



## CITY COUNCIL AGENDA ITEMS

**To:** Mayor /City Council

**From:** Dean Rich, Director of Finance  
Walter Denton, City Administrator

**Date:** December 14, 2006

**Subject:** Resolution on annual lease/purchase agreements.

**List of committees that have reviewed:** Finance and Administration

**Background:** The city has for the last several years found it more economical to lease/purchase common vehicles and equipment than outright purchase. This allows the city to spread the cost of the vehicle/equipment over its useful life rather than charge all the cost up front. Lending institutions and state banking regulations require council approval of these transactions. We have changed Banks and they want a new resolution.

**Legal Considerations, if any:** Section 11-61-3 of Article II of Illinois Municipal Code authorizes these transactions.

**Budget Impact:** All lease actions are based on approved budget items.

**Staff recommendation:** Staff recommends Council approval for resolution to authorize the Director of Finance to enter into budget approved vehicle/equipments leases for FY2006/2007.