

2009 Audited Sinking Fund Financial Statements

Date:	June 21, 2010
To:	Audit Committee
From:	Treasurer
Wards:	All
Reference Number:	P:\2010\Internal Services\Acc\ac10013Acc (AFS11659)

SUMMARY

The purpose of this report is to present the City of Toronto's Sinking Fund Financial Statements for the year ended December 31, 2009 (Appendix A) to the Audit Committee for information.

Financial Impact

There is no financial impact 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 financial statements of the Sinking Fund to the Audit Committee.

ISSUE BACKGROUND

The City contributes to the sinking funds to invest and earn income for the purpose of accumulating sufficient funds to repay the sinking fund debenture debt on maturity.

COMMENTS

These statements have been presented to and approved by the Sinking Fund Committee at its meeting held on June 16, 2010.

Sinking fund assets as at December 31, 2009 amounted to \$1.1 billion (2008 - \$880 million). These assets represent amounts held to discharge sinking fund debenture debt

of \$2.8 billion (2008 - \$2.7 billion) issued by the City and maturing in various years between 2010 and 2021. Additional contributions will be received during this period from the City for debentures issued for municipal purposes and the Toronto District School Board for a debenture that was issued for education purposes.

Unrestricted Surplus

Unrestricted Surplus decreased during the year by \$74 thousand to \$87.9 million. This surplus includes \$50.6 million of unrealized gains on investments, a reduction of \$5.2 million from 2008.

Revenues and Expenses

Revenues for 2009 increased by \$2.7 million to \$253 million due to the increased contributions required to match increased actuarial provisions which offset the decrease of \$11.8 million to \$43.5 million in investment earnings due to a general decline in investment yields during 2008 and 2009.

CONTACT

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SIGNATURE

Giuliana Carbone
Treasurer

ATTACHMENTS

Appendix A: Financial Statements City of Toronto Sinking Funds December 31, 2009
Appendix B: City of Toronto Sinking Funds Audit Results – Year Ended December 31, 2009