

HAMILTON RENEWABLE POWER INC. BOARD OF DIRECTORS MEETING

July 11, 2018



HRPI



Hamilton Renewable Power Inc.

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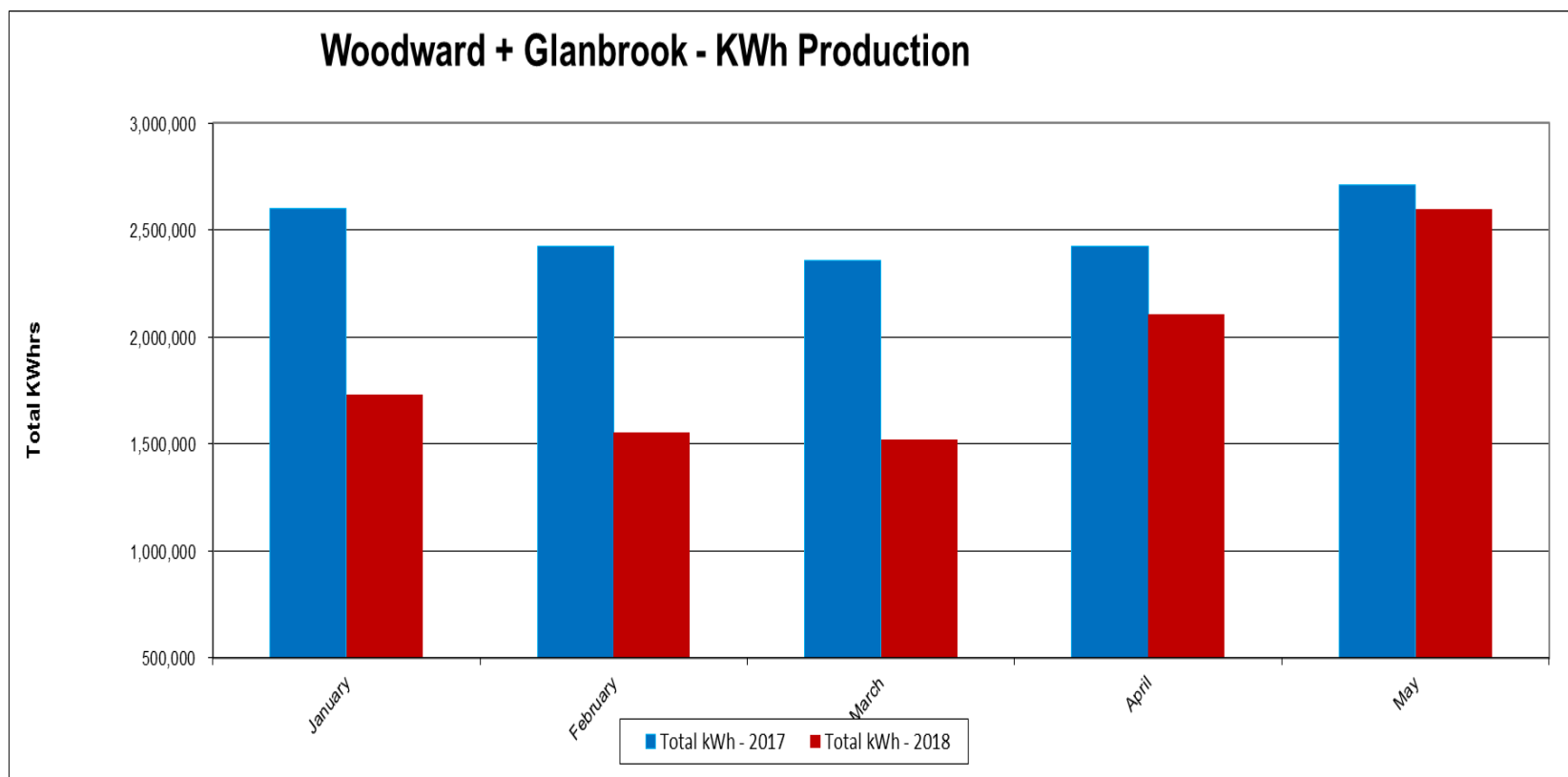
1. Operational Update
2. Financial Update



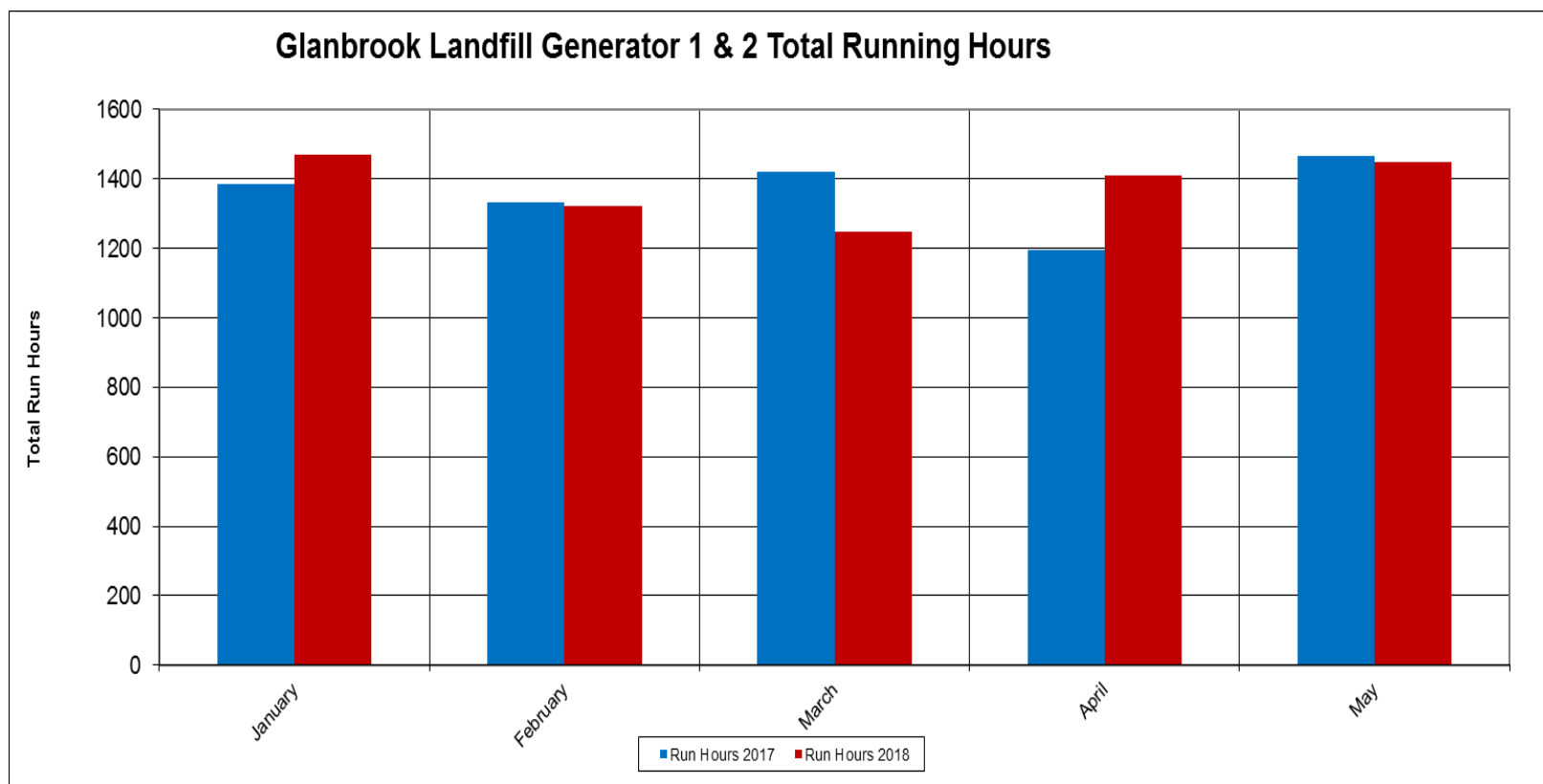
Hamilton Renewable Power Inc.

Operational Update 2018 Year to Date

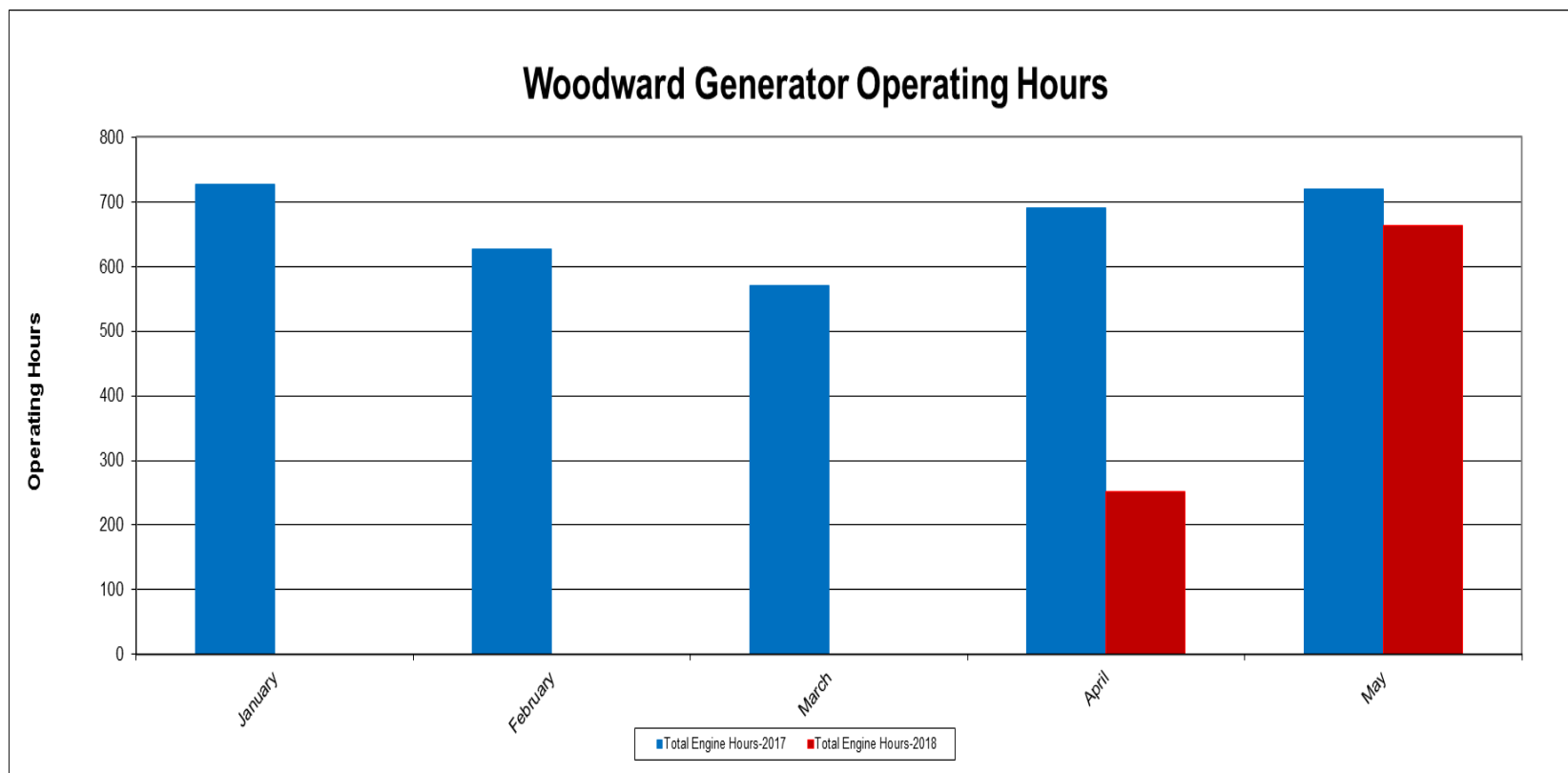
Monthly kilowatt hour (kWh) Production



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

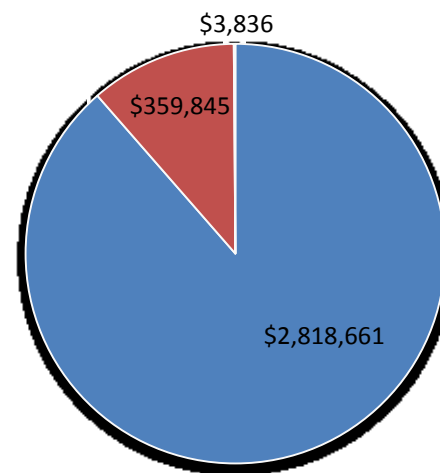
2017 Income Statement – Audited

	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%

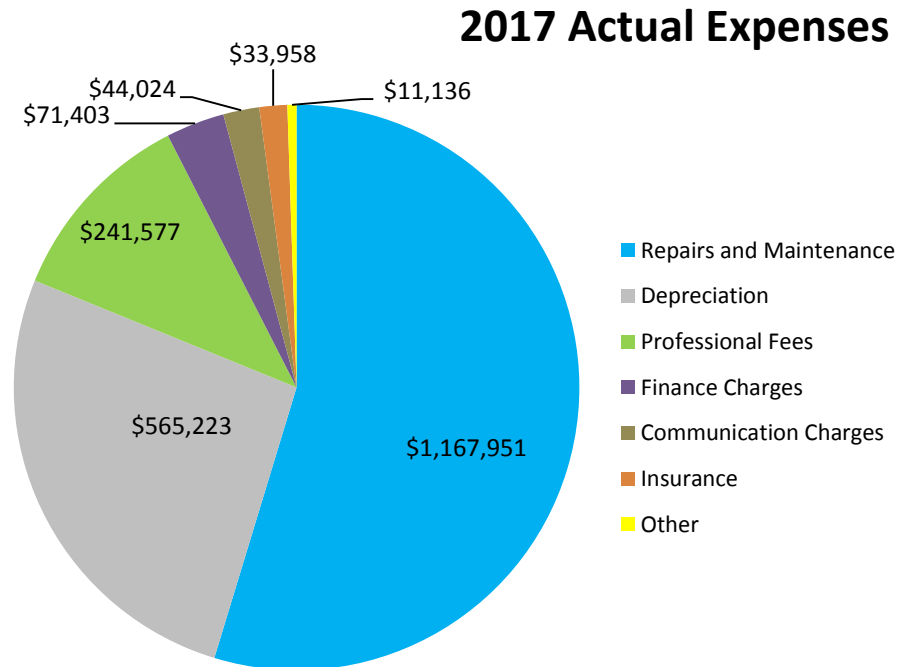
2017 Actual Revenues



■ 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

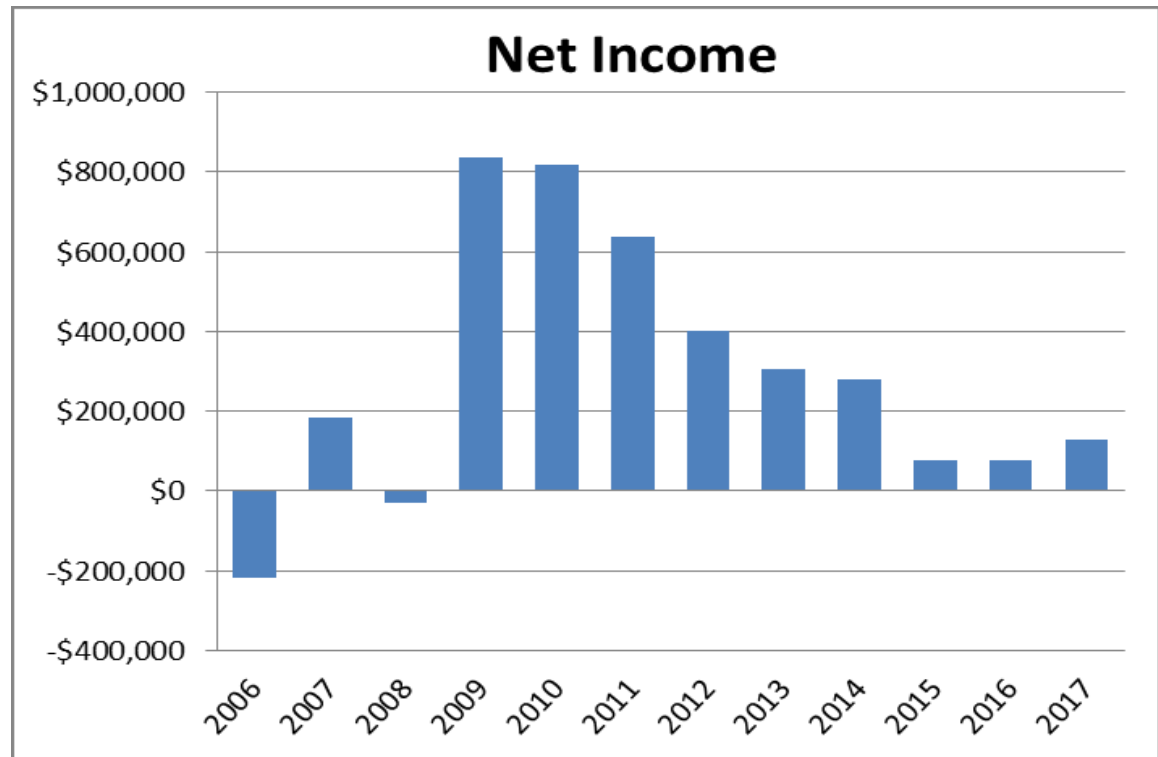
Income Statement – to December 31

	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

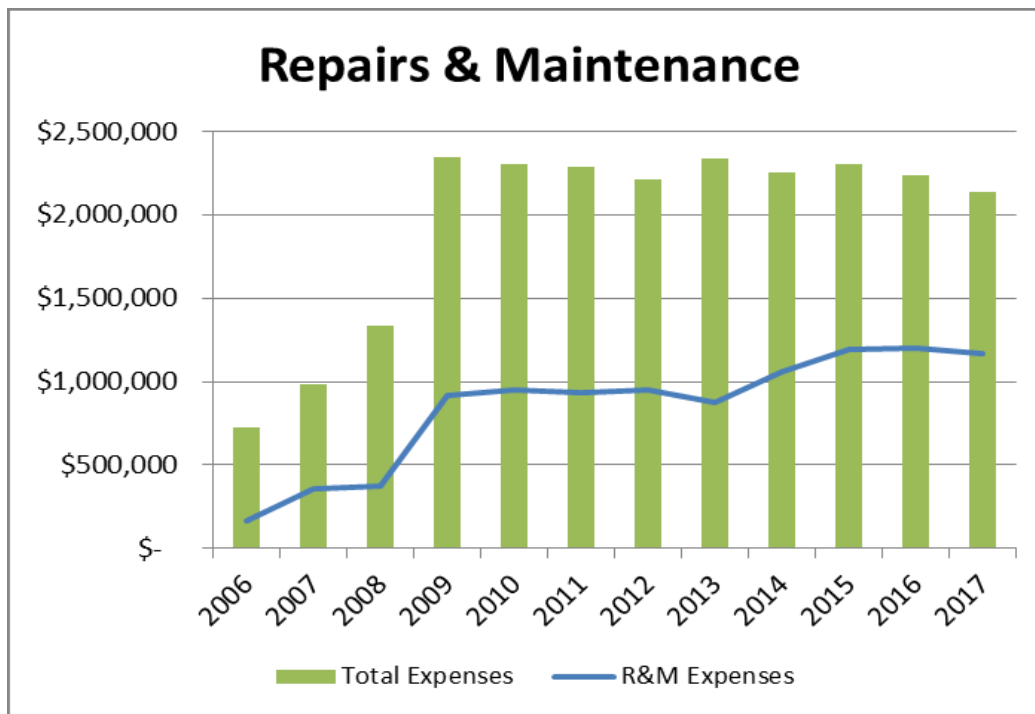
Year	Net Income
2006	-\$ 218,363
2007	\$ 184,301
2008	-\$ 28,544
2009	\$ 834,850
2010	\$ 816,973
2011	\$ 635,185
2012	\$ 399,710
2013	\$ 306,585
2014	\$ 279,202
2015	\$ 75,935
2016	\$ 76,892
2017	\$ 128,821



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%

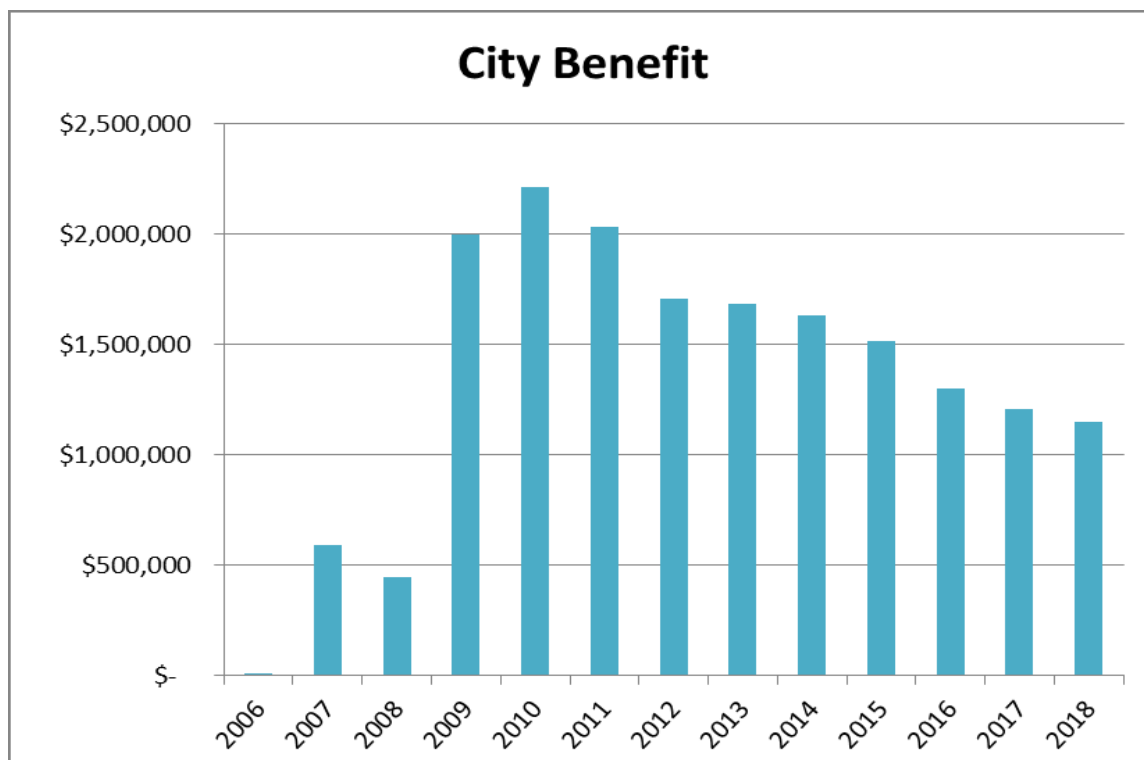


FINANCIAL TRENDS

Net Benefit to City

From Commencement of Commercial Operations in 2006 including 2018 Budget

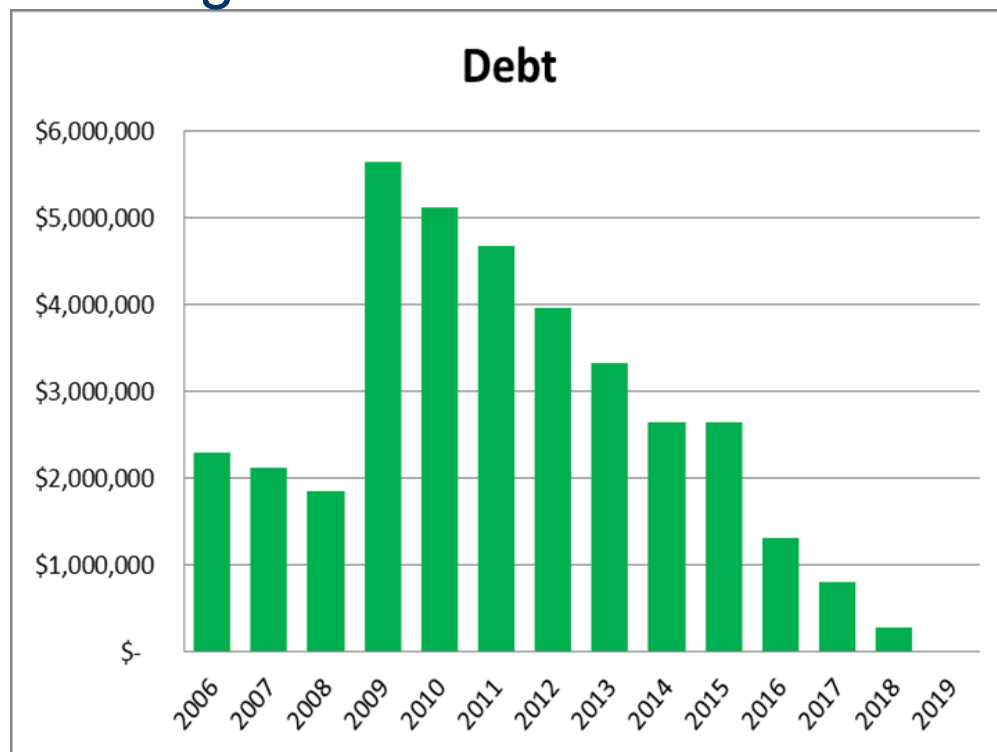
Year	Net Benefit to the City
2006	\$ 11,257
2007	\$ 591,719
2008	\$ 447,373
2009	\$ 2,000,345
2010	\$ 2,213,378
2011	\$ 2,033,743
2012	\$ 1,708,212
2013	\$ 1,686,137
2014	\$ 1,633,667
2015	\$ 1,517,245
2016	\$ 1,301,246
2017	\$ 1,210,308
2018	\$ 1,150,017
Total	\$ 17,504,647



FINANCIAL TRENDS

Outstanding Debt

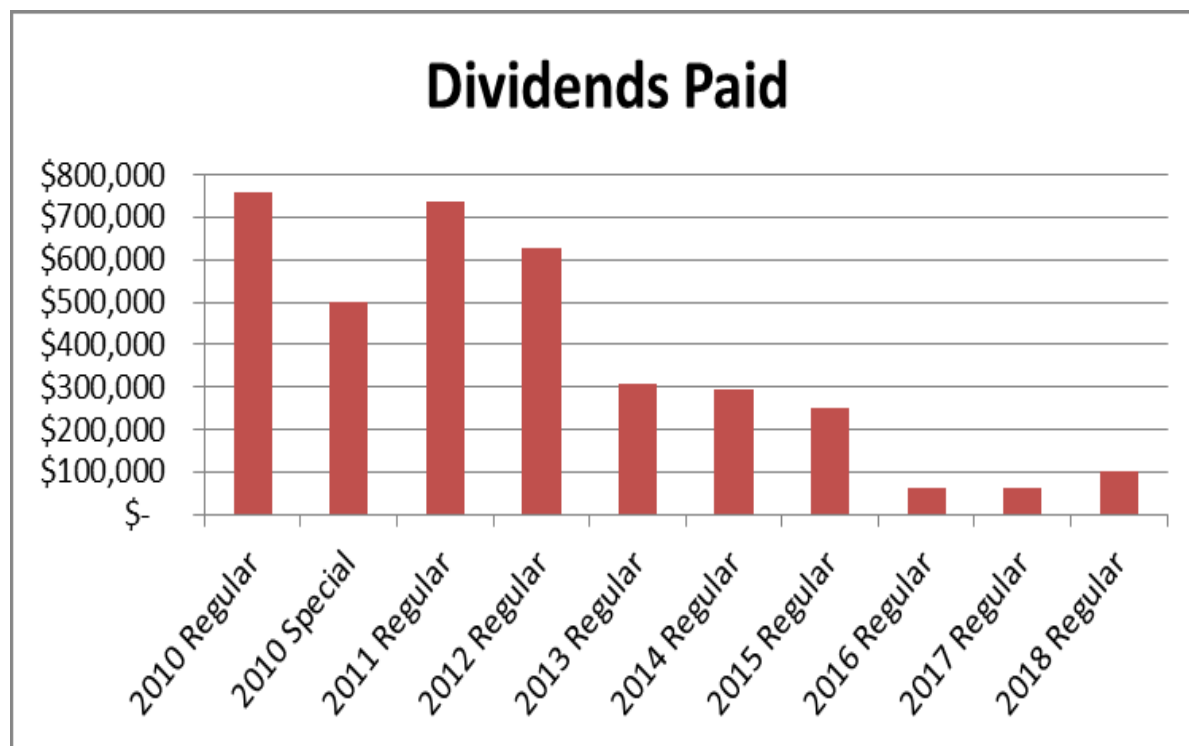
Year	Actual Debt	Equity Forecast	D/E Ratio
2006	\$ 2,290,483	\$ 1,705,705	1.34
2007	\$ 2,123,635	\$ 5,690,006	0.37
2008	\$ 1,851,646	\$ 5,661,462	0.33
2009	\$ 5,642,071	\$ 6,496,312	0.87
2010	\$ 5,120,167	\$ 6,101,198	0.84
2011	\$ 4,676,774	\$ 6,000,666	0.78
2012	\$ 3,966,430	\$ 5,773,734	0.69
2013	\$ 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 ?