



City of Hamilton
HAMILTON RENEWABLE POWER INCORPORATED
BOARD OF DIRECTORS

Meeting #: Meeting#-xx-xxxx
Date: July 30, 2018
Time: 2:00 p.m.
Location: Room 192, 1st Floor
71 Main Street West

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **DECLARATIONS OF INTEREST**
4. **ADOPTION OF MINUTES**
 - 4.1 June 15, 2017
 - 4.2 July 11, 2018
5. **PRESENTATIONS**
 - 5.1 Operational and Financial Update
6. **MOTIONS**
 - 6.1 Resignation and Appointment of Secretary
 - 6.2 2017 Audited Financial Statements
 - 6.3 2018 Budget
 - 6.4 Declaration of Dividend
 - 6.5 Confirmatory Actions

7. PRIVATE AND CONFIDENTIAL

7.1 Hamilton Renewable Power Incorporated Review (distributed under separate cover)

Pursuant to the *Business Corporations Act* (Ontario) R.S.O. 1990 c. B. 16

8. ADJOURNMENT



CITY COUNCIL MINUTES 17-016

5:00 p.m.

Wednesday, September 13, 2017

Council Chamber

Hamilton City Hall

71 Main Street West

Present: Mayor F. Eisenberger
Councillors A. Johnson, J. Farr, M. Green, S. Merulla, C. Collins, T. Jackson, D. Skelly, T. Whitehead, D. Conley, M. Pearson, B. Johnson, L. Ferguson, A. VanderBeek, R. Pasuta and J. Partridge.

Mayor Eisenberger called the meeting to order and recognized that Council is meeting on the traditional territories of the Mississauga and Haudenosaunee nations, and within the lands protected by the “Dish With One Spoon” wampum agreement.

The Mayor called upon Pastor Mark Koehler and Pastor Peter Gatluak, of Pilgrim Lutheran Church to provide the invocation.

APPROVAL OF THE AGENDA

The Clerk advised of the following changes to the agenda:

1. ADDED COMMUNICATIONS

5.8 Correspondence respecting Area Rating Funds:

- (a) Gabriel Nicholson
- (b) Viv Saunders

Recommendation: Be received and referred to the consideration of Item 7.6

5.9 Correspondence from Viv Saunders respecting the Hamilton Waterfront Trust.

Recommendation: Be received and referred to the consideration of Item 3 of the Audit, Finance and Administration Committee Report 17-012.

5.10 Correspondence from Viv Saunders respecting the Student Accommodation Factor – Ward Office Budgets.

Recommendation: Be received and referred to the consideration of Item (k)(ii) of the Audit, Finance and Administration Committee Report 17-012.

2. WITHDRAWN MOTION

- 7.5 Hamilton Police Service Requested to Actively Enforce Current Laws Prohibiting the Sale of Marijuana under the Criminal Code

3. ADDED NOTICES OF MOTION

- 8.2 Parkdale Landing Affordable Housing Project - Phase 1
- 8.3 217 Lottridge Street, Hamilton (Formerly: B.I.Z. Mechanical Inc. O/A: E.Z. Waste)
- 8.4 Community Grants for Ward 3

4. ADDED PRIVATE AND CONFIDENTIAL

- 10.3 Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update (to be distributed)

Pursuant to Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City; and, the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

5. CHANGE TO THE ORDER OF ITEMS

As Item 7.7 is contingent on the outcome of Item 8.1, the Acting Clerk recommended that Council consider 8.1 and Councillor Jackson's proposed amendment prior to the consideration of Item 7.7.

(Green/Whitehead)

That the agenda for the September 13, 2017 meeting of Council be approved, as amended.

CARRIED

DECLARATIONS OF INTEREST

There were no declarations of interest.

APPROVAL OF MINUTES

4.1 August 18, 2017

(Whitehead/Pasuta)

That the Minutes of the August 18, 2017 meeting of Council be approved, as presented.

CARRIED

COMMUNICATIONS

(Ferguson/Conley)

That Council Communications 5.1 through 5.10 be approved, ***as amended***, as follows:

- 5.1 Correspondence from the Presidents of the Niagara North, Hamilton-Wentworth, Niagara South, Brant County, Norfolk, Haldimand and Halton Region Federations of Agriculture requesting the Council pass a resolution to endorse provincial public investment for natural gas expansion.

Recommendation: ***Be endorsed and referred to the Agriculture and Rural Affairs Advisory Committee, for their information.***

- 5.2 Correspondence from the Anil Arora, Chief Statistician of Canada, Statistics Canada respecting updated language data from the 2016 Census of Population.

Recommendation: Be received.

- 5.3 Correspondence from Brock Carlton, Chief Executive Officer, Federation of Canadian Municipalities respecting the first payment to the City of Hamilton in regards to the Green Municipal Fund Grant Agreement for the Hamilton Bike Share Everyone Rides Pilot Initiative.

Recommendation: Be received.

- 5.4 Correspondence from the Honourable Bill Mauro, Minister of Municipal Affairs in response to the comments submitted by the City of Hamilton on Schedule 3 of Bill 139.

Recommendation: Be received.

- 5.5 Correspondence from the Honourable Jane Philpott, Minister of Health in response to Mayor Eisenberger's invitation to discuss funding opportunities to support the City of Hamilton's opioid response.

Recommendation: Be received and referred to the Medical Officer of Health for information and appropriate action.

- 5.6 Correspondence respecting Report PED17140, Urban Hamilton Official Plan Amendment and Zoning By-law Amendment for Lands Located at 3100-3140 Regional Road 56 and Block 131 of the Elizabeth Gardens Phase 3 Plan of Subdivision (62M-1062), Glanbrook (Ward 11):

- (a) Daryl and Erin Gair
- (b) Jean Rigg-Brown
- (c) Jean & Carl Besseling

Recommendation: Be received and referred to the consideration of Item 5 of the September 5, 2017 Planning Committee Report.

- 5.7 Correspondence from April Almeida respecting that the month of October is “Dysautonomia Awareness Month”.

Recommendation: Be received **and referred to the Office of the Mayor, for their information.**

- 5.8 Correspondence respecting Area Rating Funds:

- (a) Gabriel Nicholson
- (b) Viv Saunders

Recommendation: **Be received.**

- 5.9 Correspondence from Viv Saunders respecting the Hamilton Waterfront Trust.

Recommendation: Be received and referred to the consideration of Item 3 of the Audit, Finance and Administration Committee Report 17-012.

- 5.10 Correspondence from Viv Saunders respecting the Student Accommodation Factor – Ward Office Budgets.

Recommendation: Be received and referred to the consideration of Item (j) of the Audit, Finance and Administration Committee Report 17-012.

CARRIED

(Farr/Green)

That Council move into Committee of the Whole for consideration of the Committee Reports.

CARRIED

PLANNING COMMITTEE REPORT 17-014

5. **Urban Hamilton Official Plan Amendment and Zoning By-law Amendment for Lands Located at 3100-3140 Regional Road 56 and Block 131 of the Elizabeth Gardens Phase 3 Plan of Subdivision (62M-1062), Glanbrook (PED17140) (Ward 11) (Item 6.5)**

(B. Johnson/Pearson)

- (a) That the Item 5, respecting the Urban Hamilton Official Plan Amendment and Zoning By-law Amendment for Lands Located at 3100-3140 Regional Road 56 and Block 131 of the Elizabeth Gardens Phase 3 Plan of Subdivision (62M-1062), Glanbrook (PED17140) (Ward 11) be TABLED for two weeks until the next Council meeting to give the applicant and staff time to negotiate a possible resolution; and
- (b) That Council Communications 5.6(a),(b), and (c), be forwarded to the Planner on the file for information.

CARRIED

(Pearson/B. Johnson)

That the FOURTEENTH Report of the Planning Committee be adopted, as amended, and the information section received.

CARRIED

GENERAL ISSUES COMMITTEE REPORT 17-018

(Eisenberger/Ferguson)

That Item (e)(ii) of the General Issues Committee Report 17-018, respecting the 2030 Commonwealth Games 100th Anniversary (PED17133), be lifted from the Information Section and added as Item 9 for discussion.

9. 2030 Commonwealth Games 100th Anniversary (PED17133) (City Wide) (Item 8.2)

(Eisenberger/Whitehead)

- (a) That staff be directed to send a letter, under the signature of the Mayor, to Commonwealth Games Canada (CGC) expressing a non-binding interest in the City of Hamilton hosting the 100th Anniversary Commonwealth Games in 2030; and
- (b) That staff be directed to prepare a Business Proposal for Council that outlines, at a high-level, the requirements for hosting this event and report back to the General Issues Committee in Q1, 2018.

(B. Johnson/A. Johnson)

That the question respecting 2030 Commonwealth Games 100th Anniversary (PED17133), be called.

DEFEATED

The above motion respecting 2030 Commonwealth Games 100th Anniversary (PED17133) was DEFEATED on the following Standing Recorded Vote:

Yeas:	F. Eisenberger, T. Whitehead, D. Conley, M. Pearson, and R. Pasuta
Total:	5
Nays:	A. Johnson, J. Farr, M. Green, S. Merulla, C. Collins, T. Jackson, D. Skelly, B. Johnson, J. Partridge, and A. VanderBeek
Total:	10
Absent:	L. Ferguson
Total:	1

(Eisenberger/VanderBeek)

That the consideration of Item 8, Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update (LS17015(b)); the General Issues Committee Report 17-018 and the motion to Rise from Committee of the Whole be deferred until after the Closed Session portion of the meeting.

CARRIED

Deputy Mayor Ferguson relinquished the Chair to Councillor Farr, as he had to leave for a previously scheduled event.

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REPORT 17-012**(Skelly/Jackson)**

That the TWELFTH Report of the Audit, Finance and Administration Committee be adopted, as presented, and the information section received.

CARRIED**MOTIONS****7.1 Kegs4Cncr – Special Occasion Permit Liquor Licence****(Farr/Green)**

WHEREAS, Hamilton City Council has received Notice (attached hereto as Appendix "A") from Jennifer Pavicich on behalf of Collective Arts Brewing, Hamilton Health Sciences and Nickle Brook Brewing Co., that they wish to obtain approval for a Special Occasion Permit Liquor Licence to sell alcohol on September 23, 2017 between the hours of 7:00 p.m. and 1:00 a.m. at Collective Arts Brewery, 207 Burlington Street East, Hamilton, Ontario during the Kegs4Cncr taking place in Hamilton, Ontario;

WHEREAS, the Alcohol and Gaming Commission of Ontario requires that if a permit holder is not a registered charity or non-profit organization, that a resolution of the Council is required to designate the event as one of municipal significance; and

WHEREAS, the City of Hamilton does not have an objection to the Liquor Licence Serving Time Extension for the following establishment;

THEREFORE BE IT RESOLVED:

- (a) That the City of Hamilton hereby deems Kegs4Cncr, being held in the City of Hamilton, Ontario on September 23, 2017, as municipally significant; and,
- (b) That the following applicant be provided a copy of this resolution for inclusion with their application to the Alcohol and Gaming Commission of Ontario:
 - (i) Collective Arts Brewing, Hamilton Health Sciences and Nickle Brook Brewing Co. c/o Jennifer Pavicich, Burlington, Ontario.

CARRIED**7.2 Amending the 2017 Council/Committee Meeting Calendar****(Pearson/B. Johnson)**

WHEREAS, the contractor installing the upgraded components of the audio/visual equipment in the Council Chambers requires three consecutive weeks in the Council Chamber free of meetings to complete the upgrade; and

WHEREAS, by moving the meetings during the week of December 11, 2017 would provide the contractor with the three consecutive weeks in the Council Chamber free of meetings to complete the upgrade.

THEREFORE BE IT RESOLVED:

- (a) That the Audit, Finance and Administration Committee meeting scheduled on December 11, 2017 be rescheduled to December 7, 2017;
- (b) That the Emergency and Community Services Committee meeting scheduled on December 11, 2017 be rescheduled to December 7, 2017; and
- (c) That the City Council meeting scheduled on December 13th at 9:30 a.m., be rescheduled to December 8, 2017 at 9:30 a.m.

CARRIED

7.3 Valley Park Construction Project – Heritage Green Community Trust Funding

(Conley/Pearson)

WHEREAS, the City of Hamilton (“the City”) owns the Valley Park Branch Library located in the City of Hamilton;

WHEREAS, the City and the Hamilton Public Library Board (the “Board”) wish to construct an addition on the existing facility: the Valley Park Community Centre and the Valley Park Branch Library;

WHEREAS, the capital project for Valley Park Library Expansion #7501741601 was approved by Council in the 2017 capital budget;

WHEREAS, the Heritage Green Community Trust (“the Trust”) is prepared to fund part of the Valley Park Construction Project, specifically the construction of two (2) new multi-purpose rooms of at least 1,500 square feet each (the “Multi-Purpose Room Project”);

WHEREAS, the Trust has agreed to make available to the City and the Board up to one million, two hundred and fifty thousand dollars (\$1,250,000) to fund the Multi-Purpose Room Project, subject to terms and conditions to be set forth in an agreement to be signed by the City, the Board and the Trust;

WHEREAS, the report seeking authority for the Board to enter into the agreement was approved by the Hamilton Public Library Board June 21, 2017, and;

WHEREAS, staff also require authority to negotiate an agreement on behalf of the City;

THEREFORE BE IT RESOLVED:

- (a) That the General Manager, of the Public Works Department, be authorized and directed to negotiate an agreement between the City of Hamilton, the Hamilton Library Board and the Heritage Green Community Trust (the “Trust”) to give effect to the funding of part of the Valley Park Construction Project, specifically the construction of two (2) new multi-purpose rooms of at least 1,500 square feet, of up to one million, two hundred and fifty thousand dollars (\$1,250,000) to be provided by the Trust; and,

- (b) That the Mayor and the City Clerk be authorized and directed execute an agreement and any ancillary documents, between the City of Hamilton, the Hamilton Library Board and the Heritage Green Community Trust (the "Trust") to give effect to the funding of part of the Valley Park Construction Project, specifically the construction of two (2) new multi-purpose rooms of at least 1,500 square feet, of up to one million, two hundred and fifty thousand dollars (\$1,250,000) to be provided by the Trust, with content acceptable to the General Manager of Public Works and in a form satisfactory to the City Solicitor.

CARRIED

7.4 Amendment to sub-section (b)(i) of Item 3 of the Audit, Finance and Administration Committee Report 17-008 – Grants Sub-Committee Report 17-002.

(B. Johnson/M. Green)

3. Grants Sub-Committee Report 17-002, May 11, 2017 (Added Item 8.1)

WHEREAS, a few of the applicants to the 2017 City Enrichment Fund inadvertently provided the name of the group, event or program, in place of the legal name on their respective accounts; leaving staff without authority to release the funding;

THEREFORE BE IT RESOLVED:

- (a) That Appendix "A" to sub-section (b)(i) of Item 3 of the Audit, Finance & Administration Committee Report 17-008, which was approved by Council on May 24, 2017, be amended by:
- (i) deleting the words "Megan May Dance" under the Program Name heading for ART D-8, and replacing them with the words "**Megan May**"; and,
 - (ii) deleting the words "Bad Timing Productions" under the Program Name heading for ART D-11, and replacing them with the words "**Amos Crawley**".

CARRIED

7.6 Playground Revitalization Contribution for Memorial City School and Adelaide Hoodless Elementary School

(Green/Jackson)

WHEREAS, improving our green spaces, and playgrounds will help strengthen and build a community with even more opportunities for all;

WHEREAS, the Hamilton-Wentworth District School Board has agreed to a match contributions for the revitalization of the Adelaide Hoodless Elementary School and Memorial City School parks and playgrounds dollar-for-dollar;

THEREFORE BE IT RESOLVED:

- (a) That \$150,000 as the City's contribution, to be funded from the Ward 3 Area Rating Reserve (108053), be provided to the Hamilton-Wentworth District School Board for the revitalization of the Memorial City School park and playground; and,
- (b) That \$150,000 as the City's contribution, to be funded from the Ward 3 Area Rating Reserve (108053), be provided to the Hamilton-Wentworth District School Board for the revitalization of the Adelaide Hoodless Elementary School playground.

CARRIED

7.8 Reconsideration of the Demolition of the City-Owned Surplus School at 155 East 26th Street, known as Eastmount Park Elementary School

WHEREAS, as per the direction in Report PED15127 - Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School, which was approved by Council on February 10, 2016, the City of Hamilton has purchased and now owns the Surplus School Property at 155 East 26th Street, known as Eastmount Park Elementary School;

WHEREAS, staff were authorized and directed to demolish the existing surplus school structure and finish the property with a grassed area, subject to the successful acquisition of the property at 155 East 26th Street, known as Eastmount Park Elementary School;

WHEREAS, staff were verbally directed at the November 2, 2016 General Issues Committee (GIC) meeting, to hold off on the demolition of the former Eastmount Park Elementary School building, until such time as staff reported back to GIC in response to the motion put forward at that same November 16, 2016 meeting, respecting the feasibility of a fashion incubator at the Eastmount School site that would include, but not be limited to: fashion and related businesses; opportunities for community groups; operating costs offset by partnerships with the private sector; and, steps to transform the former elementary school into a place for creative people to work, connect with peers, and learn to further their trades;

WHEREAS, Report PED17144, respecting Creating a Fashion Incubator Including Opportunities for Community Groups at the Former Eastmount School Site, was TABLED at the August 14, 2017 General Issues Committee meeting, pending further information regarding the Council approved resolution currently on the record (Report PED15127 - Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School, which was approved by Council on February 10, 2016);

WHEREAS, there is interest in the Community to keep the surplus school structure and use the building for community use; and,

WHEREAS, capital funding requirements for medium and long-term building occupancy, as well as operating enhancements/pressures at full occupancy at 30,000 square feet, have not yet been reported to Committee.

THEREFORE BE IT RESOLVED:

That sub-section (a)(iii)(1) to Item 11 of the General Issues Committee Report 16-004, respecting Report PED15127(a) - Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School, which was approved by Council on February 10, 2016 and reads as follows, be reconsidered:

11. School Board Properties Sub-Committee Report 16-001, January 15, 2016 (Item 8.8)

(a) Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School (PED15127(a)) (Ward 7) (Item 12.2)

(iii) That subject to a successful acquisition under Recommendation (a) of Report PED15127(a):

- (1) Staff be authorized and directed to demolish the existing surplus school structure and finish the property with a grassed area;

CARRIED on a 2/3rds Majority

7.9 School Board Properties Sub-Committee Report 16-001, January 15, 2016 (Item 8.8)

(Jackson/Whitehead)

That sub-section (a)(iii)(1) to Item 11 of the General Issues Committee Report 16-004, respecting Report PED15127(a) - Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School, which was approved by Council on February 10, 2016 and reads as follows, be deleted in its entirety and replaced with the following in lieu thereof:

11. School Board Properties Sub-Committee Report 16-001, January 15, 2016 (Item 8.8)

(a) Surplus School Property at 155 East 26th Street known as Eastmount Park Elementary School (PED15127(a)) (Ward 7) (Item 12.2)

(iii) That subject to a successful acquisition under Recommendation (a) of Report PED15127(a):

- ~~(1) Staff be authorized and directed to demolish the existing surplus school structure and finish the property with a grassed area;~~

- (1) That Public Works staff be directed to report to the 2018 budget process (General Issues Committee) with the following, as it relates to the former Eastmount School property, and to include a funding source(s) for each:

- (i) the backlog of outstanding, unfunded capital projects necessary to bring the Eastmount school building up to current Building Code requirements;
- (ii) the capital funding required over the next 10 years to maintain the facility; and,
- (iii) the required Corporate Facilities operating enhancements and pressures to maintain and operate the facility with full occupancy at 30,000 square feet.

CARRIED

7.7 Reallocation of the Previously Approved Funding for the Remediation and the Demolition of the Surplus School Property at 155 East 26th Street know as Eastmount Park Elementary School

(Skelly/Jackson)

- (a) That, concurrent with staff reporting to the 2018 budget process (General Issues Committee), as it relates to the former Eastmount School property, the previously approved funding for the remediation and the demolition, as outlined in Private & Confidential Appendix “B” to Report PED15127(a), respecting the Surplus School Property at 155 East 26th Street know as Eastmount Park Elementary School, be reallocated to fund all or a portion of the backlog of outstanding, unfunded capital projects necessary to bring the Eastmount school building up to current Building Code requirements; and,
- (b) That Tourism & Culture staff be directed to review alternative uses for the property at 155 East 26th Street, known as the Eastmount Park Elementary School site, as it would relate to opportunities for not-for-profit community groups and report back to the General Issues Committee.

(Partridge/Pasuta)

That the recommendations for the Reallocation of the Previously Approved Funding for the Remediation and the Demolition of the Surplus School Property at 155 East 26th Street know as Eastmount Park Elementary School, be amended by adding the phrase “**of \$600,000**” after the word “funding”, and by adding the word “**possibly**” after the phrase “reallocated to” in sub-section (a), to read as follows:

- (a) That, concurrent with staff reporting to the 2018 budget process (General Issues Committee), as it relates to the former Eastmount School property, the previously approved funding **of \$600,000** for the remediation and the demolition, as outlined in Private & Confidential Appendix “B” to Report PED15127(a), respecting the Surplus School Property at 155 East 26th Street know as Eastmount Park Elementary School, be reallocated to **possibly** fund all or a portion of the backlog of outstanding, unfunded capital projects necessary to bring the Eastmount school building up to current Building Code requirements; and

Amendment CARRIED

(Pearson/Conley)

That the following subsection (c) be added:

- (c) That no money be spent until the report coming through the 2018 budget process is completed.**

Amendment CARRIED

Main motion **as amended** motion to read as follows:

- (a) That, concurrent with staff reporting to the 2018 budget process (General Issues Committee), as it relates to the former Eastmount School property, the previously approved funding **of \$600,000** for the remediation and the demolition, as outlined in Private & Confidential Appendix "B" to Report PED15127(a), respecting the Surplus School Property at 155 East 26th Street know as Eastmount Park Elementary School, be reallocated to **possibly** fund all or a portion of the backlog of outstanding, unfunded capital projects necessary to bring the Eastmount school building up to current Building Code requirements;
- (b) That Tourism & Culture staff be directed to review alternative uses for the property at 155 East 26th Street, known as the Eastmount Park Elementary School site, as it would relate to opportunities for not-for-profit community groups and report back to the General Issues Committee; **and**
- (c) That no money be spent until the report coming through the 2018 budget process is completed.**

Main Motion, as Amended, CARRIED

7.10 Parkdale Landing Affordable Housing Project - Phase 1

(Merulla/Collins)

WHEREAS, Indwell Community Homes has purchased the derelict property at the corner of Melvin and Parkdale and are undertaking a two phase redevelopment to transform the site into a housing and community hub. Phase 1 includes 57 affordable housing units with significant tenant supports; and

WHEREAS, the Parkdale Landing Affordable Housing Project (57 units) Phase 1 has a total budget of \$12,731,554. The sources of funding include \$5.5M Federal/Provincial Capital Grant, community donations of \$2.05M, Financing of \$4,891,304 leaving the project \$290,250 unfunded.

THEREFORE BE IT RESOLVED

- (a) That the unfunded costs in the amount of \$290,250 for the Parkdale Landing Affordable Housing Project (57 units) Phase 1 Development be funded as a grant from the Ward 4 Councillor's Capital Reserve; and
- (b) That staff be granted delegated authority to enter into a funding agreement on behalf of the City with the following terms:

- (i) That 50% of the \$290,250 payment be made immediately after the funding agreement has been signed by all parties and the balance of the grant paid out on January 15, 2019;
- (ii) That Indwell's must forward to City Finance staff their Annual Financial statements upon their Board's approval of same.

CARRIED

7.11 217 Lottridge Street, Hamilton (Formerly: B.I.Z. Mechanical Inc. O/A: E.Z. Waste)

(Green/Merulla)

WHEREAS, the City of Hamilton conditionally approved Site Plan Control application, DA-08-030 on April 9, 2008, for the construction of a 648 square metre waster transfer station for dry non-hazardous waste at 217 Lottridge Street, Hamilton;
WHEREAS, on November 24, 2008, the Ministry of the Environment issued a Certificate of Approval, for a Waste Disposal Site at 217 Lottridge Street, Hamilton, establishing guidelines for the activities of the operation in a way that protects the environment, as well as identifying protocol for addressing complaints regarding the operation of the Site;

WHEREAS, the City of Hamilton Final Approved Site Plan Control, DA-08-030, on March 30, 2009, for a Waste Disposal Site at 217 Lottridge Street, Hamilton, in accordance with a Letter of Undertaking that was signed and acknowledged by the property owner of the subject lands, on March 10, 2009, that the owner shall comply with the content of the plans and drawings and not to vary there from;

WHEREAS, residents located adjacent to, and surrounding the existing waste transfer station at 217 Lottridge Street, Hamilton, have directed complaints to the Ward Councillor, relating to noise, dust, odour, outdoor storage, a lack of visual barriers, screening, and vegetation, and to date, the owner/operator have been non-responsive; and

WHEREAS, the City of Hamilton, Ward 3 Councillor, filed a letter on September 26, 2016 to the Ministry of the Environment and Climate Change requesting follow-up on the complaints that have been raised by local area residents for the Waste Disposal Site located at 217 Lottridge Street, Hamilton;

THEREFORE BE IT RESOLVED:

That staff be directed to advise the Ministry of the Environment and Climate Change that the Certificate of Approval that was issued on November 24, 2008, and further amended on September 29, 2009, March 7, 2011, and August 11, 2015, for a Waste Disposal Site at 217 Lottridge Street, Hamilton, be reviewed for compliance, and, potentially revoked, based upon further investigation of the operation as it currently exists.

CARRIED

7.12 Community Grants for Ward 3

(Green/Merulla)

WHEREAS, cell tower revenues from Ward 3 of \$87,266.81 are available in project 3301609603 to provide financial support to community led projects and initiatives that benefit Ward 3;

THEREFORE BE IT RESOLVED:

That the funding for the following programs and initiatives, to be financed from the Cell Tower Revenues Project 3301609603, be approved:

- (a) That a grant provided to McMaster Indigenous Student Community Alliance (MISCA) in partnership with OPIRG McMaster, PACBIC, the McMaster Peace Studies, Engineering, and Social Work Faculties, and various student groups to provide the following: \$1,500 for the Event, 150 years of Resilience: an Untold Story, \$1,500 for a blanket exercise regarding the history of colonization, \$1,000 for the 2017 Cultural Gathering, and \$1,000 for the Indigenous Social Forum.

CARRIED

NOTICES OF MOTION

8.1 Reconsideration of the Demolition of the City-Owned Surplus School at 155 East 26th Street, known as Eastmount Park Elementary School

Councillor T. Jackson introduced a Notice of Motion respecting the Reconsideration of the Demolition of the City-Owned Surplus School at 155 East 26th Street, known as Eastmount Park Elementary School.

(Jackson/Whitehead)

That the Rules of Order be waived to allow for the Reconsideration of the Demolition of the City-Owned Surplus School at 155 East 26th Street, known as Eastmount Park Elementary School.

CARRIED

For disposition of this matter, refer to Items 7.8 and 7.9.

8.2 Parkdale Landing Affordable Housing Project - Phase 1

Councillor S. Merulla introduced a Notice of Motion respecting the Parkdale Landing Affordable Housing Project - Phase 1.

(Merulla/Collins)

That the Rules of Order be waived to allow for the introduction of a motion the Parkdale Landing Affordable Housing Project - Phase 1.

CARRIED

For disposition of this matter, please refer to Item 7.10.

8.3 217 Lottridge Street, Hamilton (Formerly: B.I.Z. Mechanical Inc. O/A: E.Z. Waste)

Councillor M. Green introduced a Notice of Motion respecting 217 Lottridge Street, Hamilton (Formerly: B.I.Z. Mechanical Inc. O/A: E.Z. Waste).

(Green/Merulla)

That the Rules of Order be waived to allow for the introduction of a motion respecting 217 Lottridge Street, Hamilton (Formerly: B.I.Z. Mechanical Inc. O/A: E.Z. Waste).

CARRIED

For disposition of this matter, please refer to Item 7.11.

8.4 Community Grants for Ward 3

Councillor M. Green introduced a Notice of Motion respecting Community Grants for Ward 3.

(Green/Merulla)

That the Rules of Order be waived to allow for the introduction of a motion respecting Community Grants for Ward 3.

CARRIED

For disposition of this matter, please refer to Item 7.12.

STATEMENT BY MEMBERS

Members of Council used this opportunity to discuss matters of general interest.

PRIVATE AND CONFIDENTIAL

(Green/Jackson)

That Council move into Closed Session at 8:42 p.m. to discuss Ombudsman's Preliminary Report, Ombudsman's Preliminary Report (CL17008 / LS17031), and Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update, pursuant to Section 239(3)(b) of the Ontario Municipal Act, 2001, Section 8.1, Sub-sections (e) and (f) of the City's Procedural By-law 14-300, and Section 239(2), Sub-sections (e) and (f) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to litigation or potential litigation, including matters before administrative tribunals, affecting the City; and, the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED

Council reconvened in Open Session at 9:31 p.m.

10.1 Ombudsman's Preliminary Report

There was nothing to report in Open Session respecting the Ombudsman's Preliminary Report.

10.2 Ombudsman’s Preliminary Report (CL17008 / LS17031)

There was nothing to report in Open Session respecting the Report CL17008 / LS17031- Ombudsman’s Preliminary Report.

10.3 Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update

(Whitehead/Conley)

- (a) That the direction provided to staff in Closed Session, respecting the Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update, be approved **as amended**; and,
- (b) That the information respecting the Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update, and its appendices, remain confidential.

CARRIED

Councillors A. Johnson, M. Green, B. Johnson, R. Pasuta, and J. Partridge requested to be recorded as OPPOSED to the aforementioned motion.

GENERAL ISSUES COMMITTEE REPORT 17-018 (Continued)

8. Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update (LS17015(b)) (City Wide) (Item 12.3)

(Eisenberger/VanderBeek)

- (a) That the direction provided to staff in Closed Session, respecting Report LS17015(b), respecting the Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update, be approved **as amended**; and,
- (b) That Report LS17015(b), respecting the Appeals of Ward Boundary By-law 17-030 to the Ontario Municipal Board Update, and its appendices, remain confidential.

CARRIED

(A. Johnson/Green)

That the EIGHTEENTH report of the General Issues Committee be adopted, as amended, and the information section received.

CARRIED

(Farr/Green)

That the committee of the Whole Rise and Report.

CARRIED

BY-LAWS

(VanderBeek/Conley)

That Bills No.17-190 to No.17-195 be passed and that the Corporate Seal be affixed thereto, and that the By-laws, be renumbered, be signed by the Mayor and the City Clerk to read as follows:

Bill No.

- 190** To Amend By-law No. 01-215, Being a By-law to Regulate Traffic
Schedule 6 (One Way Streets)
Schedule 9 (No Turn on Red)
Schedule 13 (Designated Traffic Lanes)
Schedule 18 (Bicycle Lanes)
Ward: 1, 2
- 191** To Amend By-law No. 06-147, Being a By-law to Authorize the City to Enter into
Extension Agreements
Ward: City Wide
- 192** Respecting Removal of Part Lot Control, Block 6, Registered Plan No. 62M-1011,
known as Flamborough Industrial Park
PLC-17-019
Ward: 15
- 193** To Amend Zoning By-law No. 90-145-Z (Flamborough), Respecting Lands Located
at 100 Hamilton Street North (Flamborough)
ZAR-15-058
Ward: 15
- 194** To Amend By-law No. 01-218, as amended, Being a By-law to Regulate On-Street
Parking
Schedule 5 (Parking Meters)
Schedule 6 (Time Limit Parking)
Schedule 8 (No Parking Zones)
Schedule 10 (Alternate Side Parking)
Schedule 12 (Permit Parking Zones)
Schedule 13 (No Stopping Zones)
Schedule 14 (Wheelchair Loading Zones)
Schedule 15 (Commercial Vehicle Loading Zones)
Ward: 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 14, 15
- 195** To Confirm the Proceedings of City Council

CARRIED

(Green/Farr)

That, there being no further business, City Council be adjourned at 9:35 p.m.

CARRIED

Respectfully submitted,

Mayor F. Eisenberger

Janet Pilon
Acting City Clerk

**HAMILTON RENEWABLE POWER INC.
Board of Directors**

Minutes 18-001

July 11, 2018

1:30 p.m.

Room 192, 1st Floor

Hamilton City Hall

71 Main St. W., Hamilton

Pursuant to Section 3.6(4) of the City of Hamilton's Procedural By-law 14-300 at 2:00 p.m. the Board's Acting Secretary advised those in attendance that quorum had not been achieved within 30 minutes after the time set for the Hamilton Renewable Power Incorporated, Board of Directors, therefore, the Board's Acting Secretary noted the names of those in attendance and the meeting stood adjourned.

Present: **Board of Directors:**
Mayor F. Eisenberger
Councillor B. Johnson
D. McKinnon, General Manager, Public Works (Non-Voting Member)

Officers:
R. D'Angelo, President
T. Chessman, Senior Vice President
F. Gazzola, Vice President
D. Oak, Accountant
J. Pilon, Acting Secretary

Absent: Councillor L. Ferguson – City Business
Councillor M. Pearson – Personal
Councillor M. Green – City Business

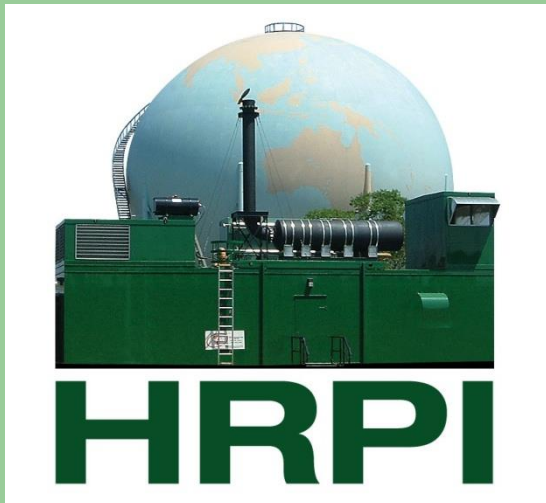
Also Present: R. Male, Director, Financial Services & Corporate Controller
D. Edwards, Solicitor
D. McKenna, Solicitor
John Rocx, KPMG

Respectfully submitted,

Janet Pilon
Acting Secretary
Hamilton Renewable Power Incorporated
Board of Directors

HAMILTON RENEWABLE POWER INC. BOARD OF DIRECTORS MEETING

July 11, 2018





Hamilton Renewable Power Inc.

Table of Contents

1. Operational Update
2. Financial Update

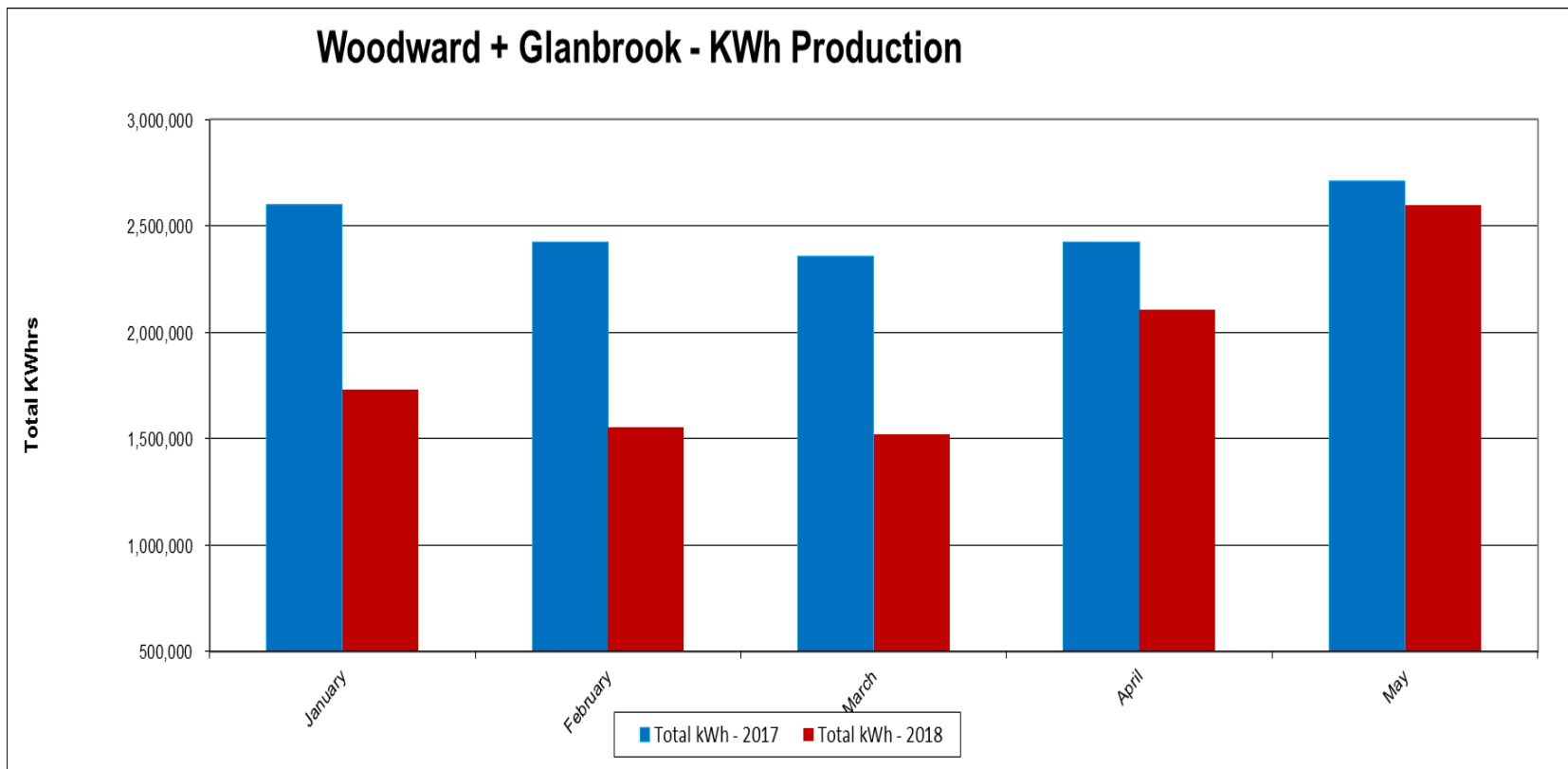


Hamilton Renewable Power Inc.

Operational Update 2018 Year to Date

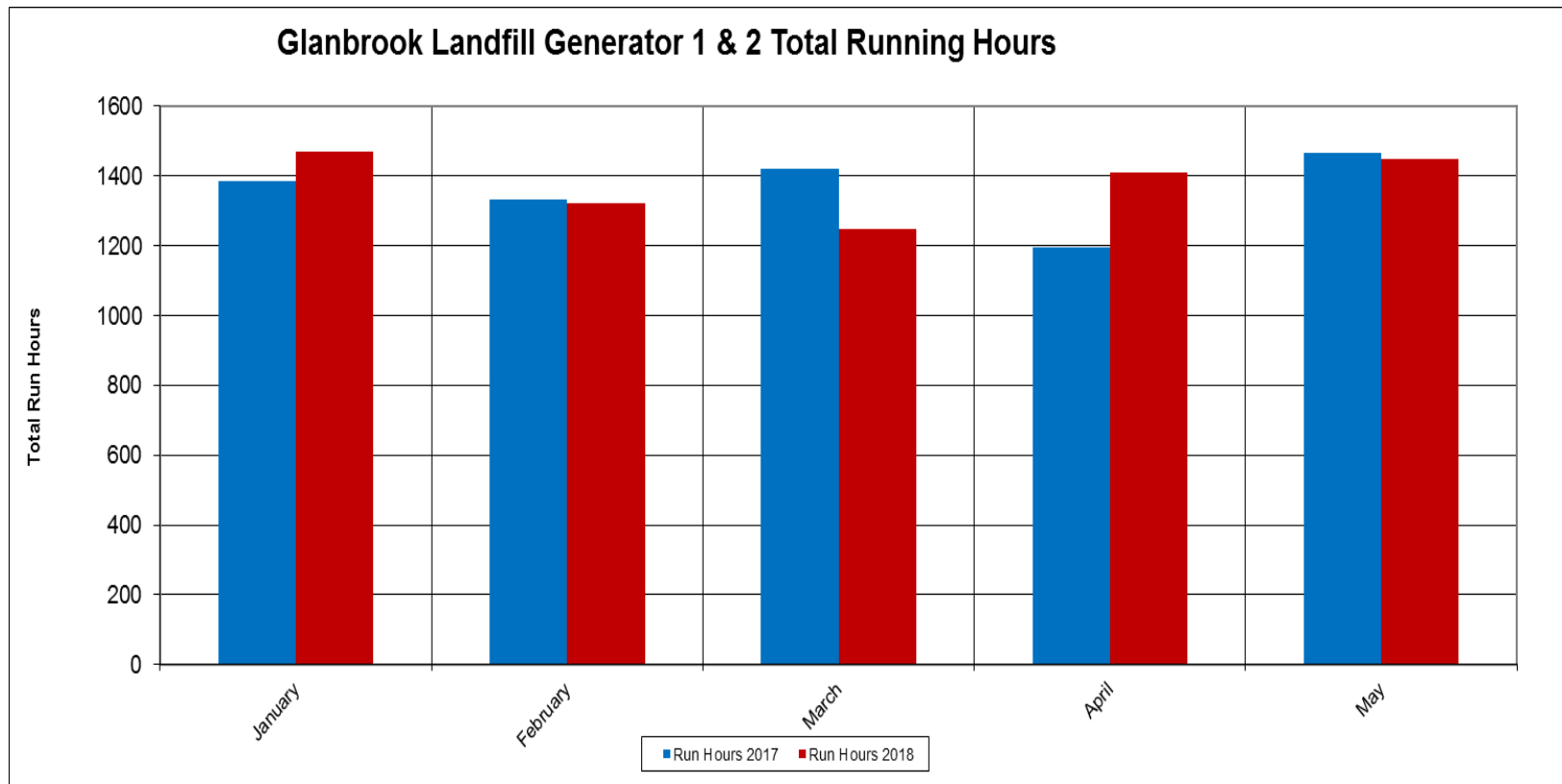


Monthly kilowatt hour (kWh) Production



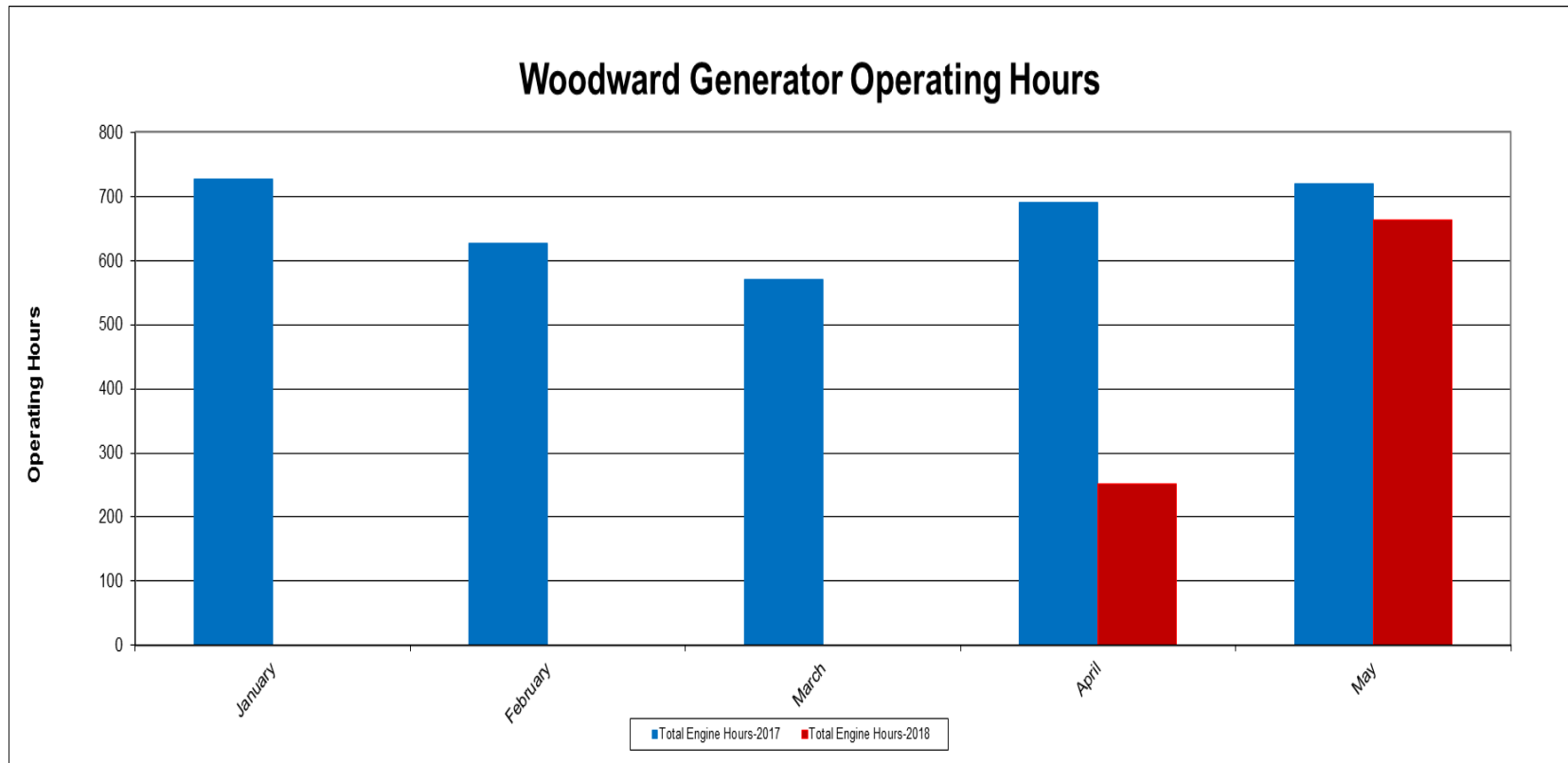


Glanbrook Engine Operating Hours





Woodward Engine Operating Hours





Hamilton Renewable Power Inc.

Financial Update 2018

1. 2017 Overview / Financial Statements
2. 2018 Budget
3. 2018 YTD Actuals / YE Forecast
4. Financial Trends



2017 Financial Overview

- Net income earned totalled \$128,821, a 68% increase over the previous year
- Woodward co-gen shutdown loss estimated to be \$100K from Oct to Dec
- Payments issued to the City amounted to \$1,890,222
- Outstanding debt reduced by \$495,630



2017 Financial Statements

2017 Income Statement – Audited

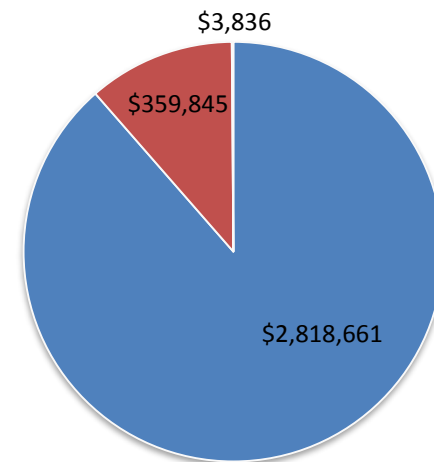
	Budget	Actual	Variance
Revenues	\$3,362,387	\$3,182,342	(\$180,045)
Cost of Methane	\$936,848	\$871,803	\$65,045
Expenses	\$2,264,859	\$2,135,272	\$129,587
PILs	\$42,580	\$46,446	(\$3,866)
Net Income	\$118,100	\$128,821	\$10,721



2017 Financial Statements

	2017 Actual Revenues	%
Electricity Generation	\$ 2,818,661	88.6%
Thermal Energy Sales	\$ 359,845	11.3%
Bank Interest Earned	\$ 3,836	0.1%
Total	\$ 3,182,342	100.0%

2017 Actual Revenues

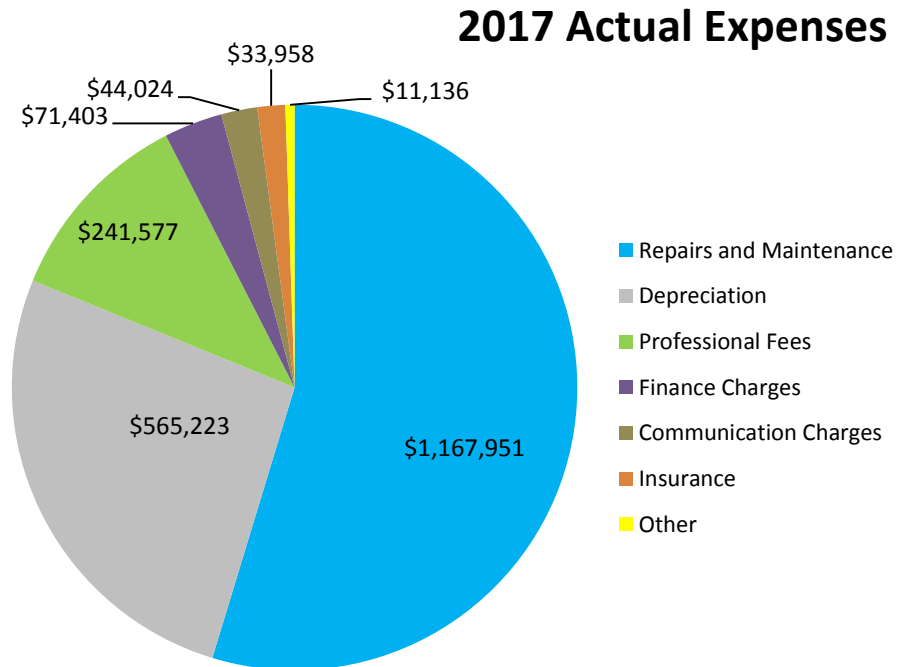


■ Electricity Generation ■ Thermal Energy Sales ■ Bank Interest Earned



2017 Financial Statements

	2017 Actual Expenses	%
Repairs and Maintenance	\$ 1,167,951	54.7%
Depreciation	\$ 565,223	26.5%
Professional Fees	\$ 241,577	11.3%
Finance Charges	\$ 71,403	3.3%
Communication Charges	\$ 44,024	2.1%
Insurance	\$ 33,958	1.6%
Other	\$ 11,136	0.5%
Total	\$ 2,135,272	100.0%





2017 Financial Statements

2017 Balance Sheet – Audited

Current Assets	\$757,880
Fixed Assets	\$6,766,950
Total Assets	\$7,524,830
Current Liabilities	\$1,159,600
Non-Current Liabilities	\$697,411
Equity	\$5,667,819
Total Liabilities & Equity	\$7,524,830



2017 Financial Statements

2017 Net Benefit to City – Audited

	Budget	Actual	Variance
Dividend	\$61,514	\$61,514	\$0
Methane	\$936,848	\$871,803	(\$65,045)
Loan Interest	\$71,403	\$71,403	\$0
Professional Services	\$264,660	\$237,323	(\$27,337)
Opportunity Cost	(\$31,735)	(\$31,735)	\$0
Benefit to City	\$1,302,690	\$1,210,308	(\$92,382)



2018 Budget

Income Statement – 2018 Budget

	Budget
Revenues	\$2,814,399
Cost of Methane	\$786,541
Expenses	\$2,127,720
PILs	(\$35,278)
Net Income (loss)	(\$64,584)
Net Cash Flow	(\$34,724)



2018 Budget

Net Benefit to City – 2018 Budget

	Budget
Dividend	\$103,057
Methane	\$786,541
Loan Interest	\$41,506
Professional Fees	\$237,360
Opportunity Cost	(\$18,447)
Benefit to City	\$1,150,017



2018 Year-To-Date Actuals

Income Statement – to April 30

	YTD Budget	YTD Actuals	Variance
Revenues	\$781,836	\$786,696	\$4,860
Cost of Methane	\$220,097	\$209,872	\$10,225
Expenses	\$606,139	\$579,407	\$26,732
PILs	(\$23,809)	\$42,000	(\$65,809)
Net Income (loss)	(\$20,591)	(\$44,583)	(\$23,992)



2018 Full Year Forecast

Income Statement – to December 31

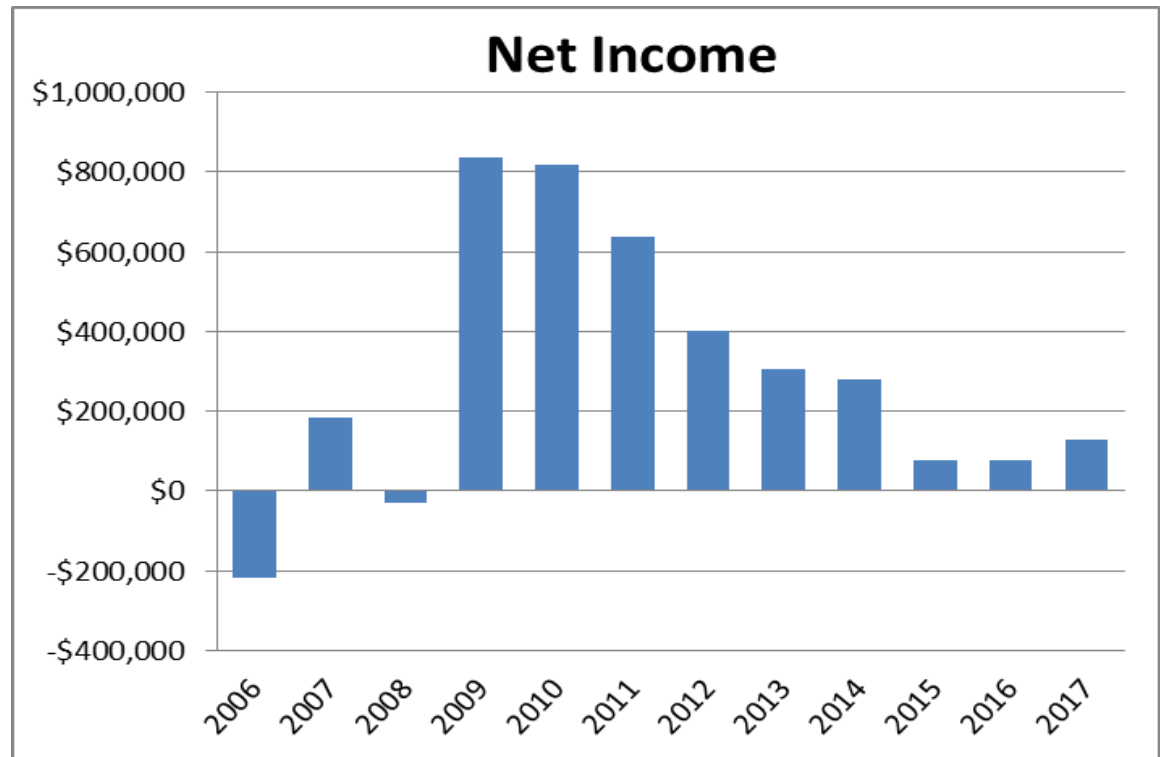
	FY Budget	FY Forecast	Variance
Revenues	\$2,814,399	\$2,817,447	\$3,048
Cost of Methane	\$786,541	\$776,316	\$10,225
Expenses	\$2,127,720	\$2,101,115	\$26,605
PILs	(\$35,278)	(\$27,307)	(\$7,971)
Net Income (loss)	(\$64,584)	(\$32,677)	\$31,907



FINANCIAL TRENDS

Net Income Earned

Year	Net Income
2006	-\$ 218,363
2007	\$ 184,301
2008	-\$ 28,544
2009	\$ 834,850
2010	\$ 816,973
2011	\$ 635,185
2012	\$ 399,710
2013	\$ 306,585
2014	\$ 279,202
2015	\$ 75,935
2016	\$ 76,892
2017	\$ 128,821

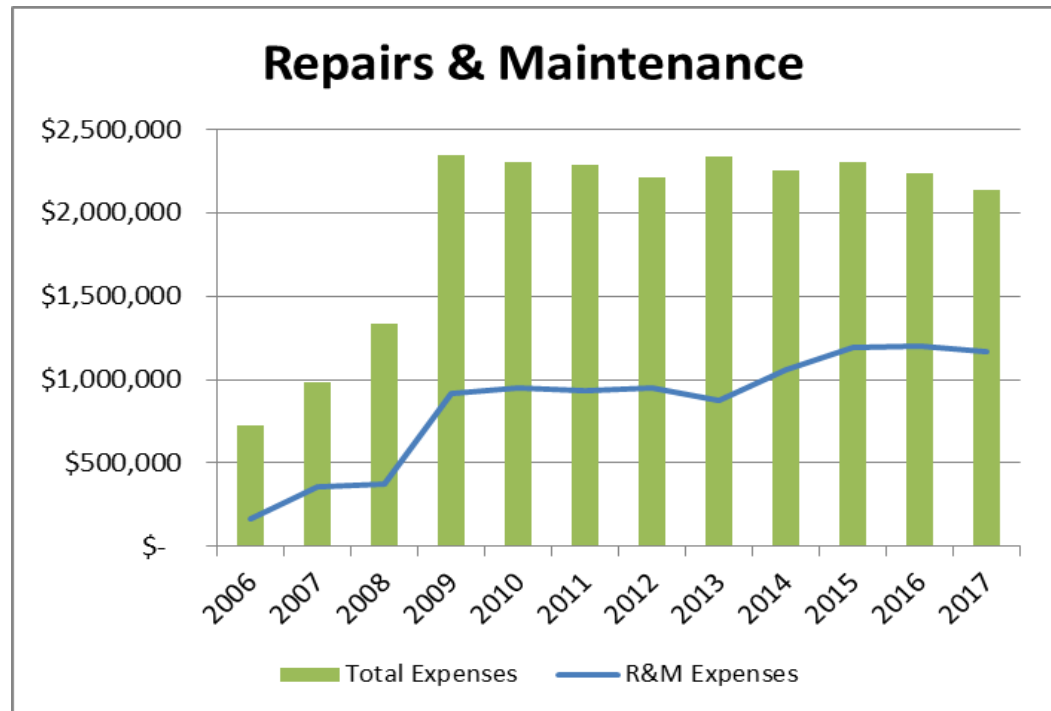




FINANCIAL TRENDS

Repairs & Maintenance Expenses

Year	R&M Expenses	Total Expenses	% of Total Expenses
2006	\$ 165,303	\$ 720,566	22.9%
2007	\$ 357,710	\$ 987,513	36.2%
2008	\$ 370,068	\$1,332,808	27.8%
2009	\$ 913,425	\$2,346,141	38.9%
2010	\$ 949,091	\$2,305,576	41.2%
2011	\$ 929,956	\$2,285,861	40.7%
2012	\$ 948,275	\$2,210,898	42.9%
2013	\$ 874,598	\$2,334,380	37.5%
2014	\$1,058,549	\$2,257,231	46.9%
2015	\$1,190,804	\$2,304,389	51.7%
2016	\$1,203,826	\$2,233,949	53.9%
2017	\$1,167,951	\$2,135,272	54.7%



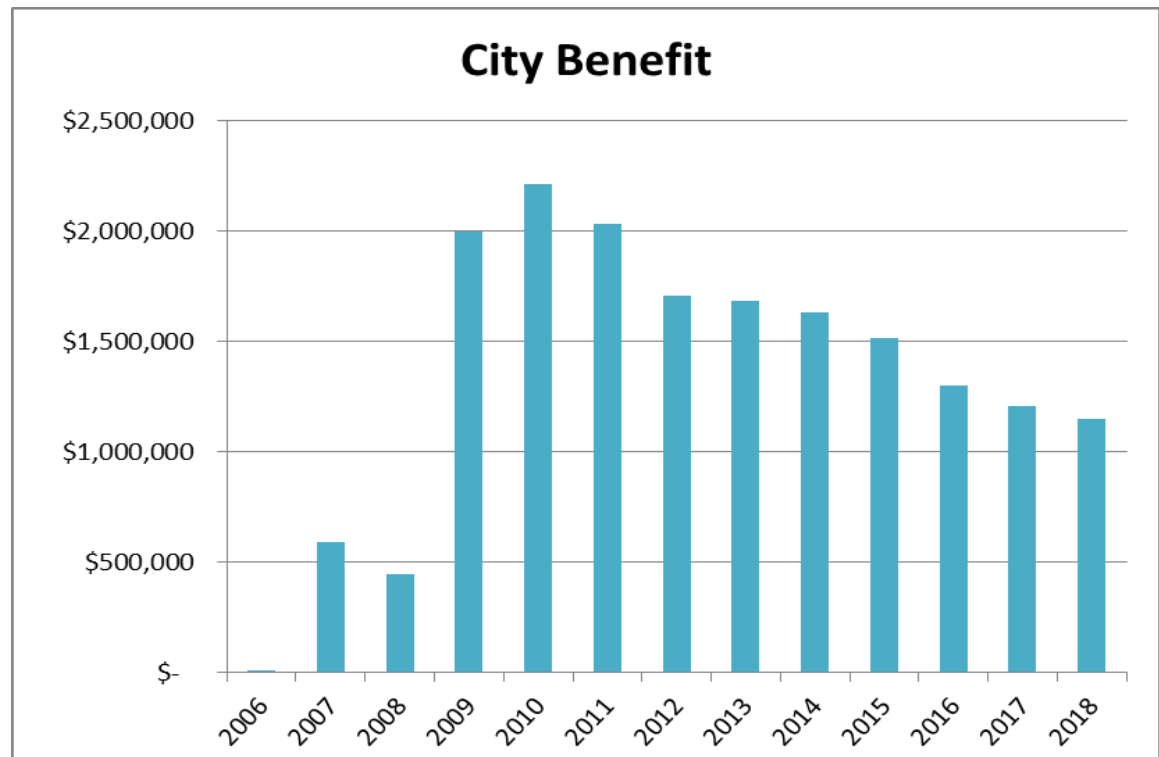


FINANCIAL TRENDS

Net Benefit to City

From Commencement of Commercial Operations in 2006 including 2018 Budget

Year	Net Benefit to the City
2006	\$ 11,257
2007	\$ 591,719
2008	\$ 447,373
2009	\$ 2,000,345
2010	\$ 2,213,378
2011	\$ 2,033,743
2012	\$ 1,708,212
2013	\$ 1,686,137
2014	\$ 1,633,667
2015	\$ 1,517,245
2016	\$ 1,301,246
2017	\$ 1,210,308
2018	\$ 1,150,017
Total	\$ 17,504,647

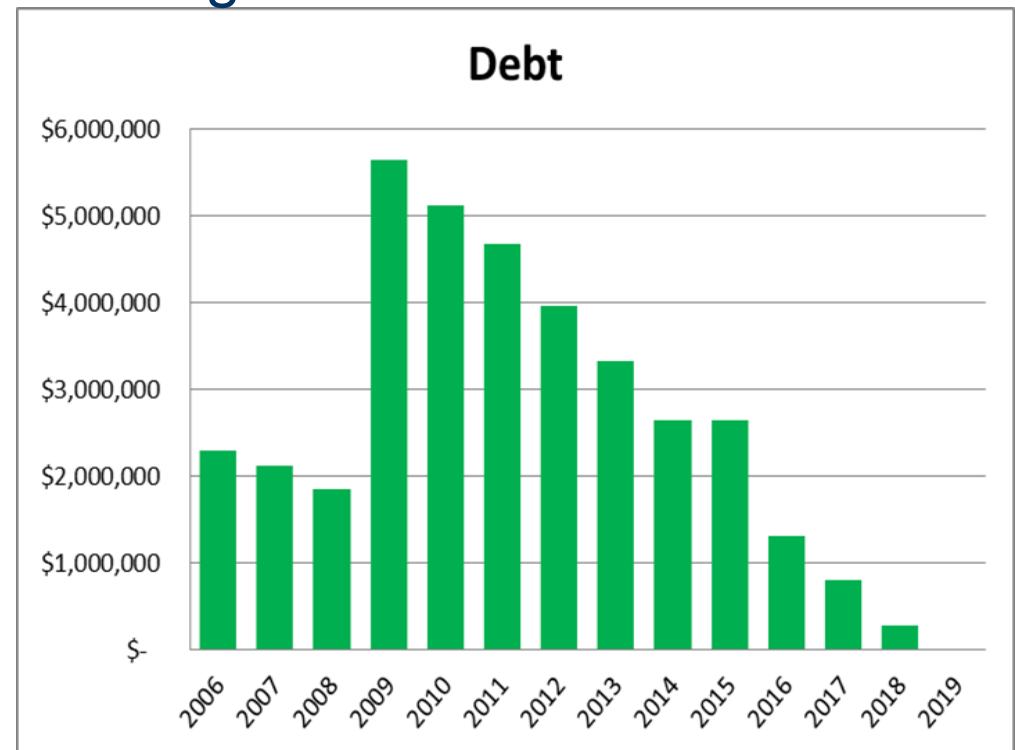




FINANCIAL TRENDS

Outstanding Debt

Year	Actual Debt	Equity Forecast	D/E Ratio
2006	\$ 2,290,483	\$ 1,705,705	1.34
2007	\$ 2,123,635	\$ 5,690,006	0.37
2008	\$ 1,851,646	\$ 5,661,462	0.33
2009	\$ 5,642,071	\$ 6,496,312	0.87
2010	\$ 5,120,167	\$ 6,101,198	0.84
2011	\$ 4,676,774	\$ 6,000,666	0.78
2012	\$ 3,966,430	\$ 5,773,734	0.69
2013	\$ 3,329,511	\$ 5,774,197	0.58
2014	\$ 2,648,875	\$ 5,757,583	0.46
2015	\$ 2,648,875	\$ 5,584,368	0.47
2016	\$ 1,303,584	\$ 5,600,906	0.23
2017	\$ 807,954	\$ 5,667,819	0.14
2018	\$ 278,305	\$ 5,709,545	0.05
2019	\$ -	\$ 5,751,270	0.00

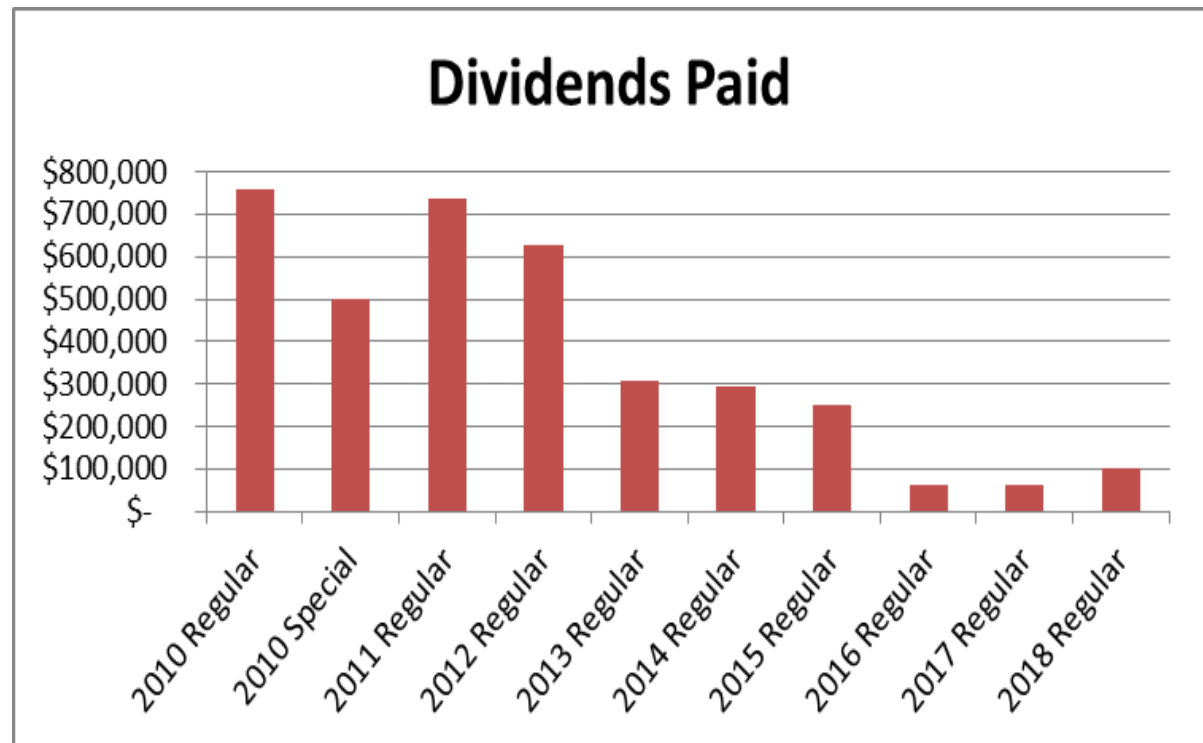




FINANCIAL TRENDS

Dividend Amounts Paid to the City including 2018 Declaration

2010 Regular	\$ 757,963
2010 Special	\$ 500,000
2011 Regular	\$ 736,920
2012 Regular	\$ 626,642
2013 Regular	\$ 306,122
2014 Regular	\$ 295,816
2015 Regular	\$ 249,150
2016 Regular	\$ 60,748
2017 Regular	\$ 61,514
2018 Regular	\$ 103,057
Total	\$ 3,697,932





Hamilton Renewable Power Inc.

Questions ?

HAMILTON RENEWABLE ENERGY INC.
(the "Corporation")

RESOLUTIONS OF THE DIRECTORS

1. **RESIGNATION AND APPOINTMENT OF SECRETARY**

RESOLVED that the Corporation has received and accepted the written resignation, attached hereto as Schedule 1, from the following individual, effective immediately:

ROSE CATERINI – Secretary

AND BE IT FURTHER RESOLVED that the following person is appointed to hold the office set opposite her name with all rights and obligations associated therewith, until such time as said person resigns or is replaced by the Board:

JANET PILON – Secretary

2. **2017 AUDITED FINANCIAL STATEMENTS**

RESOLVED that the audited financial statements for the 2017 fiscal year, a copy of which is attached hereto as Schedule 2, be approved.

3. **2018 BUDGET**

RESOLVED that the 2018 budget, a copy of which is attached hereto as Schedule 3, be approved and adopted.

4. **DECLARATION OF DIVIDEND**

RESOLVED that in accordance with the Dividend Policy, a regular dividend of \$103,057 be declared for 2018 based on 80% of annual net earnings as reported on the 2017 audited financial statements;

AND BE IT FURTHER RESOLVED that the regular dividend be distributed in two payments of \$51,528 and \$51,529 to the shareholder;

AND BE IT FURTHER RESOLVED that the first payment be made no later than July 31, 2018, and the second no later than December 1, 2018.

5. **CONFIRMATORY ACTIONS**

RESOLVED that the officers of the Corporation are, and each acting alone is, hereby authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as such officers shall deem necessary or advisable, to carry out the purposes and intent of the foregoing resolutions.

BE IT FURTHER RESOLVED that any actions taken by such officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of the Corporation.

THE FOREGOING RESOLUTIONS are consented to by all of the directors of the Corporation pursuant to the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as evidenced by such directors' signatures hereto.

DATED the 30th day of July, 2018.

Mayor F. Eisenberger

Brenda Johnson

Matthew Green

Lloyd Ferguson

Maria Pearson

Schedule 1

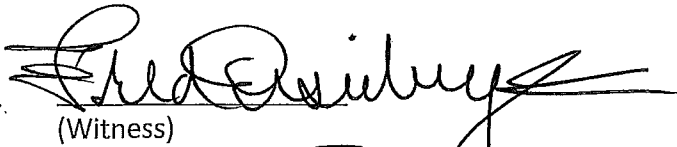
HAMILTON RENEWABLE POWER INC.
(the "Corporation")

RESIGNATION

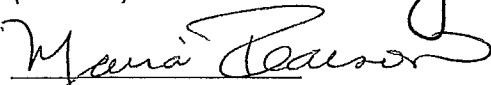
I, Rose Caterini, do hereby resign as Secretary of the Corporation effective March 29, 2018.



Rose Caterini



(Witness)



(Witness)

Schedule 2

Financial Statements of

**HAMILTON RENEWABLE
POWER INCORPORATED**

Year ended December 31, 2017

DRAFT



KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton Ontario L8P 4W7
Canada
Telephone (905) 523-8200
Fax (905) 523-2222

INDEPENDENT AUDITORS' REPORT

To the Shareholder of Hamilton Renewable Power Incorporated

We have audited the accompanying financial statements of Hamilton Renewable Power Incorporated, which comprise the statement of financial position as at December 31, 2017, the statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Hamilton Renewable Power Incorporated as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

DATE

DRAFT

HAMILTON RENEWABLE POWER INCORPORATED

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	Page
Independent Auditors' Report	
Statement of Financial Position	1
Statement of Income and Comprehensive Income	2
Statement of Changes in Equity	3
Statement of Cash Flows	4
Notes to Financial Statements	5 - 16

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HAMILTON RENEWABLE POWER INCORPORATED

Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
Assets		
Current assets:		
Cash	\$ 488,141	\$ 339,687
Accounts receivable	207,727	211,055
Due from related party	15,062	122,447
HST receivable	46,950	43,530
	<u>757,880</u>	<u>716,719</u>
Deposit (note 4)	32,000	32,000
Property, plant and equipment (note 5)	6,734,950	7,300,173
	<u>\$ 7,524,830</u>	<u>\$ 8,048,892</u>
Liabilities and Shareholder's Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 146,705	\$ 178,289
Due to related party	460,587	493,833
Payment in lieu of taxes	22,659	15,724
Current portion of capital loan (note 6)	529,649	495,630
	<u>1,159,600</u>	<u>1,183,476</u>
Non- Current liabilities:		
Deferred payment in lieu of taxes (note 8)	419,106	456,950
Capital loan (note 6)	278,305	807,954
	<u>697,411</u>	<u>1,264,904</u>
Total liabilities	<u>1,857,011</u>	<u>2,448,380</u>
Shareholder's equity:		
Common shares (note 7)	6,000,010	6,000,010
Deficit	(332,191)	(399,498)
	<u>5,667,819</u>	<u>5,600,512</u>
	<u>\$ 7,524,830</u>	<u>\$ 8,048,892</u>

The accompanying notes are an integral part of these financial statements.

On behalf of the Board:

_____ Director

_____ Director

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Income and Comprehensive Income

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Electricity distribution service charges	\$ 2,818,660	\$ 2,824,220
Thermal energy	359,845	427,704
Miscellaneous	-	5,831
	3,178,505	3,257,755
Cost of goods sold:		
Methane purchases	871,803	920,392
Gross profit	2,306,702	2,337,363
Expenses:		
Repairs and maintenance	1,167,951	1,203,826
Depreciation	565,223	593,680
Professional fees	241,577	266,831
Insurance	33,958	33,767
Communication charges	44,024	39,415
Bank charges and interest	589	608
Miscellaneous	10,546	-
	2,063,868	2,138,127
Income from operating activities	242,834	199,236
Finance income	3,836	6,471
Finance charges	(71,403)	(101,653)
Income before payment in lieu of taxes	175,267	104,054
Payment in lieu of taxes (note 8):		
Current	84,290	60,807
Deferred	(37,844)	(33,645)
	46,446	27,162
Net income and comprehensive income	\$ 128,821	\$ 76,892

The accompanying notes are an integral part of these financial statements.

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Changes in Equity

Year ended December 31, 2017, with comparative information for 2016

	Common shares	Deficit	Total
Balance at January 1, 2016	\$ 6,000,010	\$ (415,642)	\$ 5,584,368
Net income and comprehensive income	-	76,892	76,892
Dividends	-	(60,748)	(60,748)
Balance at December 31, 2016	\$ 6,000,010	\$ (399,498)	\$ 5,600,512
Balance at January 1, 2017	\$ 6,000,010	\$ (399,498)	\$ 5,600,512
Net income and comprehensive income	-	128,821	128,821
Dividends	-	(61,514)	(61,514)
Balance at December 31, 2017	\$ 6,000,010	\$ (332,191)	\$ 5,667,819

The accompanying notes are an integral part of these financial statements.

HAMILTON RENEWABLE POWER INCORPORATED

Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Operating activities:		
Net income and comprehensive income	\$ 128,821	\$ 76,892
Adjustments for:		
Depreciation	565,223	593,680
Payments in lieu of income taxes expense	84,290	60,807
Finance income	(3,836)	(6,471)
Finance charges	71,403	101,653
Deferred payment in lieu of income taxes expense	(37,844)	(33,645)
Accounts receivable	3,328	121,737
HST receivable	(3,420)	(22,822)
Accounts payable and accrued liabilities	(23,219)	(346,406)
Cash provided by operating activities	784,746	545,425
Finance charges paid	(79,768)	(283,532)
Finance charges received	3,836	6,471
Payments in lieu of income taxes paid	(77,355)	(32,931)
Net cash used in operating activities	631,459	235,433
Investing activities		
Purchase of capital assets	-	(38,900)
Net cash used in investing activities	-	(38,900)
Financing activities:		
Advances from (payments to) the City of Hamilton	74,139	(145,146)
Repayment of capital loan	(495,630)	(1,345,291)
Dividends paid / payable	(61,514)	(309,898)
Net cash used in financing activities	(483,005)	(1,800,335)
Increase (decrease) in cash	148,454	(1,603,802)
Cash, beginning of year	339,687	1,943,489
Cash, end of year	\$ 488,141	\$ 339,687

The accompanying notes are an integral part of these financial statements.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements

Year ended December 31, 2017

1. Purpose of the organization:

Hamilton Renewable Power Inc. ("the Company") owns and operates two renewable power generation facilities in Hamilton, Ontario. The Woodward Plant is a 1.6 Megawatt ("MW") cogeneration facility, which is fuelled by methane gas provided from the City of Hamilton's wastewater treatment facility. The Glanbrook Plant, is comprised of two 1.6 MW generators (3.2 MW in total) and is fuelled by methane gas provided by a landfill gas collection system in the Glanbrook Landfill. Electricity produced by both plants is sold to the Independent Electricity System Operator. Thermal energy produced at Woodward is used by the wastewater treatment facility processes and for space heating.

The address of the Company's registered office is 71 Main Street West, Hamilton, Ontario, Canada.

2. Significant accounting policies:

a) Basis of presentation:

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were authorized by the Board of Directors on DATE.

b) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

c) Revenue recognition:

Electricity distribution services charges

These charges comprise charges to customers for use of the Company's electricity distribution system. These charges are recorded in the period when the energy is produced and sold to the Independent Electricity System Operator at the fair value of the consideration received or receivable.

Thermal energy

These charges comprise charges to customers for use of the Company's thermal energy distribution system. These charges are recorded when the related services are performed at the fair value of the consideration received or receivable.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

d) Expenses:

Expenses are reported on the accrual basis of accounting which recognizes expenses as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

e) Property, plant and equipment and depreciation:

Property, plant and equipment and depreciation are initially recorded at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management. All property, plant and equipment are subsequently measured using the cost model, cost less accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated service life of property, plant and equipment, less its residual value as follows:

Asset	Service life
Building	20 years
Generating equipment	45,000-180,000 hours
Interconnect to Grid	20 years
Pipe line	20 years

Material residual value estimates and estimates of useful life are updated as required, but are reviewed at least annually.

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized in profit or loss.

f) Impairment

(i) Financial assets measured at amortized cost

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

f) Impairment (continued)

(i) Financial assets measured at amortized cost (continued)

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

g) Payments in Lieu of Taxes ("PILs"):

The Company is currently exempt from taxes under the Income Tax Act of Canada ("ITA") and the Ontario Corporations Tax Act ("OCTA"). Pursuant to the Electricity Act, 1998 (Ontario) ("EA"), the Company is required to compute taxes under the ITA and OCTA and remit such amounts to the Ontario Electricity Financial Corporation ("OEFC").

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

g) Payments in Lieu of Taxes ("PILs") (continued):

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year using rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable with respect to previous years.

Deferred tax assets and liabilities is recognized in respect of temporary differences between the tax basis of assets and liabilities and their respective carrying amounts for accounting purposes. A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the temporary difference can be utilized. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

h) Equity and dividend payments:

Share capital represents the nominal value of shares that have been issued. Retained earnings include all current and prior period retained profits. Dividend distributions payable to the shareholder are included in liabilities when the dividends have been approved in a general meeting prior to the reporting date.

All transactions with the shareholder are recorded separately within equity.

i) Financial instruments:

All financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provision of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of all financial assets and liabilities, except those held-for-trading and available for sale, are measured at amortized cost determined using the effective interest rate method.

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 1 (f). The Company does not enter into derivative instruments.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

j) Capital disclosures:

The Company is not subject to externally imposed capital requirements and there has been no change with respect to the overall capital risk management strategy during the year.

k) Provisions:

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic resources will be required to settle the obligation.

l) Finance income and finance charges:

Finance income is recognized as it accrues in net income and comprises interest earned on cash and cash equivalents.

Finance charges comprise interest expense on the capital loan. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

m) Future changes in accounting policy and disclosures:

The Company is still evaluating the adoption of the following new and revised standards along with any subsequent amendments.

Revenue recognition

The IASB has issued IFRS 15, Revenue from Contracts with Customers ("IFRS 15"). IFRS 15 replaces IAS 11 Construction Contracts, IAS 18 Revenue and various interpretations and establishes principles regarding the nature, amount, timing and uncertainty of revenue arising from contracts with customers. The standard requires entities to recognize revenue for the transfer of goods or services to customers measured at the amounts an entity expects to be entitled to in exchange for those goods or services. IFRS 15 is effective for annual periods beginning on or after January 1, 2018. The Company will adopt IFRS 15 and the clarifications in its financial statements for the annual period beginning January 1, 2018. The Company does not expect the standard to have a material impact on the financial statements.

Financial instruments

In July 2014, the IASB issued a new standard, IFRS 9 Financial Instruments, which will replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 is effective for periods beginning on or after January 1, 2018 and must be applied retrospectively. The Company will adopt IFRS 9 in its financial statements for the annual period beginning on January 1, 2018. The Company does not expect the standard to have a material impact on the financial statements.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

2. Significant accounting policies (continued):

m) Future changes in accounting policy and disclosures (continued):

Leases

In January 2016, the IASB issued IFRS 16 Leases to establish principles for the recognition, measurement, presentation and disclosure of leases with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS 17 and it is effective for annual periods beginning on or after January 1, 2019. The Company intends to adopt IFRS 16 in its financial statements for the annual period beginning on January 1, 2019. The Company does not expect the standard to have a material impact on the financial statements.

Uncertainty over Income Tax Treatments

On June 7, 2017, the IASB issued IFRIC Interpretation 23 Uncertainty over Income Tax Treatments. The Interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Company is assessing the impact of IFRIC Interpretation 23 on its results of operations, financial position and disclosures.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

3. Estimation uncertainty:

The preparation of financial statements requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of each reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Actual future outcomes could differ from present estimates and assumptions potentially having a material future effect on the Company's historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

Areas requiring the use of significant assumptions and that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company's assets and liabilities are as follows:

Useful lives of depreciable assets

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of the asset.

Impairment of property, plant and equipment

Management reviews property, plant and equipment for possible impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

4. Deposit:

The balance is made up of a security deposit of \$32,000 (2016 - \$32,000) paid to the Ontario Electricity Financial Corporation ("OEFC"). On December 23, 2004, Hamilton Renewable Power Inc. (then called Hamilton Hydro Energy Inc.) signed a Renewable Power Energy Supply contract with the OEFC, which was subsequently transferred by the OEFC to the Independent Electricity System Operator ("IESO"), for the supply of 1.6 MW of electricity. During 2007, the IESO determined the security required under this contract to be \$32,000.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

5. Property, plant and equipment:

	Building	Generating equipment	Interconnect to grid	Pipeline	Total
<i>Cost or deemed cost</i>					
Balance at January 1, 2016	\$ 498,509	\$ 8,175,649	\$ 2,659,720	\$ 1,528,917	\$ 12,862,795
Additions	-	38,900	-	-	38,900
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2016	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
Balance at January 1, 2017	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
Additions	-	-	-	-	-
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2017	\$ 498,509	\$ 8,214,549	\$ 2,659,720	\$ 1,528,917	\$ 12,901,695
<i>Accumulated Depreciation</i>					
Balance at January 1, 2016	\$ 216,791	\$ 3,202,240	\$ 982,773	\$ 606,038	\$ 5,007,842
Additions	24,925	359,323	132,986	76,446	593,680
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2016	\$ 241,716	\$ 3,561,563	\$ 1,115,759	\$ 682,484	\$ 5,601,522
Balance at January 1, 2017	\$ 241,716	\$ 3,561,563	\$ 1,115,759	\$ 682,484	\$ 5,601,522
Additions	24,925	330,866	132,986	76,446	565,223
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
Balance at December 31, 2017	\$ 266,641	\$ 3,892,429	\$ 1,248,745	\$ 758,930	\$ 6,166,745
<i>Carrying amount</i>					
December 31, 2016	\$ 256,793	\$ 4,652,986	\$ 1,543,961	\$ 846,433	\$ 7,300,173
December 31, 2017	231,868	4,322,120	1,410,975	769,987	6,734,950

At December 31, 2017, property, plant and equipment with a carrying value in the amount of \$6,734,950 (2016 - \$7,300,173) are subject to a general security agreement.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

6. Capital loan:

The City of Hamilton, the sole shareholder, has provided a capital loan, bearing interest at 6.75% compounded semi-annually, due in semi-annual payments of \$287,698 principal and interest maturing in 2019.

	2017	2016
Capital loan	\$ 807,954	\$ 1,303,584
Less current portion	529,649	495,630
	\$ 278,305	\$ 807,954

The capital loan is secured by a first charge general security agreement over all of the corporation's assets.

Fair value of the capital loan is estimated to be \$849,000. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date.

Principal repayments in each of the years to maturity are as follows:

2018	529,649
2019	278,305

7. Common shares:

The Company is authorized to issue an unlimited number of common shares. Any invitation to the public to subscribe for shares of the Company is prohibited.

	2017	2016
Issued:		
600,001 Common shares	\$ 6,000,010	\$ 6,000,010

The Company paid aggregate dividends in the year on common shares of \$0.10 per share (2016 - \$0.10) which amount to total dividends paid in the year of \$61,514 (2016 - \$60,748)

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

8. Payments in lieu of income taxes:

The provision for payments in lieu of income taxes ("PILs") recognized in income is as follows:

	2017	2016
Current PILs:		
Current year	\$ 84,290	\$ 60,807
Deferred PILs:		
Origination and reversal of temporary differences	(37,844)	(33,645)
	\$ 46,446	\$ 27,162

Reconciliation of effective tax rate

The provision for PILs differs from amounts, which would be computed by applying the Company's combined statutory income tax rate as follows:

	2017	2016
Basic rate applied to income before PILs	26.50%	26.50%
Decrease in PILs resulting from:		
Items not deductible for tax purposes and other	-%	(0.40)%
Effective rate applied to income before PILs	26.50%	26.10%

Deferred payments in lieu of income tax

Significant component of the Company's deferred PILs is as follows:

	2017	2016
Deferred PILs liability:		
Property, plant and equipment	\$ 419,106	\$ 456,950

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

9. Related party transactions:

The Company sold \$359,845 (2016 - \$427,704) of thermal energy to the sole shareholder, the City of Hamilton, and incurred methane purchase costs of \$871,803 (2016 - \$920,392) from the City of Hamilton, which are included in cost of goods sold. These transactions are recorded at fair value.

The Company paid \$237,323 (2016 - \$263,631) to the City of Hamilton for administrative support.

The Company paid \$123,618 (2016 - \$123,773) to a corporation under common control for operation charges related to the Woodward co-generation facility.

These transactions are in the normal course of operations and are measured at the exchange value as agreed upon by the related parties.

Amounts due to and from related party included in current liabilities and current assets is due to/from the City of Hamilton and is non-interest bearing with no fixed terms of repayment.

10. Economic dependence:

The Company earns its revenue from three customers, one of which is the City of Hamilton, the others being Independent Electricity System Operator and Hydro One.

11. Financial instruments:

Fair value

The carrying value of the Company's financial instruments as at December 31, 2017 approximate fair value, with the exception of the capital loan (note 6).

Financial risk management

The types of financial risk exposure and the way in which such exposure is managed by the Company are as follows:

Credit risk

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. 100% of the Company's revenue is attributable to sales transactions with two customers. The carrying amounts of the Company's accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in net income. The balance of the allowance for impairment as at December 31, 2017 is \$nil (2016 - \$nil). The Company's exposure to credit risk and management of this risk has not changed from the previous year. Management believes that the exposure is minimal as all amounts receivable are not past due.

HAMILTON RENEWABLE POWER INCORPORATED

Notes to Financial Statements (continued)

Year ended December 31, 2017

11. Financial instruments (continued):

Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by ensuring that it has sufficient cash available to meet its obligations. The Company forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through cash flows from operations. Management believes that the Company's exposure to liquidity risk and management of this risk has not changed from the previous year.

At December 31, 2017, the Company's current liabilities consisted of accounts payable and accrued liabilities, payment in lieu of taxes, due to related party and current portion of capital loan. The Company's cash and cash equivalents together with projected cash flows over the next 12 months is sufficient to pay these current liabilities.

DRAFT

Schedule 3

HAMILTON RENEWABLE POWER INC 2018 DRAFT BUDGET

July 5, 2018

FISCAL PERIOD: JANUARY 1 TO DECEMBER 31, 2018

	2017			2018		
	Approved Budget	Audited Actuals	Variance	Draft Budget	\$ Change	% Change
Revenue						
Electricity Revenue	\$ 2,927,175	\$ 2,818,660	\$ (108,514)	\$ 2,570,538	\$ (356,636)	-12.2%
Thermal Revenue	\$ 428,763	\$ 359,845	\$ (68,918)	\$ 240,020	\$ (188,742)	-44.0%
Interest Earned	\$ 6,450	\$ 3,836	\$ (2,614)	\$ 3,840	\$ (2,610)	-40.5%
Total Revenue	\$ 3,362,387	\$ 3,182,342	\$ (180,046)	\$ 2,814,399	\$ (547,988)	-16.3%
Cost of Goods Sold						
Methane Gas	\$ 936,848	\$ 871,803	\$ 65,045	\$ 786,541	\$ (150,307)	-16.0%
Gross Profit	\$ 2,425,539	\$ 2,310,539	\$ (115,000)	\$ 2,027,858	\$ (397,681)	-16.4%
Expenses						
Operations Charge	\$ 416,661	\$ 397,851	\$ 18,810	\$ 400,940	\$ (15,721)	-3.8%
Maintenance Contracts	\$ 792,752	\$ 732,878	\$ 59,873	\$ 736,735	\$ (56,017)	-7.1%
Unscheduled Maintenance	\$ 21,600	\$ 37,222	\$ (15,622)	\$ 25,200	\$ 3,600	16.7%
Communications	\$ 43,452	\$ 44,024	\$ (572)	\$ 44,060	\$ 608	1.4%
Utilities (Electric)	\$ 7,920	\$ 6,732	\$ 1,188	\$ 6,780	\$ (1,140)	-14.4%
Portable Toilet Rental	\$ 1,620	\$ 1,760	\$ (140)	\$ 1,620	\$ -	0.0%
Insurance	\$ 33,767	\$ 33,958	\$ (191)	\$ 33,960	\$ 193	0.6%
Professional Fees						
Consulting	\$ -	\$ -	\$ -	\$ 35,000	\$ 35,000	NA
Legal	\$ 55,860	\$ 55,860	\$ -	\$ 55,860	\$ -	0.0%
Audit	\$ 3,200	\$ 4,254	\$ (1,054)	\$ 3,440	\$ 240	7.5%
City Staff	\$ 208,800	\$ 181,463	\$ 27,337	\$ 181,500	\$ (27,300)	-13.1%
Financial Charges						
Bank Service	\$ 600	\$ 589	\$ 11	\$ 600	\$ -	0.0%
Late Payment	\$ 120	\$ 501	\$ (381)	\$ 500	\$ 380	316.7%
RITC	\$ 1,710	\$ 1,554	\$ 156	\$ 510	\$ (1,200)	-70.2%
Non Operating Expenses						
Depreciation	\$ 605,395	\$ 565,223	\$ 40,171	\$ 559,509	\$ (45,886)	-7.6%
Loan Interest	\$ 71,403	\$ 71,403	\$ -	\$ 41,506	\$ (29,897)	-41.9%
Total Expenses	\$ 2,264,859	\$ 2,135,273	\$ 129,587	\$ 2,127,720	\$ (137,140)	-6.1%
Net Income Before Taxes	\$ 160,680	\$ 175,267	\$ 14,587	\$ (99,862)	\$ (260,541)	-162.1%
Current and Deferred PIL Taxes	\$ 42,580	\$ 46,446	\$ (3,866)	\$ (35,278)	\$ (77,858)	-182.9%
Net Income After Taxes	\$ 118,100	\$ 128,821	\$ 10,721	\$ (64,584)	\$ (182,684)	-154.7%
Cash Flow						
Net Income After Tax	\$ 118,100	\$ 128,821	\$ 10,721	\$ (64,584)	\$ (182,684)	-154.7%
Add: Non-Cash Expenses	\$ 605,395	\$ 565,223	\$ 40,171	\$ 559,509	\$ (45,886)	-7.6%
Less: Loan Principle Payments	\$ (495,629)	\$ (495,629)	\$ -	\$ (529,649)	\$ (34,020)	6.9%
Net Cash Inflow	\$ 227,865	\$ 198,415	\$ 50,892	\$ (34,724)	\$ (262,589)	-115.2%

Summary of Benefits of HRPI Operations to City of Hamilton

	2017			2018 Budget	\$ YOY Change	% YOY Change
	2017 Budget	Audited Actuals	2017 Variance			
Dividend	* \$ 61,514	\$ 61,514	\$ -	** \$ 103,057	\$ 41,543	67.5%
Methane Gas Purchased	\$ 936,848	\$ 871,803	\$ (65,045)	\$ 786,541	\$ (150,307)	-16.0%
Loan Interest Paid (6.75% Annual Rate)	\$ 71,403	\$ 71,403	\$ -	\$ 41,506	\$ (29,897)	-41.9%
Professional Fees - City staff	\$ 264,660	\$ 237,323	\$ (27,337)	\$ 237,360	\$ (27,300)	-10.3%
City's Opportunity Cost of Loan (3% Annual Rate)	\$ (31,735)	\$ (31,735)	\$ -	\$ (18,447)	\$ 13,288	-41.9%
Total Net Benefit to City	\$ 1,302,690	\$ 1,210,308	\$ (92,382)	\$ 1,150,017	\$ (152,674)	-11.7%

Dividend Calculation:

* 2017 budgeted dividend based on 2016 audited net earnings (\$76,892 x.80) = \$61,514

** 2018 budgeted dividend based on 2017 unaudited net earnings (\$128,821 x.80) = \$103,057