



## STAFF REPORT ACTION REQUIRED

### 2008 Audited Trust Funds Consolidated Financial Statements

<b>Date:</b>	September 8, 2009
<b>To:</b>	Audit Committee
<b>From:</b>	Acting Treasurer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2009\Internal Services\acc\ac09014acc (AFS# 8706)

#### SUMMARY

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The purpose of this report is to present the City of Toronto's Consolidated Trust Funds Financial Statements for the year ended December 31, 2008 to the Audit Committee and City Council for approval.

#### RECOMMENDATIONS

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**The Acting Treasurer recommends that:**

1. The Audit Committee approve the 2008 Audited Trust Funds Consolidated Financial Statements as attached in Appendix A, and forward them to City Council for its approval.

#### **Financial Impact**

There are no financial impacts resulting from this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

On an annual basis, as required, the City presents the Audited Consolidated Trust Funds Financial Statements which includes the City trust fund accounts and those of its Agencies, Boards and Commission to the City Council for approval.

## **ISSUE BACKGROUND**

The City administers the trust funds included in these financial statements. As part of its fiduciary responsibilities, the City ensures that funds received are to be used only for the specific purposes as specified by each trust agreement.

## **COMMENTS**

### **Balance Sheet**

Trust fund assets comprise investments, cash and amounts due from the City. Total assets as at December 31, 2008 amounted to \$48.1 million (2007 - \$48.2 million) of which \$29.8 million (2007 - \$35.2 million) was in the form of investments.

### **Change in Accounting Policy**

Effective January 1, 2008, the Trust Funds adopted the recommendations of CICA 1535, Capital Disclosures, which require the disclosure of qualitative and quantitative information that enables users of the financial statements to evaluate the organization's objectives, policies and processes for managing capital. The adoption of these recommendations only required additional disclosures, which are included in note 6 to the financial statements.

Trust fund balances at December 31, 2008 amounted to \$45.4 million (2007 - \$47.8 million). One additional trust fund, the 90 Lisgar Street Trust, was set up in 2008 with an initial contribution of \$0.6 million to provide for remediation costs as set out in the purchase agreement for property acquired at 90 Lisgar Street.

### **Revenues**

Revenues have not changed significantly in 2008 compared with 2007. Increased contributions to Trust Funds from various sources offset a significant reduction in investment income. Investment income included an unrealized loss of \$2.3 million (2007 - \$0.2 million gain) on Toronto Atmospheric Trust Fund investments.

## **Expenditures**

Trust fund expenditures increased by \$1.5 million in 2008 compared with 2007. Expenditures reflect increased expenses in Toronto Atmospheric Fund for operating expenses and grants to \$2.9 million in 2008 (2007 - \$2.0 million). In addition, the remaining balance in the Ricoh Coliseum Legal Trust was disbursed in the amount of \$0.5 million upon resolution of a legal dispute.

## **CONTACT**

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## **SIGNATURE**

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Giuliana Carbone  
Acting Treasurer

## **ATTACHMENTS**

Appendix A: 2008 Trust Funds Consolidated Financial Statements  
Appendix B: 2008 Audit Results – Consolidated Trust Funds