



STAFF REPORT ACTION REQUIRED

2014 Audited Trust Funds Consolidated Financial Statements

Date:	June 11, 2015
To:	Audit Committee
From:	Acting Treasurer
Wards:	All
Reference Number:	P:\2015\Internal Services\acc\ac15007acc (AFS20221)

SUMMARY

This report presents the City of Toronto's Consolidated Trust Funds Financial Statements for the year ended December 31, 2014 to Committee and City Council for approval and provides highlights of the Trust Funds' 2014 financial performance and financial condition as of December 31, 2014.

RECOMMENDATIONS

The Acting Treasurer recommends that:

1. City Council approve the 2014 Trust Fund Statements as attached in Appendix A of this report.

Financial Impact

There are no financial impacts resulting from this report.

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

DECISION HISTORY

On an annual basis, the City presents the Audited Consolidated Trust Funds Financial Statements (which includes the City trust fund accounts and those of its agencies and corporations) to the City Council for approval. Following is the link to the 2013 Audited Trust Funds Consolidated Financial Statements and Council decision:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.AU16.4>

ISSUE BACKGROUND

The City administers most of the trust funds included in these financial statements except for the following three trusts:

- i. Eastview Neighbourhood Trust Fund, which is administered by the Eastview Neighbourhood Community Centre;
- ii. Toronto Police Services Board Trust Fund which is administered by the Toronto Police Services Board; and
- iii. V.C. Polley Trust Fund (which is included under "Other" in Appendix B) is administered by St. Lawrence Centre for the Arts.

As part of its fiduciary responsibilities, the Trust administrator ensures that funds received are to be used only for the specific purposes as specified by each trust agreement.

Appendix B provides a description of the Trust Funds and their purpose.

COMMENTS

Balance Sheet

Trust fund assets are comprised of investments, cash and amounts due from the City, or administrators, where applicable. Total assets as at December 31, 2014 amounted to \$48.1 million (2013 - \$46.6 million) of which \$32.4 million (2013 - \$31.0 million) was in the form of investments.

Trust fund balances at December 31, 2014 amounted to \$48 million (2013 - \$46.5 million).

Revenues

Revenues have increased by \$0.1 million in 2014 to \$6.6 million (2013 - \$6.5 million).

Investment income decreased by \$0.5 million in 2014, mainly due sale of investments by Toronto Atmospheric Fund resulting in realized gains of \$0.1 million and \$1.9M in foreign exchange gains, offset by a decrease in unrealized gains of \$2.5 million.

Contributions and other income increased by \$0.6 million compared with 2013, primarily as a result of higher receipts of \$0.3 million from Homes for the Aged in 2014 as compared to 2013 and contributions of \$0.3 million for the newly established Regent Park Legacy Trust in 2014.

Expenditures

Trust fund expenditures decreased by \$1.3 million in 2014 compared with 2013. This is the result of:

- Expenditures increased by \$0.19 million in 2014 as a result of increased residents' withdrawals in the Homes for the Aged Trust; and
- A \$1.3 million increase in distribution to the Toronto Atmospheric Fund as a result of investment sale in 2014; offset by,
- Reduction in project funding for the Community Centre Development Levy Trust of \$0.2 million in 2014 as compared to 2013; and
- A reduction in funding for the library waterfront construction project from Library Development Levy Trust of \$2.6 million; \$0.4 million in 2014 versus \$3.0 million in 2013.

CONTACT

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SIGNATURE

Mike St. Amant
Acting Treasurer

ATTACHMENTS

- Appendix A: City of Toronto Trust Funds Consolidated Financial Statements for the Year ended December 31, 2014
- Appendix B: Trust Funds Account Descriptions at December 31, 2014