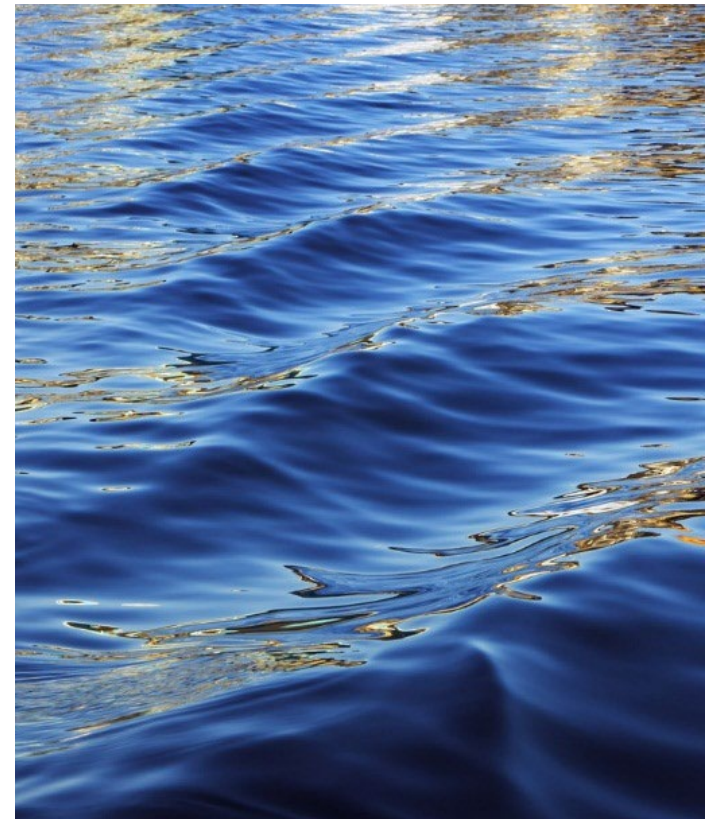




# HRP Inc. Board Meeting

June 13, 2024



# Agenda

## Update

### Financial Update

- 2023 Draft Financial Results and 2024 Budget

### Update on existing Energy Generation Sites

- 2023 Energy Production
- 2023 Engine Runtime Hours
- Site Operational Updates

## Review

### Review of Future Potential Opportunities

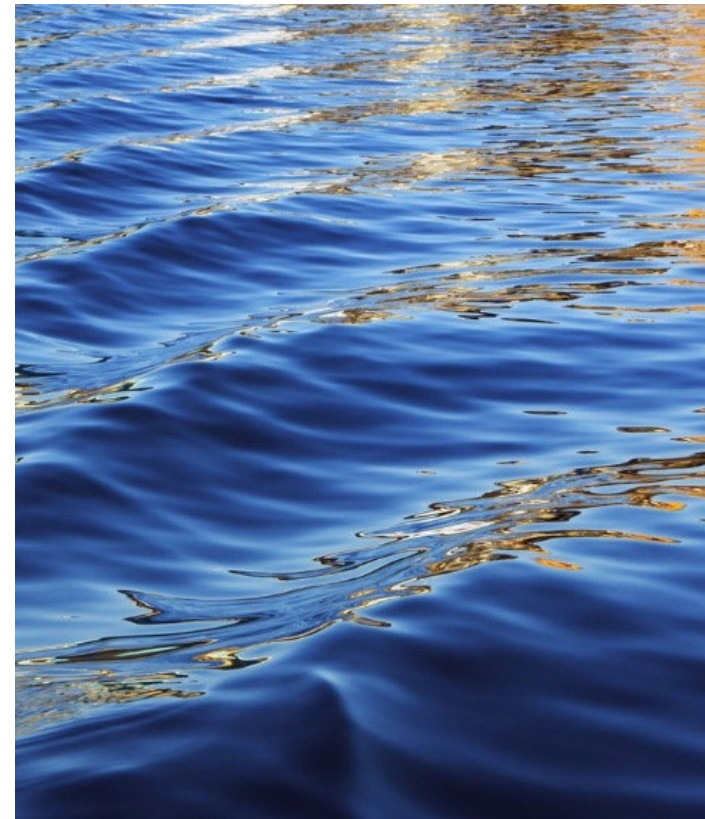
Renewable Natural Gas Production  
Solar Renewable Energy Generation  
Battery Storage and Wastewater Heat Recovery

## Discussion

### Strategic Plan



# Financial Update



# 2023 & 2024 FINANCIAL UPDATE

1. 2023 Financial Overview
2. 2024 Operating Budget
3. 2024 Year-to-Date (YTD) Actuals
4. City of Hamilton Net Benefits

# 2023 FINANCIAL OVERVIEW

## Financial Highlights:

### 2023 Audit Update

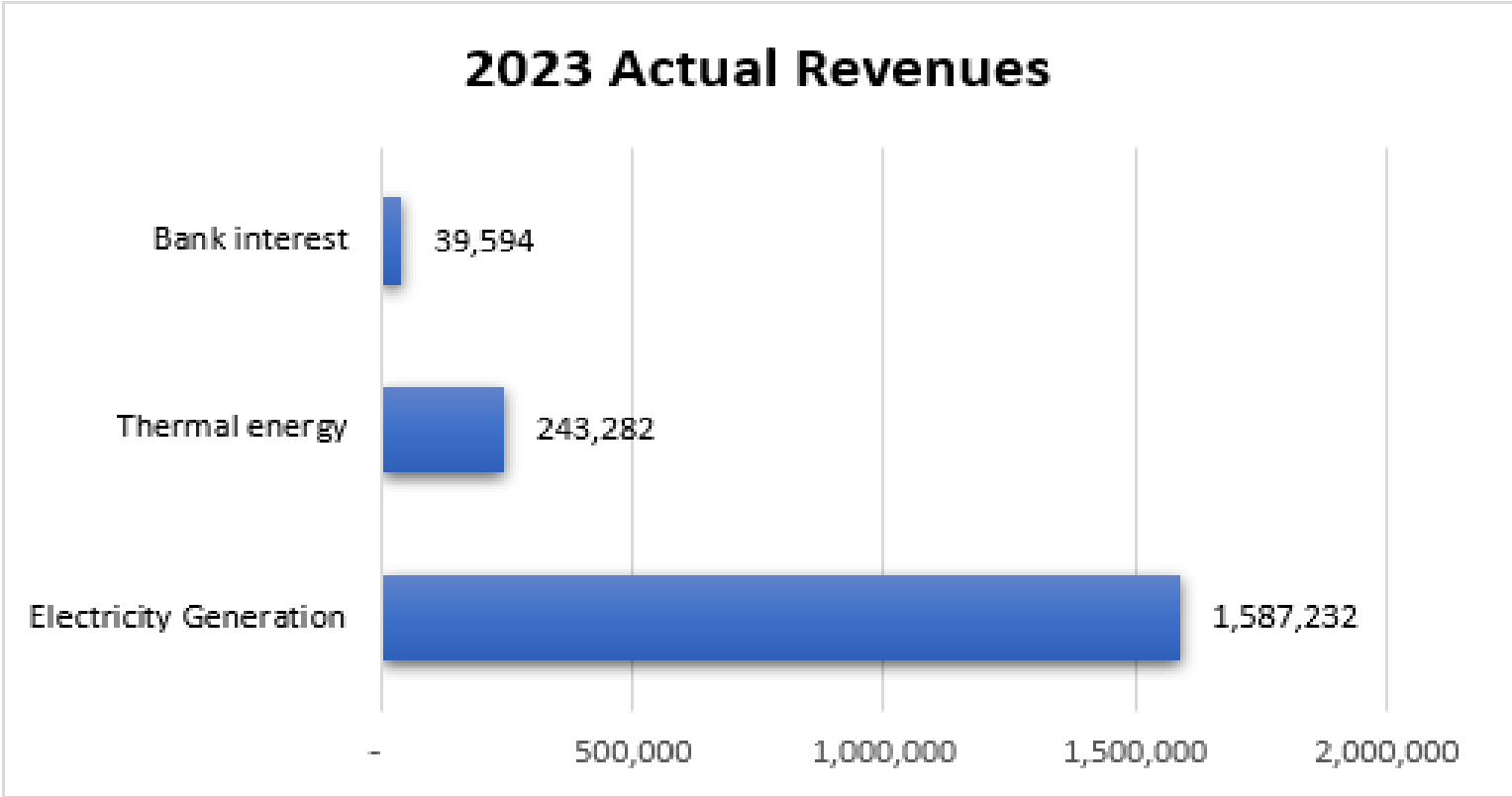
- Audit is complete subject to HRP's external auditors validating financial transactions between the City of Hamilton and HRP Inc.
- 2023 HRP Inc. Financial Statements will be brought forward for Board approval once audit is finalized.
- No audit adjustments have been noted by the external auditors at this time.

# 2023 FINANCIAL OVERVIEW

## Financial Highlights:

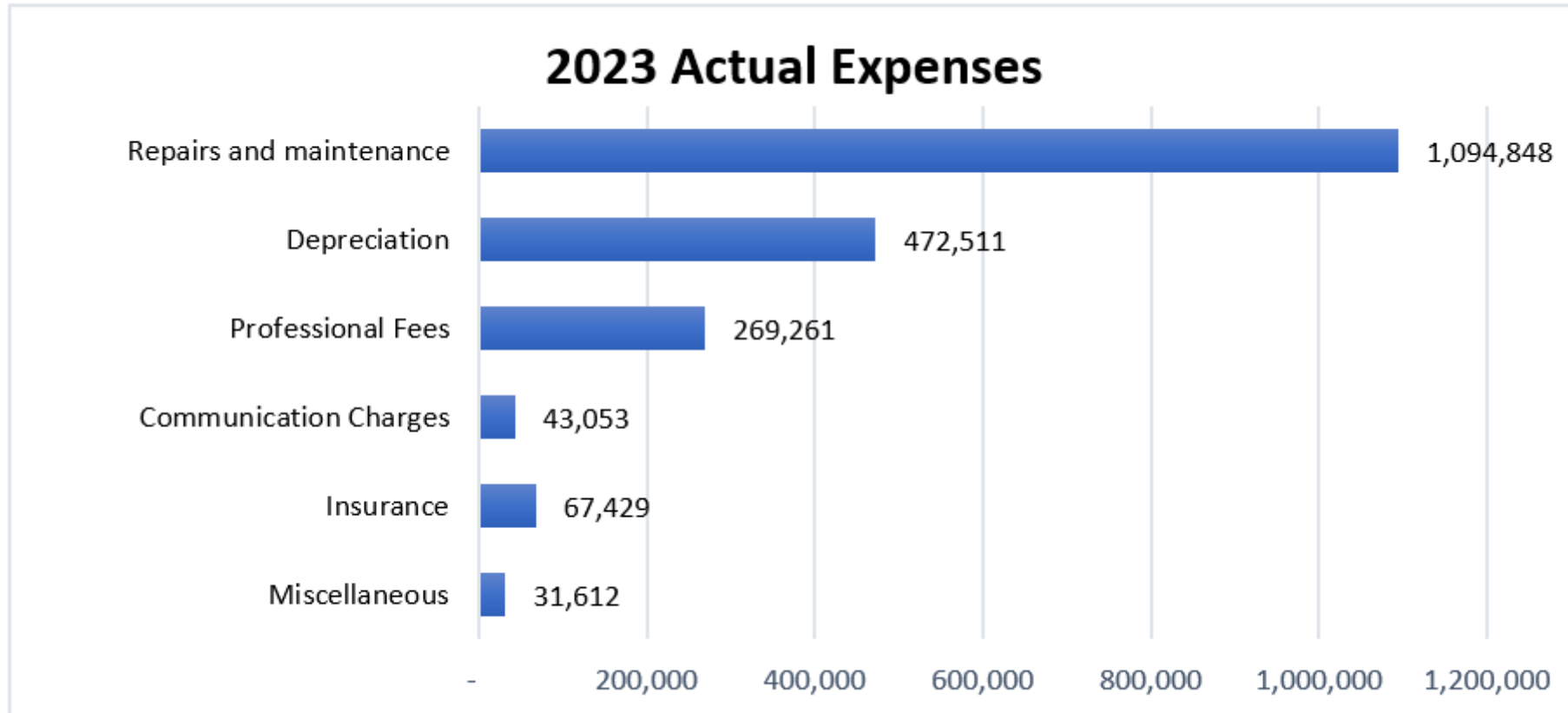
- Net loss of \$455,583 is being reported for the 2023 fiscal year.
- There will be no dividend payment in 2024.
- Payments issued to the City for methane and professional fees amounted to approximately \$735,000.

# 2023 FINANCIAL OVERVIEW



**2023 Actual Revenues = \$1,870,108**

# 2023 FINANCIAL OVERVIEW



**2023 Actual Expenses = \$1,978,714**



# 2023 FINANCIAL OVERVIEW

## 2023 INCOME STATEMENT-DRAFT

Year Ended December 31

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Revenue	2,132,430	1,870,108	(262,322)
Cost of Goods Sold	561,120	473,680	(87,440)
Gross Profit	1,571,310	1,396,428	(174,882)
Expenses	2,069,190	1,978,714	(90,476)
Tax	(131,940)	(126,703)	5,237
<b>Net Loss</b>	<b>(365,940)</b>	<b>(455,583)</b>	<b>(89,643)</b>

# 2023 FINANCIAL OVERVIEW

## 2023 BALANCE SHEET-DRAFT

Year Ended December 31

	2023	2022
Current Assets	1,250,867	1,361,640
Fixed Assets	3,654,555	4,127,066
<b>Total Assets</b>	<b>4,905,422</b>	<b>5,488,706</b>
Current Liabilities	520,010	536,610
Non-Current Liabilities	19,810	130,911
Equity	4,365,602	4,821,185
<b>Total Liabilities &amp; Equity</b>	<b>4,905,422</b>	<b>5,488,706</b>

# 2024 OPERATING BUDGET

Year Ended December 31

	2024 Budget	2023 Budget	Variance
Revenue	2,015,100	2,132,430	(117,330)
Cost of Goods Sold	474,200	561,120	(86,920)
<b>Gross Profit</b>	<b>1,540,900</b>	<b>1,571,310</b>	<b>(30,410)</b>
Expenses	2,184,340	2,069,190	115,150
Tax	(170,510)	(131,940)	(38,570)
<b>Net Loss</b>	<b>(472,930)</b>	<b>(365,940)</b>	<b>(106,990)</b>

\* 2024 detailed budget can be found in Schedule "A".

# 2024 YEAR-TO-DATE

## 2024 INCOME STATEMENT

Month Ended March 31

	YTD Budget	YTD Actuals	Variance
Revenue	493,567	491,416	(2,151)
Cost of Goods Sold	114,095	123,381	9,287
<b>Gross Profit</b>	<b>379,472</b>	<b>368,035</b>	<b>(11,437)</b>
Expenses	519,864	520,841	977
Tax	(36,727)	(36,727)	0
<b>Net Loss</b>	<b>(103,664)</b>	<b>(116,079)</b>	<b>(12,415)</b>

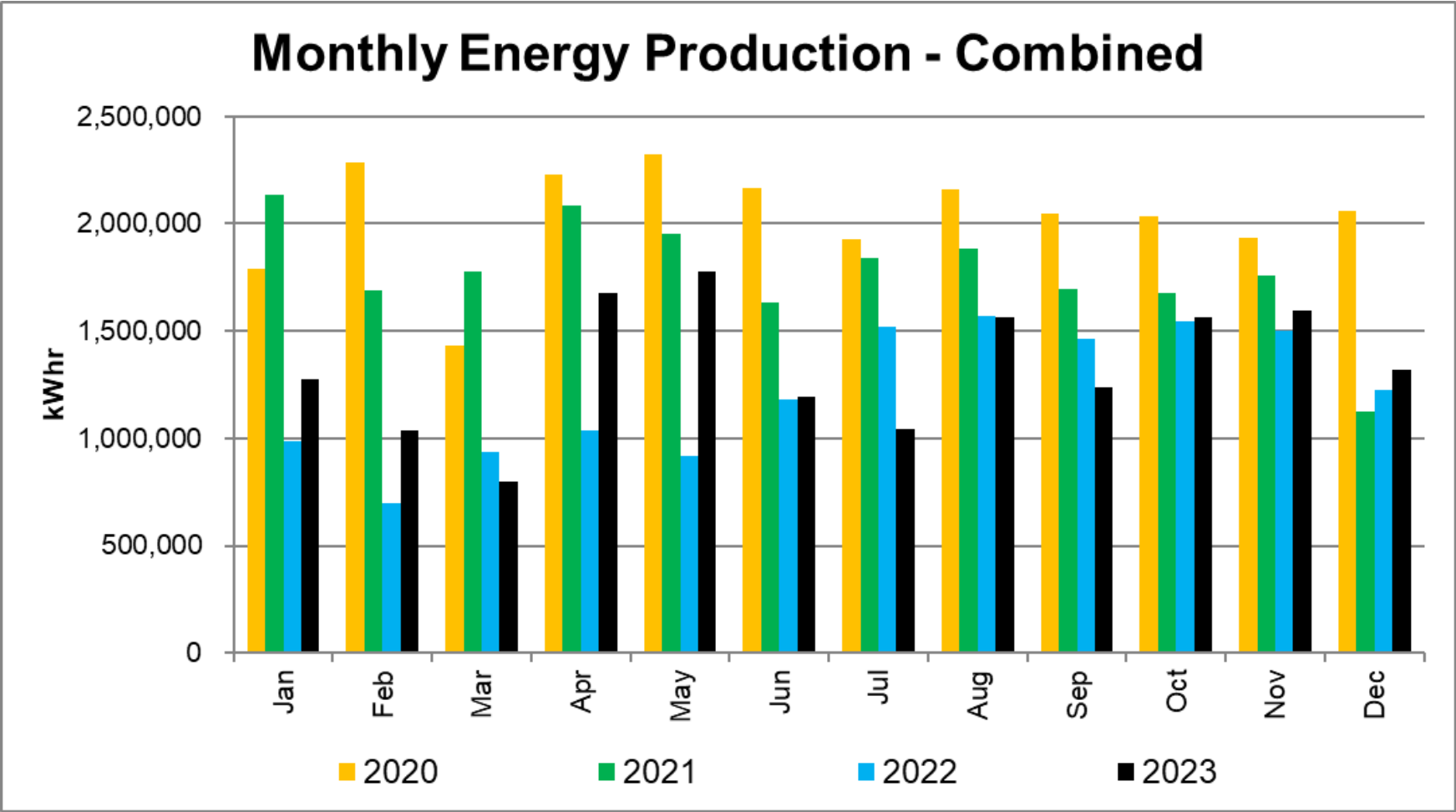
# CITY OF HAMILTON NET BENEFITS

- Since inception (2006), the City of Hamilton has received approximately \$22.3 million in benefits from HRP Inc.
- Although dividends have not been paid in the last two years, the City continues to receive benefits in terms of salary recovery and payment for methane (approximately \$735K per year).

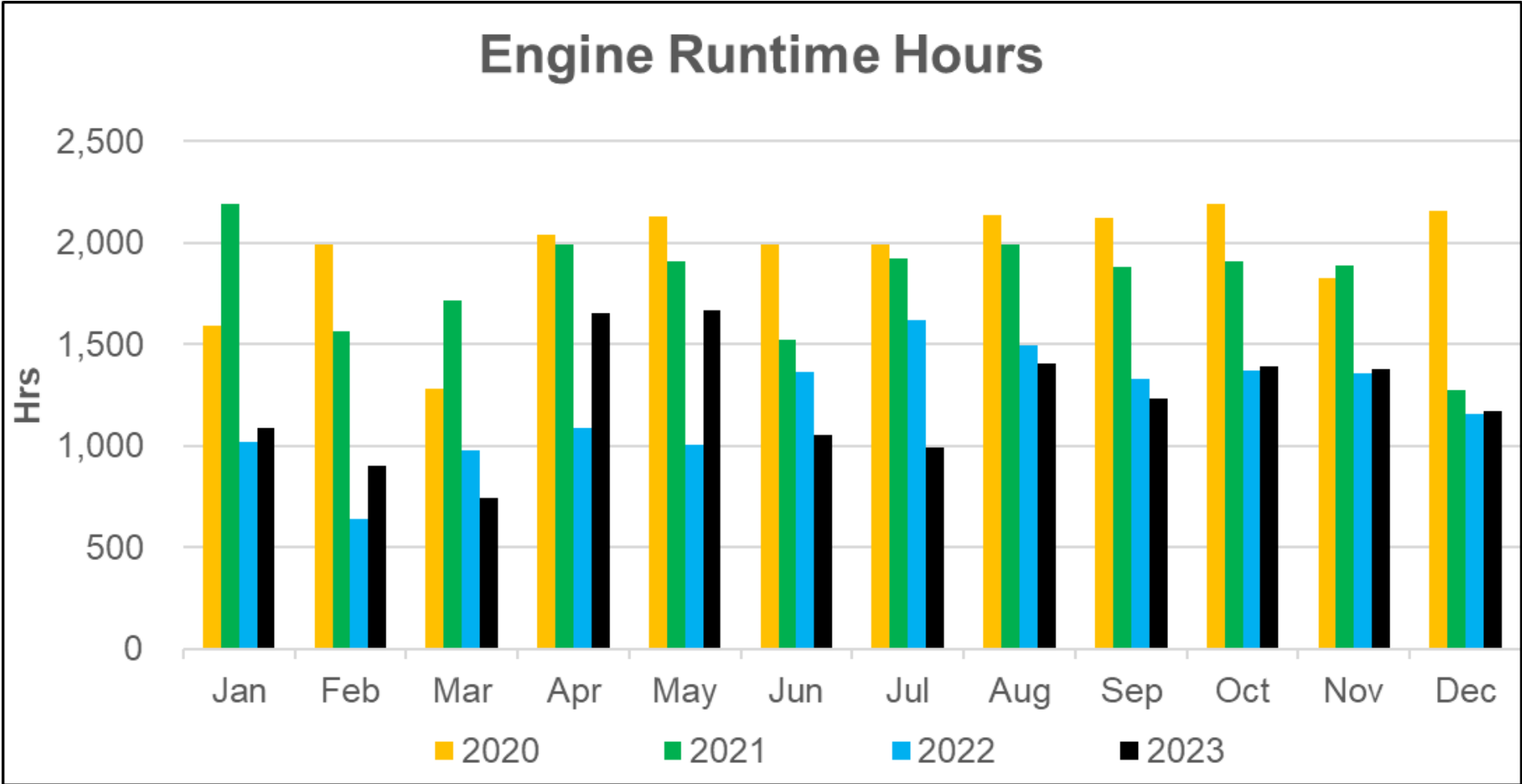


# Update on Existing Generating Sites

# 2023 Energy Production - Combined



# 2023 Engine Runtime Hours





# Site Operational Updates

## Glanbrook Landfill Cogeneration Site

- WSP Report on Review of Landfill Gas Collection System is not complete to date
- Task 5 of the above report -Modeling of Landfill Gas Generation by WSP has been completed

## WoodWard WWTP Cogeneration Site

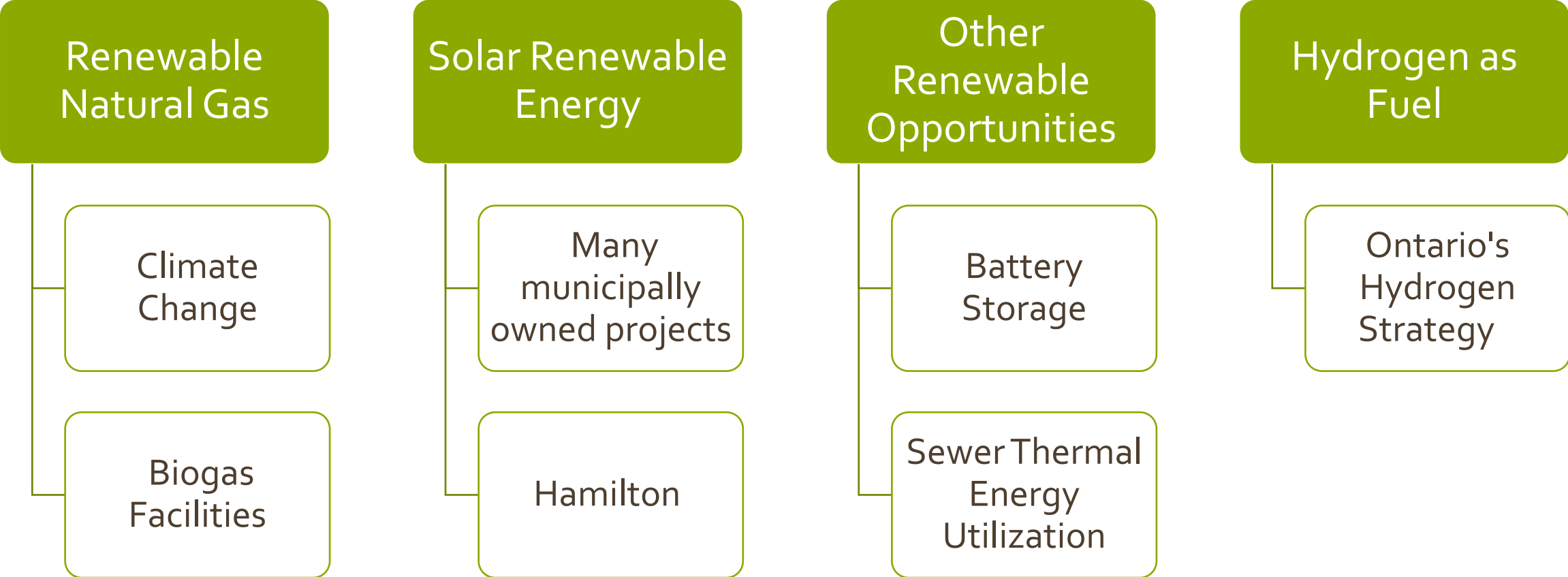
- Operations continue with no real concerns to production



# Review of Future Potential Opportunities

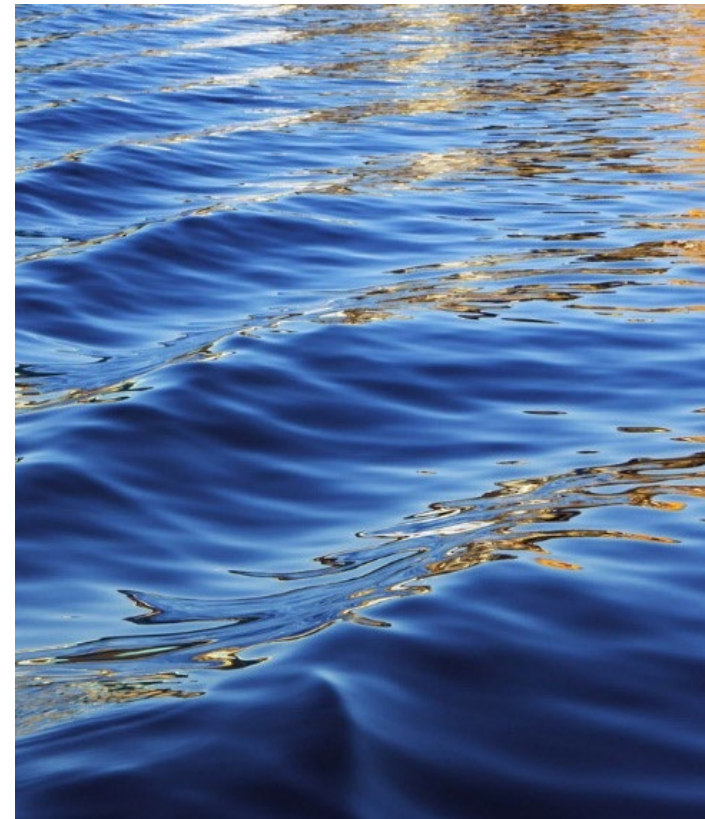


# Potential Partnership Opportunities





# Discussion





# Thank You

Next Board Meeting on September 12, 2024

