

HAMILTON RENEWABLE POWER INC
2021 DRAFT BUDGET

June 15, 2021

FISCAL PERIOD: JANUARY 1 TO DECEMBER 31, 2021

2020				2021		
	Approved Budget	Actuals	Variance	Draft Budget	\$ Change	% Change
Revenue						
Electricity Generation	\$ 2,938,460	\$ 2,616,748	\$ (321,712)	\$ 2,557,120	\$ (381,340)	-13.0%
Thermal Energy Sales	\$ 284,400	\$ 274,177	\$ (10,223)	\$ 218,790	\$ (65,610)	-23.1%
Interest Earned	\$ 15,750	\$ 8,589	\$ (7,161)	\$ 8,590	\$ (7,160)	-45.5%
Total Revenue	\$ 3,238,610	\$ 2,899,514	\$ (339,096)	\$ 2,784,500	\$ (454,110)	-14.0%
Cost of Goods Sold						
Methane Gas	\$ 809,660	\$ 793,959	\$ 15,701	\$ 760,960	\$ (48,700)	-6.0%
Gross Profit	\$ 2,428,950	\$ 2,105,555	\$ (323,395)	\$ 2,023,540	\$ (405,410)	-16.7%
Expenses						
Operations Charge	\$ 401,540	\$ 418,002	\$ (16,462)	\$ 394,320	\$ (7,220)	-1.8%
Maintenance Contracts	\$ 775,760	\$ 785,608	\$ (9,848)	\$ 727,890	\$ (47,870)	-6.2%
Unscheduled Maintenance	\$ 27,360	\$ 9,902	\$ 17,458	\$ 22,990	\$ (4,370)	-16.0%
Communications	\$ 44,890	\$ 44,850	\$ 40	\$ 44,680	\$ (210)	-0.5%
Utilities (Electric)	\$ 7,020	\$ 13,656	\$ (6,636)	\$ 9,960	\$ 2,940	41.9%
Ground Maintenance	\$ 1,760	\$ 2,725	\$ (965)	\$ 2,730	\$ 970	NA
Portable Toilet Rental	\$ 1,840	\$ 1,765	\$ 75	\$ 1,760	\$ (80)	-4.3%
Insurance	\$ 40,760	\$ 40,758	\$ 2	\$ 46,840	\$ 6,080	14.9%
Professional Fees						
Consulting	\$ 18,800	\$ 22,241	\$ (3,441)	\$ 6,880	\$ (11,920)	NA
Legal	\$ 55,860	\$ 55,860	\$ -	\$ 55,860	\$ -	0.0%
Audit	\$ 3,500	\$ 3,440	\$ 60	\$ 3,440	\$ (60)	-1.7%
City Staff	\$ 198,660	\$ 218,980	\$ (20,320)	\$ 214,380	\$ 15,720	7.9%
Financial Charges						
Bank Service	\$ 540	\$ 501	\$ 39	\$ 500	\$ (40)	-7.4%
Late Payment	\$ -	\$ 1,477	\$ (1,477)	\$ -	\$ -	NA
RITC	\$ -	\$ -	\$ -	\$ -	\$ -	NA
Non Operating Expenses						
Depreciation	\$ 585,480	\$ 576,965	\$ 8,515	\$ 546,310	\$ (39,170)	-6.7%
Loan Interest	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Expenses	\$ 2,163,770	\$ 2,196,731	\$ (32,961)	\$ 2,078,540	\$ (85,230)	-3.9%
Net Income Before Taxes	\$ 265,180	\$ (91,176)	\$ (356,356)	\$ (55,000)	\$ (320,180)	-120.7%
Current and Deferred PIL Taxes	\$ 70,300	\$ (24,844)	\$ 95,144	\$ (24,330)	\$ (94,630)	-134.6%
Net Income After Taxes	\$ 194,880	\$ (66,332)	\$ (261,212)	\$ (30,670)	\$ (225,550)	-115.7%
Cash Flow						
Net Income After Tax	\$ 194,880	\$ (66,332)	\$ (261,212)	\$ (30,670)	\$ (225,550)	-115.7%
Add: Non-Cash Expenses	\$ 585,480	\$ 576,965	\$ 8,515	\$ 546,310	\$ (39,170)	-6.7%
Less: Loan Principle Payments	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Net Cash Inflow	\$ 780,360	\$ 510,633	\$ (252,697)	\$ 515,640	\$ (264,720)	-33.9%

Summary of Benefits of HRPI Operations to City of Hamilton

2020				2021		
	Approved Budget	Actuals	Variance	Draft Budget	\$ Change	% Change
Dividend	* \$ 142,117	\$ 142,117	\$ -	** \$ -	\$ (142,117)	-100.0%
Methane Gas Purchased	\$ 809,660	\$ 793,959	\$ (15,701)	\$ 760,960	\$ (48,700)	-6.0%
Professional Fees - City staff	\$ 254,520	\$ 274,840	\$ 20,320	\$ 270,240	\$ 15,720	6.2%
Total Net Benefit to City	\$ 1,206,297	\$ 1,210,916	\$ 4,619	\$ 1,031,200	\$ (175,097)	-14.5%

Dividend Calculation:

* 2020 budgeted dividend based on 2019 unaudited net earnings (\$177,646 X .80) = \$142,117

** 2021 budgeted dividend equal \$0 due to reported net loss in 2020.