WEST VIRGINIA CODE: §8-12-11

§8-12-11. Lease agreements for equipment or materials with option to cancel or renew for one year authorized.

Notwithstanding any other provision of this code or any charter provision to the contrary, the governing body of every municipality shall have plenary power and authority to enter into and execute a lease agreement for the obtaining of equipment or material. Any such lease agreement shall not be void or voidable because it also provides (a) that title to the equipment or material shall vest in the municipality at or before the expiration of the leasehold term upon fulfillment of the terms and conditions stipulated in such lease agreement; (b) for application of the annual rental payments made thereunder toward the purchase price of such equipment or material, although such total rental payments under any such agreement are in excess of the cash price of the equipment or material described therein, whether such excess be by way of interest or a time-price differential; and (c) that the risk of loss of the equipment or material shall be borne by the municipality. Any such lease agreement shall be void, however, unless such agreement provides that the municipality shall have the following options thereunder during each fiscal year of the agreement: (1) The option to terminate the agreement and return the equipment or material without any further obligation on the part of the municipality; (2) the option to continue the agreement for an additional rental period not to exceed one year in length; and, when the agreement contains the provisions described in (a), (b) and (c) above; (3) the option to pay in advance at any time during any fiscal year the balance due under such agreement, with an appropriate rebate of the unearned interest or time-price differential.

The funds for the initial rental payment under any such agreement must be legally at the disposal of the municipality for expenditure in the fiscal year in which such agreement is executed, and in the event the municipality elects during any subsequent fiscal year to continue the agreement for any additional rental period or to pay in advance the balance due, the funds for the additional rental period or the funds to be used to pay the balance in advance must be legally at the disposal of the municipality for expenditure in the fiscal year in which the municipality elects to continue the agreement or to pay in advance the balance due, as the case may be.

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