Wagga Wagga City Council - LED Streetlighting Upgrade Project Financial Modelling - Council Funding Options

Council funded from external loan borrowings

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Opening Bank Balance*	3,000,000	3,048,000	3,103,614	3,163,704	3,228,400	3,297,833	3,372,138	3,451,454	4,010,515	4,582,465	5,167,575
Upfront Cost (Net cost to Council)	-2,933,703										
Estimated ESC Savings	315,867										
External Loan Borrowings	2,617,836										
Loan Repayments (6 yrs @ 2.22%)		-470,827	-470,827	-470,827	-470,827	-470,827	-470,827	0	0	0	0
Estimated Annual Savings		477,619	481,177	484,792	488,465	492,196	495,987	499,839	503,753	507,729	511,768
Interest on Bank Balance (assumed 1.60%)	48,000	48,822	49,741	50,731	51,795	52,936	54,155	59,222	68,198	77,381	86,775
Closing Bank Balance	3,048,000	3,103,614	3,163,704	3,228,400	3,297,833	3,372,138	3,451,454	4,010,515	4,582,465	5,167,575	5,766,119
									Net Increase to	o Council bank	2,766,119
Council funded from internal loan											
Council funded from internal loan	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Council funded from internal loan Opening Bank Balance*	2019/20 3,000,000	2020/21 409,221	2021/22 897,208	2022/23 1,396,590	2023/24 1,907,606	2024/25 2,430,500	2025/26 2,965,521	2026/27 3,512,925	2027/28 4,072,969	2028/29 4,645,919	
	•	•	•	•	•		•	•	•	•	2029/30
Opening Bank Balance*	3,000,000	•	•	•	•		•	•	•	•	2029/30
Opening Bank Balance* Upfront Cost (Net cost to Council)	3,000,000	409,221	897,208	1,396,590	1,907,606	2,430,500	2,965,521	3,512,925	4,072,969	4,645,919	2029/30 5,232,044
Opening Bank Balance* Upfront Cost (Net cost to Council) Internal Loan repayments (from General Fund)**	3,000,000	-480,527	-480,527	1,396,590 -480,527	1,907,606 -480,527	2,430,500 -480,527	2,965,521 -480,527	3,512,925 0	4,072,969	4,645,919 0	2029/30 5,232,044 0
Opening Bank Balance* Upfront Cost (Net cost to Council) Internal Loan repayments (from General Fund)** Internal Loan repayments (to Other Fund)	3,000,000	409,221 -480,527 480,527	-480,527 480,527	1,396,590 - <mark>480,527</mark> 480,527	1,907,606 - <mark>480,527</mark> 480,527	2,430,500 -480,527 480,527	-480,527 480,527	3,512,925 0 0	4,072,969 0 0	4,645,919 0 0	2029/30 5,232,044 0 0
Opening Bank Balance* Upfront Cost (Net cost to Council) Internal Loan repayments (from General Fund)** Internal Loan repayments (to Other Fund) Estimated Annual Savings	3,000,000 -2,617,836	409,221 -480,527 480,527 477,619	897,208 -480,527 480,527 481,177	-480,527 480,527 484,792	1,907,606 -480,527 480,527 488,465	2,430,500 -480,527 480,527 492,196	2,965,521 -480,527 480,527 495,987	3,512,925 0 0 499,839	4,072,969 0 0 503,753	4,645,919 0 0 507,729	2029/30 5,232,044 0 0 511,768

Notes

* Opening bank balance of \$3M has been assumed for all options to allow cashflow comparison to be undertaken.

** Internal loan repayments are based on Council's 1 year investment portfolio return to December 2019 of 2.83%.