Saulsbury Hill Financial is one of the oldest Municipal leasing companies in the United States, established in 1976.

From buses, technology, energy management retrofits to complete co-generation plants, we have done them all, with the expertise to structure and secure financing that benefits all our clients and customers.

Let us share some general definitions for the primary Municipal lease structures that can be employed — points for discussion as to which option will reap the most benefits for you.
Municipal Leases

Tax-Exempt Municipal Leases are the public sector’s answer to Commercial Capital Leases.

Municipal Leasing was developed as a result of the various taxpayer revolts (PROP 13 in California) during the 1960’s that brought the acquisition of needed capital equipment to a halt. School Districts could not acquire a school bus without a voter referendum. City governments could not acquire a replacement copier without a vote of the community. County hospitals went without needed lab equipment until a vote of the taxpayers could be held.

The Tax-Exempt Municipal Lease was developed to allow the public sector to acquire essential equipment, without a voter referendum. If the lease or rental payments are in the Agency’s annual budget the decision becomes a governmental business decision and not necessarily subject to vote.

The Internal Revenue Service, with strict structural requirements, allows the income from Municipal Leases to be exempt from taxes to the Lessor. This allows acquisition of essential equipment at a rate comparable to Municipal bonds.

Bank Qualified

Bank Qualified means “Does the Public Agency reasonably expect to issue less than $10,000,000 in tax-exempt debt during the current calendar year?” Saulsbury Hill Financial funds both Bank Qualified and Non-Bank Qualified transactions.

Budget Allocation

Payments are typically allocated to the Operating Budget. This allows the Public Agency greater flexibility over the source and uses of fund management.

Conduit Leases

Conduit Leases are a method for Non-Profit/501(c)(3) organizations to structure financing with rates comparable to Municipal Leases. Conduit Leasing involves a third party who is an approved Public Agency. The third party acts as Lessee and Sub-Leases the financing to the Non-profit organization without recourse.

Normally the Lessee or Public Agency is already familiar with the Conduit Lease structure. Conduit leases are a common option for well-established Non-Profit organizations seeking finance structures generally over $1,000,000.

Saulsbury Hill Financial makes Leases happen smoothly and painlessly

Contact us at 888-SAULHILL — 303-629-8777 in Denver — to discuss our Municipal Finance Options.

www.saulhill.com

David J. Clamage  EXT 102  davide@saulhill.com