**In the historical financial performance (2010-2013) within the RFP, I don't see the equipment lease expensed anywhere. Please clarify how and where the $125,815 per year equipment lease that started in 2011 is expensed.**

The maintenance equipment lease is a ‘capital’ lease (vs the cart operating lease).  We’ve capitalized the total cost of the lease equipment and we’re depreciating that cost (less a 20% salvage value) over a 5-year period – the term of the lease.  At the end of the lease the City has the option of purchasing the equipment for $1.  The annual expense of the equipment shows up in depreciation expense.  For 2013, that portion of Enger’s and Lester’s depreciation expense that is attributable to the ‘capital lease’ equipment was $57,912.95 and $54,525.03 respectively.