

# Allen Township Trustees

April 15, 2022

The Allen Township Trustees met in special session at 10:00 a.m. in the Allen Township Center with all members present.

The minutes of April 5, 2022 were read and approved.

At the April 5, 2022 meeting the Trustees approved the purchase of a new Pierce Enforcer single axle aerial Ladder/Pumper fire truck (truck) from Atlantic Emergency Solutions for \$1,337,998.00.

The Fiscal Officer asked the Trustees how they would like to pay for this truck that will not be delivered for 23-25 months (2024).

Schimmoeller advised that, due to Federal Uniform Guidance Requirements (UGR), ARPA money could not be used to fund this particular proposal since the purchase price was acquired through state bid. All ARPA expenditures in excess of \$50,000 must be competitively bid. After a short discussion, the Trustees decided to move forward with the current proposal without utilizing ARPA money since a price increase of 7.5% (\$100k) is anticipated on May 1st.

Schimmoeller presented three approaches to purchasing the fire truck without the use of ARPA money or placing an additional fire levy on the ballot:

1. Utilize General Fund money to pay for the truck once it has been built and ready for delivery in 2024. The General Fund had a \$1.4 million carry-over balance at the end of 2021. This carry-over balance is estimated to be \$1.4 - 1.6 million at the end of 2023. However, a full payment for the truck in 2024 could potentially deplete the entire General Fund balance.
2. Utilize General Fund money to make a 50% prepayment (\$668,999.00) to qualify for a \$32,995.50 discount on the price. A balance of \$636,003.50 would be due in 2024 when the truck is delivered. A performance bond would need to be secured to protect the Township's prepayment. This approach could potentially deplete the entire General Fund balance in 2024.
3. Utilize General Fund money to make annual Municipal Lease Purchase payments (\$112,932.97) for 15 years. Freedom Financial is offering a fixed interest rate of 3.67% with no prepayment penalty after year three. This approach would qualify for a (\$53,292.11) discount on the price. Therefore, the truck price/loan would be \$1,284,705.89 with the first payment due in 2023. This approach would not risk depleting the General Fund in 2024 and provide repayment flexibility beginning in 2026.

The Trustees discussed these approaches at length. The current economical environment was discussed with respect to inflation, rising interest rates and potential annexations to the City of Findlay.

Stacy moved that Allen Township accept the 15 Year Municipal Lease Purchase proposal from Freedom Financial to purchase the Pierce Enforcer single axle aerial Ladder/Pumper fire truck from Atlantic Emergency Solutions for \$1,337,998.00. Smith seconded the motion. Roll call – all yes.

The next regular meeting will be May 3, 2022 at 8:00 p.m.

Meeting adjourned at 11:00 a.m.

Approved,

Mark J. Schimmoeller, Fiscal Officer  
(Proper notice given by publishing & posting with agenda.)

Kevin Flanagan, Chairman