

MANAGEMENT REPORT

Date: June 20, 2023
To: Finance and Labour Relations Sub-committee
From: Karmen Krueger, CPA, CA, Director of Corporate Services
Report #: FIN23-020
Attachments: 1. FHI Financial Results for year ending Dec 31 2022 and period ending March 31 2023;
2. FHSI Financial Results for year ending Dec 31 2022 and period ending March 31 2023

Title: Financial Results, Statements and Commentary for Festival Hydro Inc. (FHI) and Festival Hydro Services Inc. (FHSI), for the year 2022 and for the period ending March 31, 2023

Objective: To receive an update on Festival Hydro financial results and activities.

Background: City Council is updated regularly on the financial and operating activities of Festival Hydro.

Analysis: As noted in the attached statements. Representatives from Festival Hydro have been invited to attend as a delegation to present the attached reports.

Financial Implications:

Financial impact to current year operating budget:

The reports are being provided for information so there are no significant financial impacts to note.

The City receives quarterly interest payments of \$282,750 for the loan. To May 31, 2023, one quarterly interest payment was received and no dividends for 2023 to date. In 2022, total dividends declared/payable relating to 2022 were \$638,599 which will be received in 2023, and interest received was \$1,131,000, for total 2022 income of \$1,797,499.

Alignment with Strategic Priorities:

Developing our Resources

Optimizing Stratford's physical assets and digital resources. Planning a sustainable future for Stratford's resources and environment.

Alignment with One Planet Principles:

Culture and Community

Nurturing local identity and heritage, empowering communities, and promoting a culture of sustainable living.

Staff Recommendations: THAT the Festival Hydro Inc. 2022 audited financial statements and commentary for the year ended December 31, 2022, be received for information;

THAT the Festival Hydro Services Inc. 2022 audited financial statements and commentary for the year ended December 31, 2022, be received for information;

THAT the Festival Hydro Inc. financial statements and commentary for the period ending March 31, 2023, be received for information;

THAT the Festival Hydro Services Inc. financial statements and commentary for the period ending March 31, 2023, be received for information;

AND THAT the Festival Hydro Inc. April 2023 Board motion declaring a top-up common share dividend in the amount of \$248,269 for the year 2022, be received for information.

Prepared by:

Karmen Krueger, CPA, CA
Director of Corporate Services

Recommended by:

Karmen Krueger, CPA, CA, Director of Corporate Services
Joan Thomson, Chief Administrative Officer