

**Kevin Januszewski and I recommend approving the Superintendent or Director of Business Services to enter into a lease-purchase agreement with First American.**

- The 2 buses are being purchased from North Central Bus; state contract pricing and net of trade-in of two Buses.

- The buses would be leased over five years. Amounts for lease payments are included in the FY22 budget for the transportation department.

- Financing quotes were received from three potential lenders. Amounts quoted below were received from First American, which quoted the lowest rates. The lease agreement has been reviewed by administration and is similar to prior bus leases; we also receive an opinion letter from legal counsel regarding the terms and agreements of the lease agreement.

### **Bus Lease**

#### **Summary of Estimated Costs**

##### **Estimated Equipment Costs**

2 - 2022 Blue Bird All American 88 Passenger School Bu	\$	228,641
Total Equipment Costs	\$	228,641
Down Payment	Due July 2021	(47,768)
Total Amount Financed	\$	180,873
	July 2022 Payment	(47,768)
	July 2023 Payment	(47,768)
	July 2024 Payment	(47,768)
	July 2025 Payment	(47,768)
<b>Total Interest Costs</b>	<b>\$</b>	<b>(10,197)</b>
<b>Lease Interest Rate</b>		<b>2.23%</b>

Becker Public Schools  
Bus Lease Options

**Assumptions**

5 payments with a 4-year lease term

Payments would be due on or about 7/15 each year starting in 2022

Last payment would be around 7/15/25

	<b>American Capital</b>	<b>First American</b>	<b>TEQ Lease</b>
Down payment	<b>\$48,086.14</b>	<b>\$47,767.58</b>	<b>\$48,992.85</b>
Total Finance amount	<b>\$180,554.38</b>	<b>\$180,872.94</b>	<b>\$179,647.67</b>
Total bus costs	<b>\$228,640.52</b>	<b>\$228,640.52</b>	<b>\$228,640.52</b>
Interest Rate	2.579%	2.231%	3.571%
Number of payments	4	4	4
Annual payment	\$48,086.14	\$47,767.58	\$48,992.85
Total cost	\$240,430.70	\$238,837.90	\$244,964.25
Total Interest Cost	\$11,790.18	\$10,197.38	\$16,323.73