

BILL/ RESOLUTION REQUEST

1. Title: Authorizes the Manager of Finance to provide financing through a capital lease purchase transaction on behalf of Technology Services to acquire and implement a new property tax collection system totaling \$4,338,149.

2. Requesting Agency: Department of Finance

3. Contact Person *with actual knowledge of proposed ordinance*

Name:Denver Maw

Phone:720-913-9353

Email:denver.maw@denvergov.org

4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary*

Name:Denver Maw

Phone:720-913-9353

Email:denver.maw@denvergov.org

5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved

a. Scope of Work

This ordinance request seeks approval to finance the acquisition of a Government Revenue Management System and associated equipment through a capital lease purchase transaction on behalf of Technology Services.

The total cost of the equipment to be financed is \$4,338,149. The equipment will mainly be provided by Manatron Inc. and Banc America Public Capital Corp. will serve as the financing agency. The proposed financing structure will consist of a five year lease purchase transaction with annual lease payments of approximately \$930,000. If the city makes all annual lease payments, the total amount paid to lease and finally acquire the Government Revenue Management System will be approximately \$4,650,000. The lease purchase transaction is subject to annual appropriation by the City Council.

This lease financing ordinance request is being submitted in conjunction with an equipment ordinance request submitted by Technology Services. Approval of the equipment ordinance request will allow for the procurement of the equipment while the financing ordinance request seeks authorization to finance the equipment through a lease purchase transaction.

This ordinance request is being submitted to comply with the City's Charter which requires Council approval of any agreement in excess of \$500,000.

b. Duration

5 years

c. Location

County Wide

d. Affected Council District

All Districts

e. Benefits

Replacing 20+ year old system.

f. Costs

Interest expense associated with the lease purchase will be approximately \$310,000.

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR11-0054

Date: 1/18/2011