on March 31, 2020

Sorling Northrup – 1 N. Old State Capitol Plaza, Suite 200, Springfield, IL 62705

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE APPROVING A LEASE PURCHASE AGREEMENT FOR THE  
CAPITAL LEASE FINANCING  
OF A POLICE VEHICLE**

**WHEREAS**, the Village of Chatham, Sangamon County, State of Illinois, is a duly organized and existing Village created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code; and

**WHEREAS**, the Illinois Municipal Code, Section 11-76-6, provides the corporate authorities of each municipality may enter into a lease for a period of not to exceed 4 years for such equipment and machinery as may be required for corporate purposes when authorized by the affirmative vote of two-thirds of the corporate authorities; and

**WHEREAS**, the Village issued a request for proposals for the capital lease financing of a Police Vehicle for the Village's Police Department; and

**WHEREAS**, four proposals were received and opened by the Village on March 27, 2020; and

**WHEREAS**, Bank of Springfield offered the best financial terms and Village staff recommends a capital lease agreement be entered into with Bank of Springfield for the financing.

**NOW THEREFORE, BE IT ORDAINED** by the President and Board of Trustees of the Village of Chatham, Sangamon County, Illinois, as follows:

**Section 1.** Recitals. The foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1.

**Section 2.** Authority to Execute Capital Lease Agreement. The Village President is authorized to execute a capital lease agreement with Bank of Springfield at an interest

rate of 2.14%, up to an amount of \$37,480.00, for the acquisition of a Police Vehicle for the Village's Police Department. The term of the loan shall not exceed four (4) years. The Village President, or his designees, is also authorized to sign other related documentation to effectuate this transaction.

**Section 3.** Repeal and Savings Clause. All Ordinances or parts of Ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, action, or causes of action which shall have accrued to the Village of Chatham prior to the effective date of this Ordinance.

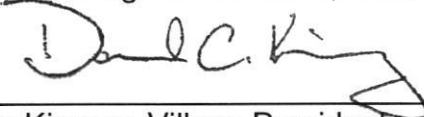
**Section 4.** Severability. In the event that any section, clause, provision, or part of this Ordinance shall be found and determined to be invalid by a court of competent jurisdiction, all valid parts that are severable from the invalid parts shall remain in full force and effect.

**Section 5.** Effective Date. This Ordinance shall be in full force and effect immediately after its passage, approval and publication in pamphlet form as provided by law.

PASSED this 31<sup>st</sup> day of March, 2020.

	YES	NO	ABSENT	PRESENT
KRISTEN CHIARO	X			
ANDREW DETMERS	X			
BRETT GERGER	X			
RYAN MANN			X	
MATT MAU	X			
PAUL SCHERSCHEL	X			
DAVE KIMSEY				
TOTAL	5	0		

APPROVED by the President of the Village of Chatham, Illinois this 31 day  
of March, 2020.

  
\_\_\_\_\_  
Dave Kimsey, Village President

Attest:

  
\_\_\_\_\_  
Amy Dahlkamp, Village Clerk



Village of Chatham  
 Proposals for Police Vehicle Capital Lease  
 March 27, 2020

The Village circulated a Request for Proposal for Capital Lease Financing for \$37,480 for the purchase of a Police vehicle with the Chatham Banks on March 11, 2020  
 Marine Bank previously indicated that they were not interested in a capital lease financing transaction. Proposals were due on March 27, 2020 by 1:00pm

Bank of Springfield proposed the lowest rate of interest at 2.14%

	4 Year	5 Year
Bank and Trust	2.340%	2.340%
Estimated monthly payment	\$818.70	\$662.53
Estimated annual cost	\$9,824.40	\$7,950.36
Estimated cost over life of the lease	\$39,297.60	\$39,751.80
Bank of Springfield	2.140%	2.140%
Estimated monthly payment	\$815.42	\$659.23
Estimated annual cost	\$9,785.04	\$7,910.76
Estimated cost over life of the lease	\$39,140.16	\$39,553.80
Illinois National Bank	2.250%	2.250%
Estimated monthly payment	\$817.22	\$661.04
Estimated annual cost	\$9,806.64	\$7,932.48
Estimated cost over life of the lease	\$39,226.56	\$39,662.40
United Community Bank	2.490%	2.490%
Estimated monthly payment	\$821.17	\$665.00
Estimated annual cost	\$9,854.04	\$7,980.00
Estimated cost over life of the lease	\$39,416.16	\$39,900.00



March 26, 2020

Ms. Sherry Dierking, Chief Fiscal Officer  
Village of Chatham  
116 E. Mulberry Street  
Chatham, IL 62629

Dear Sherry:

Please find the Bank and Trust Company's proposed bid for the capital lease financing for the lease purchase of a police vehicle for the Village of Chatham's Police Department. The estimated cost of the vehicle is \$37,480, and following the full principal payment of lease the equipment will transfer to the Village of Chatham.

PROPOSED RATE      2.34% FIXED for 4 or 5 YEARS\*

Thank you Sherry for giving Bank and Trust Company an opportunity to submit a bid for the capital lease financing. If you have any questions please contact me at 494-3482.

Regards,

A handwritten signature in black ink that reads "Rick Carr". The signature is written in a cursive style with a large, prominent "R" and "C".

Rick Carr  
Bank and Trust Company



877.698.3278  
bankwithbos.com

BOS Proposal for Village of Chatham  
Request for Police Vehicle – Capital Lease

March 12, 2020

**Lessee:** Village of Chatham  
**Credit Type:** Capital Lease Financing - Tax Exempt  
**Amount:** \$37,480  
**Purpose:** Purchase New Police Vehicle  
**Term:** 4 or 5 year options  
**Pricing:** 2.14% fixed for 4 or 5 years  
**Repayment:** Monthly principal and interest payments

Thank you for the opportunity to provide a bid on your financing request. We look forward to a great business relationship both now and in the future.

Sincerely,  
Ryan Murphy  
Vice President/Commercial Lender





WE MAKE BANKING EASY

March 24, 2020

Village of Chatham  
Attn: Sherry Dierking, Chief Financial Officer

Dear Ms. Dierking:

This letter was prepared to begin discussions on potential terms of an extension of credit to the Village of Chatham (the "Applicant") by Illinois National Bank (the "Bank"). This letter is not a commitment to provide financing for the Applicant and may not contain all of the terms and conditions of the potential financing. This letter is simply a basis for further discussion regarding the possible terms and conditions of a proposed loan to the Applicant.

During the course of the Bank's due diligence and consultation with legal counsel, the Bank may become aware of facts or requirements that could affect the structure, terms and pricing of the transaction. However, for purposes herein, the basic terms and conditions we are proposing may include, but may not be limited to:

Request 1:

- |                   |   |
|-------------------|---|
| 1. Loan Amount:   | Estimated at \$37,480.00                  |
| 2. Loan Purpose:  | Police Vehicle                            |
| 3. Interest Rate: | 2.25% fixed, tax-exempt, bank qualified   |
| 4. Maturity:      | 4 or 5 Years from the extension of credit |
| 5. Payments:      | Monthly Principal and Interest            |
| 6. Fees:          | None                                      |
| 7. Collateral:    | Unsecured                                 |

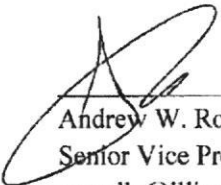


The proposed terms and conditions of the potential extension of credit is subject to approval by the Bank. The potential loan is also subject to the execution and delivery of documentation in a form and substance satisfactory to the Bank and its legal counsel.

This letter was prepared for the exclusive use of the Applicant and is not to be released, discussed or communicated in any form or manner with any third party or other financial institution without the prior written consent of the Bank.

We appreciate the opportunity to furnish this proposal. Should you have any questions, please contact me at the information listed below.

Respectfully submitted,



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Andrew W. Roselle  
Senior Vice President  
aroselle@illinoisnationalbank.com  
217-747-5832



UNITED COMMUNITY BANK  
*The Leader of Community Banking*

03/27/2020

Sherry K. Dierking  
Chief Fiscal Officer / Treasurer  
Village of Chatham

Dear Sherry,

In response to your request for interest rates for a new capital lease agreement for the purchase of a new police vehicle for the Village's Police Department up to the amount of \$37,480.00, United Community Bank will provide the requested financing for at the following terms: 48 months or 60 months at 2.49%.

This offer is subject to final Loan Committee approval once United Community Bank receives the final request from the Village of Chatham with respect to securing this agreement from our institution.

Respectfully,

Jim Lauwerens  
Sr. Vice President  
NMLS #673085

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**United Community Banks | Over 100 Bank & ATM Locations in 33 Communities**

United Community Bank | Brown County State Bank | Golden State Bank | Marine Bank & Trust  
Mercantile Bank | Farmers State Bank of Camp Point | Liberty Bank



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Corporate Office 301 N. Main Street, Chatham, IL 62629 | 217-483-2491 | [UCBbanks.com](http://UCBbanks.com)

