## Financial Assumptions

- **Term of Project (years):** 20.0 yrs
- **Term of Financing (years):** 15.0 yrs
- **Estimated Financing Rate:** 4.00%
- **O&M Escalation Rate:** 3.00%
- **Energy Escalation Rate:** 2.00%

### Initial Project Costs:

- **Construction Costs:** $3,000
- **Performance and Payment Bond of applicable: Parimark:** $19,718
- **Implements Costs:** $1,494,079

### Total Initial Project Costs:

- **$1,931,797**

### Net Annual Benefit:

- **$148,742**

### Construction Period Interest:

- **$1,551,797**

### Total Payments:

- **$1,659,224**

### Guaranteed Energy Cost Savings:

- **$148,742**

### O&M Savings:

- **$12,549**

### Estimated Financing Benefit:

- **$15,518**

### Energy Escalation Rate:** 2.00%

### Construction Period Interest:

- **$1,551,797**

### Total Payment:

- **$1,659,224**

### Estimated Maintenance Benefit:

- **$15,518**

### Payments per Year (Annual):

- **$12,549**

### Total Project Savings:

- **$12,549**

### Net Project Costs:

- **$313,855**

### Project Simple Payback:

- **14.4 yrs**

### Performance and Payment Bond (if applicable), Permits:

- **$19,718**

### O&M Cost Escalation Rate (annual):

- **3.00%**

### Total Amount Financed:

- **$1,659,224**

### Notes:

1. This cash flow reflects an estimated tax exempt lease rate of 2%. The actual rate will increase or decrease based on market conditions and customer credit rating at the time of lease funding.
2. All costs are based on current utility rate structures and usage information provided for purposes of this project.
3. The performance and payment bonds apply only to the installation portion of the contract and do not apply in any way to energy savings guarantees, payments or maintenance provisions.
4. The performance bond shall guarantee that the installation will be free of defective materials and workmanship for a period of 12 months following completion and acceptance of the work.
5. The amount of the utility rebate(s) are not guaranteed. The final rebate amount will be determined by the utility company.
6. The Operation and Maintenance Service cost is treated as an on going data collection service where the City will contract directly with the street light control supplier.

### Initial Values

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>O&amp;M Cost Escalation Rate (annual)</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
<td>3.00%</td>
</tr>
<tr>
<td>Initial Project Costs</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
<td>$3,000</td>
</tr>
<tr>
<td>Implememts Costs</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
<td>$1,494,079</td>
</tr>
<tr>
<td>Construction Period Interest</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$1,551,797</td>
<td>$15,518</td>
</tr>
<tr>
<td>Total Payments</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
<td>$1,659,224</td>
</tr>
<tr>
<td>Total Project Savings</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$125,490</td>
</tr>
<tr>
<td>Payments per Year (Annual)</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$12,549</td>
<td>$125,490</td>
</tr>
<tr>
<td>Project Simple Payback</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
<td>14.4 yrs</td>
</tr>
</tbody>
</table>

### Notes:

1. This cash flow reflects an estimated tax exempt lease rate of 2%. The actual rate will increase or decrease based on market conditions and customer credit rating at the time of lease funding.
2. All costs are based on current utility rate structures and usage information provided for purposes of this project.
3. The performance and payment bonds apply only to the installation portion of the contract and do not apply in any way to energy savings guarantees, payments or maintenance provisions, except that the performance bond shall guarantee that the installation will be free of defective materials and workmanship for a period of 12 months following completion and acceptance of the work.
4. The amount of the utility rebate(s) are not guaranteed. The final rebate amount will be determined by the utility company.
5. The Operation and Maintenance Service cost is treated as an on going data collection service where the City will contract directly with the street light control supplier.