

<b>To:</b>	Warden McQueen and Members of Grey County Council
<b>Committee Date:</b>	May 14, 2020
<b>Subject / Report No:</b>	FR-CW-12-20
<b>Title:</b>	Lease Financing Report as of December 31, 2019
<b>Prepared by:</b>	Mary Lou Spicer, Deputy Treasurer
<b>Reviewed by:</b>	Kevin Wepler, Director of Corporate Services
<b>Lower Tier(s) Affected:</b>	
<b>Status:</b>	Recommendation adopted by Committee as presented per Resolution CW89-20; Endorsed by County Council May 28, 2020 per Resolution CC54-20;

## Recommendation

1. **That Report FR-CW-12-20 regarding the 2019 Lease Financing Report be received for information.**

## Executive Summary

This report is provided in accordance with the *Municipal Act, 2001*, O. Reg 653/05 (as amended by O. Reg. 604/06 and O. Reg 291/09). The intent of the Act and regulation is to impose a level of due diligence on financing leases for municipal capital facilities.

A list of the County's lease arrangements as of December 31, 2019 is provided on the attached schedule.

## Background and Discussion

This report is being prepared to provide a list of the total financing arrangements of the County that have been undertaken through lease financing arrangements.

These existing lease arrangements are considered operational in nature and considered to be low-risk to the County's long-term financial health.

## Legal and Legislated Requirements

This report is submitted in accordance with the *Municipal Act, 2001*, O. Reg. 653/05.

## Financial and Resource Implications

The County's 2020 annual budget has been developed based upon the current lease financing arrangements.

## Relevant Consultation

- Internal – Departmental staff during preparation of 2019 year-end working papers
- External (list)

## Appendices and Attachments

[Attachment to FR-CW-12-20 Lease Financing Report as of December 31, 2019](#)

County of Grey Lease and Rental Commitments as of December 31, 2019					
County Department	Organization	Purpose	2019 Annual Net Expense	Lease End Date	Notes
<b>Capital Leases</b>					
nil					
<b>Operating Leases</b>					
<b>Paramedic Services</b>	Township of Southgate	Paramedic Services Station Dundalk	\$ 24,315	December 31, 2023	
	Municipality of Grey Highlands	Paramedic Services Station Markdale	\$ 24,982	December 31, 2023	Option to renew lease for 5 years, rent to be negotiated
	Town of Hanover	Paramedic Services Station Hanover	\$ 33,510	December 31, 2023	
	Grey Bruce Health Services	Paramedic Services Station Meaford	\$ 18,600	December 31, 2008	Option to renew lease for 5 years, rent to be negotiated
	South Bruce Grey Health Centre	Paramedic Services Station Durham	\$ 16,046	December 31, 2009	Option to renew lease for 5 years, rent to be negotiated
<b>Social Services</b>	Donald & Bonnie Shewfelt	Hanover Ontario Works Satellite Office	\$ 9,821	March 31, 2020	Option to renew for one year periods with rent to be negotiated
	Township of Southgate	Dundalk HUB Meeting Space	\$ 4,800	December 31, 2020	Automatic renewal for successive renewal terms of 3 years
<b>Provincial Offences</b>	County of Bruce	Court room rental (unless notice given)	\$ 7,800	May 31, 2021	Automatic successive 5 year renewals; \$150 per court day
<b>General Government</b>	Pitney Bowes	Postage Machine (66 month lease)	\$ 6,106	October 28, 2022	\$1,526.42 quarterly
<b>Housing</b>	Crown Storage	Parking space rental for Golden Town (Meaford)	\$ 1,200		Agreement re Golden Town, increased by \$100 in 2019
<b>Total Net Annual Lease Cost - 2019</b>			<b>\$ 147,180</b>		
<b>Total Amount of Capital Lease Principal Outstanding</b>			\$ -		
<b>Long-Term Debt</b>					
<b>Georgian College Grant</b>			\$ 1,000,000		By-Law 4865-14: Grants Totalling \$2,000,000 to Georgian College (\$200,000 per year 2015-2024)
<b>Golden Town Mortgages</b>			\$ 2,860,878		Assumption of Golden Town mortgages (\$2,807,001.95 Scotiabank and \$53,876.10 CMHC)
<b>Total Long-Term Debt of Grey County</b>			\$ 3,860,878		
<b>Proportion of Long-Term Debt Outstanding belonging to Capital Leases:</b>			<b>0.00%</b>		
<b>Other Lease Agreements - no ongoing costs</b>					
	The Blue Mountains (land)	Paramedic Services Station Craigeleith (99 years )	0.00	January 31, 2111	