



Port of Sydney

CANADA

Since April 1, 2015: Mandate Expanded

- New Board of Directors
- CEO Appointed
- HPDP appointed as exclusive developer for greenfield site
- Manager of Business Development hired

Cash on Hand for POSDC

Cash on Hand Transferred to POSDC: \$549,411
(per audited Financial Statements)

Cash on Hand as of March 12, 2016: \$526,606
(per internal financial statements)

	Sydney Ports Corporation 2015		Port of Sydney Development Corporation 2016		2017
	budget	audited actual	budget	March 11 actual	budget
Revenue	\$ 1,515,125	1,517,666	\$ 1,589,594	\$ 1,638,703	\$ 1,519,193
Expense	\$ 1,527,055	1,447,503	\$ 1,579,989	\$ 1,617,654	\$ 1,495,800
Net before amortization	<u>-\$ 11,930</u>	<u>70,163</u>	<u>\$ 9,605</u>	<u>\$ 21,049</u>	<u>\$ 23,392</u>

Funds From Assumption Agreement

PURPOSE OF FUND.

These funds are restricted for the use of the port and include such costs as:

- Navigational aids,
- CDF maintenance and monitoring,
- fish habitat report and monitoring and
- additional projects of the port.

Balance March 31, 2015	\$2.3 Million
Current balance March 11, 2016	\$1.8 Million.

Incremental costs in current year operations ending March 31, 2016 (As of March 12th, 2016)

Consulting	\$ 30,134
Legal	\$ 83,354
Industream	\$ 134,928
Bechtel	\$ 188,361
Coms/Marketing	\$ 35,560
Engineering	<u>\$ 20,567</u>
	<hr/>
	\$ 492,904

Sources of Incremental Funds

Assumption Agreement, (remaining restricted funds from dredge fund) \$492,904

2016/2017 Budget Operating

	<u>New Mandate</u>
Revenue	\$1,519,193
Expense	<u>\$1,495,800</u>
Net income	<u>\$23,392</u>
New mandate: Development Expense	<u>\$730,000</u>

Business Development Activities:

<u>Legal Services</u>	\$100,000
<u>Marketing Materials</u>	\$120,000
<u>Salaries</u>	\$190,000
<u>Incoming China Delegation</u>	\$ 60,000
<u>Consulting & Communication</u>	\$140,000
<u>Travel</u>	\$120,000
TOTAL	<u>\$730,000</u>

Source of Funds

▶ Transfer from assumption	\$420,000
▶ Port of Sydney(project funding)	\$205,000
▶ <u>CBRM CAO budget</u>	<u>\$105,000</u>
<hr/>	
Total	<u>\$730,000</u>

Approved by Port Board of Directors

CBRM Council Required to approve \$105,000 Expenditure during Budget Presentation

CAPITAL

Current Year Capital Expenditures

Electrical upgrades	\$12,294
Shore Power, Marina	\$12,031
Refinish Fiddle	\$39,575 (net of funding \$35,590)
Welcome Centre	<u>\$9,126</u>
	<u>\$73,026</u>

2016/2017 Budget Capital

Capital	
JHCP washroom	\$ 57,000
Security Camera	<u>\$ 30,000</u>
	<u>\$ 87,000</u>

Payable to CBRM

Capital Lease Obligations

Audited Financial Statement March 31 st 2015	\$1,616,693
Balance Forecast March 31 st 2016	\$1,778,752
Balance Forecast March 31 st 2017 (end of leasing agreement)	\$1,940,542

Proposed Repayment Plan to Satisfy Lease Obligation

Total at end of lease $\$1,940,542 / 10 \text{ years} = \$194,054$

Annual payment $\$194,054 / 12 \text{ Months} = \$16,171/\text{month}$

Approved by the Port Board of Directors

Note:

Repayment is based on ability to pay and may be paid in shorter timeframe.

Also a lump sum may be applied at start, depending on cash availability.