

To:	Warden Hicks and Members of Grey County Council
Committee Date:	June 13, 2019
Subject / Report No:	FR-CW-16-19
Title:	Lease Financing Report as of December 31, 2018
Prepared by:	Mary Lou Spicer, Deputy Treasurer
Reviewed by:	Kevin Wepler, Director of Corporate Services
Lower Tier(s) Affected:	
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution <i>CW139-19</i> ; Endorsed by Council on June 27, 2019 as per Resolution <i>CC47-19</i> .

Recommendation

1. That Report FR-CW-16-19 regarding the 2018 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, 2018 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 2019 annual budget has been developed based upon the current lease financing arrangements.

Relevant Consultation

- Internal – Departmental staff during preparation of 2018 year-end working papers
- External (list)

Appendices and Attachments

[Attachment to FR-CW-16-19 Lease Financing Report](#)

County of Grey

Lease and Rental Commitments as of December 31, 2018

County Department	Organization	Purpose	2018 Annual Net Expense	Lease End Date	Notes
Capital Leases					
nil					
Operating Leases					
Paramedic Services	Township of Southgate	Paramedic Services Station Dundalk	23,956	December 31, 2018	option to renew lease for 5 years, rent to be negotiated
	Municipality of Grey Highlands	Paramedic Services Station Markdale	24,982	December 31, 2012	option to renew lease for 5 years, rent to be negotiated
	Town of Hanover	Paramedic Services Station Hanover	33,019	December 31, 2018	option to renew lease for 5 years, rent to be negotiated
	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
Social Services	Donald & Bonnie Shewfelt	Hanover Ontario Works Satellite Office	\$ 9,648	March 31, 2019	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
	Golden Town Residential	Meaford Resource Centre	\$ 4,000	March 31, 2018	Paid until October 2018 (Grey County assumed ownership)
Provincial Offences	County of Bruce	Court room rental unless notice given)	\$ 7,350	May 31, 2021	automatic successive 5 year renewals; \$150 per court day
General Government	Pitney Bowes	Postage Machine (66 month lease)	\$ 6,106	October 28, 2022	\$1,526.42 quarterly
Housing	Crown Storage	Parking space rental for Golden Town (Meaford)	\$ 1,100		Agreement with Golden Town, County to review in 2019
Total Net Annual Lease Cost - 2018			\$ 149,606		
Total Amount of Capital Lease Principal Outstanding			\$ -		
Total Long-Term Debt of Grey County			\$ 4,493,973		By-Law 4865-14: Grant Totalling \$2,000,000 to Georgian College (remaining portion Dec 31/18 \$1,200,000) and assumption of Golden Town mortgages (\$3,181,877 Scoiabank and \$112,096 CMHC)
Proportion of Long-Term Debt Outstanding belonging to Capital Leases:			0.00%		
Other Lease Agreements - no ongoing costs					
	The Blue Mountains (land)	Paramedic Services Station Craigeleith (99 years)	\$ -	January 31, 2111	