



**STAFF REPORT
ACTION REQUIRED
with Confidential Attachment**

**Build Toronto - Annual General Meeting and Audited
Annual Financial Statements 2011**

Date:	June 6, 2012
To:	Executive Committee
From:	City Manager
Wards:	City-wide
Reason for Confidential Information:	This report involves information pertaining to matters about identifiable individuals formerly employed by a City agency.
Reference Number:	

SUMMARY

This report recommends the actions necessary to comply with the requirements of the *Business Corporations Act* (Ontario) for holding the 2011 Annual General Meeting of the shareholder of Build Toronto Inc. including receipt of Audited Financial Statements and appointment of the auditor. This report also transmits documents from Build Toronto Inc. to City Council disclosing the compensation of executive officers employed by the corporation in 2011.

RECOMMENDATIONS

The City Manager recommends that City Council:

1. treat the Council meeting at which this report is considered as the 2011 Annual General Meeting of the Shareholder for Build Toronto Inc. by:
 - a. receiving the Annual Report of Build Toronto Inc., Attachment 1 to this report;
 - b. appointing Pricewaterhouse Coopers LLP, Chartered Accountants, as the Auditor of Build Toronto Inc. for fiscal year 2012, and authorizing the Board of Directors of Build Toronto to fix the remuneration of such Auditor; and

- c. receiving the report of the Deputy City Manager and Chief Financial Officer, dated June 6, 2012 "Build Toronto Inc. 2011 Audited Financial Statements", Attachment 2 to this report and receiving Build Toronto's 2011 Annual Audited Financial Statements, Appendix A to that report; and
2. forward a copy of Build Toronto's 2011 Audited Annual Financial Statements, Appendix A to Attachment 2 to this report, to the Audit and Budget Committees for information;
3. receive the information of Attachment 3 concerning executive compensation disclosure in this report for information; and
4. direct the contents of Confidential Attachment 4 to this report from Build Toronto Inc. be kept confidential in their entirety after the consideration of this report by Council for reasons of personal information about identified individuals.

Financial Impact

Build Toronto increased net income by 16% to \$8.6 million from property sales. In addition, the corporation declared a \$20 million dividend to the City payable on February 23, 2012.

DECISION HISTORY

Build Toronto Inc. was incorporated under the Ontario *Business Corporations Act* (OBCA). The City is the sole shareholder. The mandate of Build is to: facilitate land exit strategies through value add sales; undertake catalytic development opportunities; undertake development that attracts and retains employment in the City; and create a financial dividend for the City.

Build Toronto - Annual General Meeting and Audited Annual Financial Statements 2010
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX9.3>

Executive Compensation Disclosure for 2010 by Build Toronto, Invest Toronto and the Toronto Port Lands Company

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX16.6>

ISSUE BACKGROUND

This is Build Toronto Inc.'s third Annual Shareholder's Meeting since incorporation in November 2008.

COMMENTS

2011 marked the 2nd year of operations for Build Toronto. Numerous development projects and activities were commenced as Build Toronto sought to generate both financial returns and 'City-Build' initiatives for the City. Most significantly, Build

Toronto issued a \$20 million dollar dividend to the City of Toronto, four years ahead of schedule, as a result of the Corus sale.

The shareholder's review of Build Toronto's 2011 Annual Audited Financial Statements is set out in the report of the Deputy City Manager and Chief Financial Officer, which is attached to this report as Attachment 2 and which should be considered part of the agenda of the Annual General Meeting.

Build Toronto Inc. is disclosing information concerning executive compensation for senior staff in Attachments 3 and 4 of this report as per request from City Council.

The protection of individual privacy is required by the *Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)*. Specific compensation data of individual executives is personal information under *MFIPPA*.

Build Toronto Inc. has indicated that current members of the senior management team have consented to the release of the information contained in Attachment 3 in order to enable the City Manager to publically disclose the information on the public agenda. The corporation has considered the privacy impacts of the disclosure under *MFIPPA* and has provided assurances to the City that there is no unauthorized release of personal information protected under the legislation.

Information about former members of the senior management team of Build Toronto who are no longer employed with the corporation is provided to Council in Confidential Attachment 4. City Council, as shareholder, is entitled to this information but only on a confidential basis. As Build Toronto does not have consent for its disclosure the information in Confidential Attachment 4 should be considered personal information the disclosure of which would constitute an unjustified invasion of privacy under s. 14(3) *MFIPPA*.

Confidential Attachment 4 may not be discussed in public and must be kept confidential in its entirety after consideration of this report by Council for reasons of personal information about an identified individual.

CONTACTS

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SIGNATURE

Joseph P. Pennachetti
City Manager

ATTACHMENTS

- Attachment 1: Build Toronto 2011 Annual Report and Audited Annual Financial Statements of Build Toronto
- Attachment 2: Report of Deputy City Manager and Chief Financial Officer dated June 6th, 2012 "Build Toronto Inc. 2011 Audited Financial Statements"
- Appendix A: 2011 Audited Annual Financial Statements of Build Toronto Inc. dated June 5th, 2012
- Attachment 3: Build Toronto - 2011 Compensation Disclosure
- Attachment 4: Confidential Attachment - Build Toronto Compensation Disclosure for Former Employee 2011