



# **Guelph Municipal Holdings Inc. (GMHI)**

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2019 Annual Report to Shareholders  
Guelph City Council Meeting  
July 22, 2020

# 2019 snapshot

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- On January 1, 2019, GMHI sold its shares of Guelph Hydro Electric Systems Inc. (GHESI) to Alectra Inc. (Alectra) in return for 4.63% of Alectra's shares.
- On June 30, 2019, GMHI and GMHI Development Corporation (DevCo) were amalgamated leaving one combined entity: GMHI.
- The end result of these transactions and governance changes has simplified the Shareholder's interests into one municipal corporation with one line of business.

# 2019 snapshot

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- Only remaining operating assets are the residual of the District Energy nodes located in the Hanlon Creek Business Park and the Downtown District.
- GMHI's direction is to divest its interests in the District Energy assets, the Hanlon Creek Business Park node is expected to wind down in 2020.
- Once fully divested, GMHI, as a municipal corporation, will simply hold the shareholder's proportionate interest in Alectra.

# 2019 financials

- GMHI's total comprehensive income for 2019 is \$41.8 million:
  - Net income from sale of GHESI shares to Alectra - \$40.4 million.
  - Net income from GMHI operations - \$1.9 million.
  - Hanlon Node wind down costs of \$505 thousand
- GMHI's total equity as at December 31, 2019 \$89.4 million up from \$72.1 million in 2018.
- GMHI declared \$2.1 million in regular dividends to the City in 2019.

# 2019 financials

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The prudent management of the City's interest in GMHI is an important asset that generates a healthy dividend to the City which in turn reduces the requirement of property tax increases to fund capital infrastructure renewal.



Thank you