

**N. Maggie Cosgrove  
Chief Financial Officer  
Finance Department**

Date: October 29, 2018

To: Board of Selectmen

From: N. Maggie Cosgrove, CFO

Subject: Ambulance Financing

Background

Funding and authorization for the replacement of an ambulance to be financed through a lease purchase was included in the FY 2017-2018 and FY 2018-2019 adopted budgets. Funds totaling \$91,980 were included in these budgets and set aside in the Town's Debt Service Fund for future lease payments.

The actual total cost of the ambulance and related equipment is \$254,994.06. The Town issued a Request for Proposals on September 17, 2018 with responses due on October 11, 2018 for tax exempt lease purchase financing in the amount of \$255,000 over a period of 7 years. A total of three bids were received with the lowest interest rate proposed at 3.427%. With quarterly payments, total interest over the lease period would be \$32,893.20 under this proposal. Therefore, funding this purchase through a lease financing would require an annual appropriation of approximately \$39,200 to be included in the annual Town budget for fiscal years 2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024.

Based on the Town's current financial position, an alternative financing plan was presented to the Board of Finance and Board of Selectmen in October 2018.

Recommendations

Appropriation of \$163,015 from General Fund Unassigned Fund Balance to "Transfer to Capital Projects Fund – Ambulance Purchase" (see attached additional appropriation).

Reallocation and transfer of \$91,980 previously appropriated and set aside to finance the purchase of an ambulance, from Debt Service Fund to Capital Projects Fund – Ambulance Purchase.

Reject all proposals received on October 11, 2018 in response to the Town's Request for Proposals – Tax Exempt Lease Purchase (Bid #2018-06).

FY 18/19

Town of Colchester  
General Fund  
Budget Transfer/Additional Appropriation


Department: Transfers

Reason for Request: Appropriation from General Fund Unassigned Fund Balance to fund the ambulance replacement in lieu of lease purchase financing. In addition, funds previously appropriated to Debt Service Fund will be reallocated and transferred to Capital Fund - Ambulance Purchase.


Reason for Available Funds: Appropriation from General Fund Unassigned Fund Balance

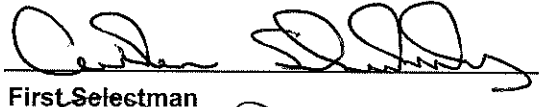
From:	Account Number	Account Name	Amount
	18501-36250	Use of G/F Unassigned Fund Balance	163,015

To:	Account Number	Account Name	Amount
	18501-50500	Transfer to Capital Fund - Ambulance	163,015

10-30-2018  
Date Requested   
Department Director or Supervisor - Signature

Print Name Art Shilosky, First Selectman

10/29/18  
Date Reviewed   
Chief Financial Officer

10-29-2018  
Date Approved   
First Selectman

11/1/18  
Date Approved   
Board of Selectmen Clerk

Date Approved  
Board of Finance Clerk