



CASH FLOW POSITIVE

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Funding Solutions for
Municipal Lighting Projects

Current @

Flexible Financing Solutions For Your Municipal Lighting Project

In difficult economic times, municipalities need creative and fiscally responsible ways to service their constituents. That's where Current's Cash Flow Positive Program comes in.

Whether your project is a capital improvement, such as new ballfield lights, or an energy savings initiative, Current offers innovative financing solutions to overcome challenging municipal budget constraints. The benefits speak for themselves.

Positive Cash Flow

Energy cost savings that are greater than your monthly financing costs yield positive cash flow to your bottom line immediately.

Comprehensive Financial Leverage

We can help you benefit from local utility rebate incentives and Federal tax deductions, and leverage that savings into your lighting energy savings to add positive cash flow to your budget.

Total Project Financing

Current Capital looks at the project costs holistically, including the lighting equipment, upfit and installation labor, ancillary supplies and even recycling costs... all in a single monthly payment.

Cash Conservation

Preserving your operating capital and your bank line of credit gives you more flexibility in managing your budget.

Smart Money Features

- Flexible terms 12-120* months
- Competitive rates
- Large and small projects \$5,000 to \$10,000,000
- 100% financing
- No down payment
- No hidden costs
- Flexible prepayment provisions
- Flexible debt structure around customer requirements by using lines of credit, escrow accounts or progress payments

*Subject to the useful life of the asset as required by the Internal Revenue Service and creditworthiness of the borrower

Convenient Approval Process

- Our Current Capital Financing Team is your direct contact
- 24-48 hour credit underwriting after application submission with required financial data
- Current Capital handles all documentation and administration

Typical Financing Entity Profiles

- State governments
- City governments
- County governments
- School districts
- Public universities and colleges
- Public hospitals
- 501 (c)(3) nonprofits
- Public utilities
- Special purpose taxing districts

Tax-Exempt Financing Benefits

- Standard Non-Appropriations clause for state and local government entities
- Take advantage of your tax-exempt status as specified by Internal Revenue Code, Section 103
- Usually also saves sales tax and personal property tax
- Interest rates are generally lower than commercially available rates
- Applies to capital improvement lighting projects or energy-efficient real property improvements
- Useful life of the asset exceeds the financing term
- Takes ownership and control of the asset

The True Cost of Debt

Municipal Lease vs. Bonding

Compared to the stop-and-go, gridlock approach of public bonding, a municipal lease can be the expressway to getting your municipal lighting project going. To accurately evaluate the financial implications of a municipal lease vs. public bonding options consider these issues:

+ Municipal Lease

A lease is paid directly from your annual operating budget without the need for voter approval

Favorable APR compared with true cost of bond issuance with time, soft costs and other variables

Simple, quick application process with minimal staff time, approval usually in 24-48 hours

Flexible Terms

- Lease matches the capital need without excess funding
- Lease term matches useful life of the asset
- Early buyout option available
- Annual renewal option protects operating budget if funds are not appropriated

No additional fees or public reporting requirements

Most effective for smaller projects lasting less than 10 years

+ Bond Financing

Bonds are new public funds that require referendum and voter approval

Bond issuance takes time with higher soft costs

Slow process can take years, consuming resources and can adversely affect your borrowing rate

Rigid Terms

- Bonds usually do not match capital needs
- Payment terms often exceed useful life of the project
- Risk of call provisions with prepayment penalties
- Commits city to long-term fixed payments despite economic downturns

Bond costs continue even after bonds are sold (trustee fees, compliance reports, footnote disclosure, audit fees, periodic rating agency fees)

Preferred method of financing for very large, long-term projects

How Smart Money Works

Cash Flow Positive takes a smart move and makes it brilliant. See how a typical energy-efficient sports lighting retrofit project quickly pays for itself while never putting a strain on your budget.

Typical Energy-Efficient Lighting Upgrade Project	
Project Cost incl. Labor	\$30,000.00
Annual Energy & Maintenance Savings	\$17,000.00
Simple Payback Period	1.76
Finance period rounded up to the nearest full year term	2 years
Simple Payback Cash Flow	
Monthly Energy & Maintenance Savings	\$1,416.67
Estimated monthly finance payment	\$1,309.98
Monthly Positive Cash Flow	\$106.69

Economics Considering Impact of EPA Act and Utility Rebate	
Project Cost incl. Labor	\$30,000.00
Potential utility rebate	\$2,500.00
Additional first year cash flow	\$2,500.00
Net investment less estimated incentives	\$27,500.00
Annual Energy & Maint Savings	\$17,000.00
Potential payback period with incentives	1.62
Customer Rate	*4.38%

*Actual rates are determined by the creditworthiness of the borrower and financing term



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Contact us to see how Current Capital financing solutions can improve your bottom line.

<https://currentlighting.com/financial-solutions>

Current 

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