



Committee Report

To:	Warden Hicks and Members of Grey County Council
Committee Date:	May 27, 2021
Subject / Report No:	FR-CW-17-21
Title:	Lease Financing Report as of December 31, 2020
Prepared by:	Mary Lou Spicer
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	
Status:	Adopted as presented by Committee of the Whole through Resolution CW88-21; Endorsed by County Council CC49-21

Recommendation

1. That Report FR-CW-17-21 regarding the 2020 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, 2020 is provided at the end of the report. The net annual lease cost for the various operational leases (space for paramedic bases, service delivery, parking and postage machine) totaled \$151,172 in 2020. Several leased spaces are operating on a month to month basis and another was renewed with a start date of January 1, 2021. There are no capital leases for the reporting period.

Background and Discussion

This report provides a list of the total financing arrangements of the County that have been undertaken through lease financing arrangements.

These lease arrangements are considered operational in nature and a 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 2021 annual budget has been developed based upon the lease financing arrangements in the attached schedule.

Relevant Consultation

- Internal – Departmental staff during the preparation of 2020 year-end working papers
- External (list)

Appendices and Attachments

None.

County of Grey

Lease and Rental Commitments as of December 31, 2020

County Department	Organization	Purpose	2020 Annual Net Expense	Lease End Date	Notes
Capital Leases					
nil					
Operating Leases					
Paramedic Services	Township of Southgate	Paramedic Services Station Dundalk	\$ 24,680	December 31, 2018	Exercised option to renew lease for 5 years; extended to December 31, 2023
	Municipality of Grey Highlands	Paramedic Services Station Markdale	\$ 24,982	December 31, 2012	Exercised option to renew lease for 5 years; operating on month to month basis
	Town of Hanover	Paramedic Services Station Hanover	\$ 34,032	December 31, 2018	Exercised option to renew lease for 5 years; extended to December 31, 2023
	Grey Bruce Health Services	Paramedic Services Station Meaford	\$ 13,950	December 31, 2008	Operating on month to month basis; 9 months charged in 2020*
	South Bruce Grey Health Centre	Paramedic Services Station Durham	\$ 16,046	December 31, 2009	Operated on month to month basis (new agreement Jan 1, 2021 - December 31, 2025)
Social Services	Donald & Bonnie Shewfelt	Hanover Ontario Works Satellite Office	\$ 10,027	March 31, 2020	Exercised option to renew for one year period
	Township of Southgate	Dundalk HUB Meeting Space	\$ 7,200	December 31, 2020	Automatic renewal on a month by month basis
	South East Grey Community Health Centre	Markdale Ontario Works Satellite Office	\$ 11,099	June 30, 2021	Automatic renewal on month to month basis for maximum period of additional 5 years
Provincial Offences	County of Bruce	Court room rental (unless notice given)	\$ 1,800	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)	\$ 1,250		Agreement re Golden Town, increased by \$50 in 2020
Total Net Annual Lease Cost - 2020			\$ 151,172		
Total Amount of Capital Lease Principal Outstanding			\$ -		
Long-Term Debt					
Georgian College Grant			\$ 800,000		By-Law 4865-14: Grant Totalling \$2,000,000 to Georgian College (\$200,000 per year 2015-2024)
Golden Town Mortgages			\$ 2,424,611		Assumption of Golden Town mortgages (\$2,424,611.13 Scotiabank)
Total Long-Term Debt of Grey County			\$ 3,224,611		
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)	0.00	January 31, 2111	
* Grey Bruce Health Services chose to provide rent relief for the period April - June 2020					