



## REPORT FOR ACTION WITH CONFIDENTIAL ATTACHMENT

### Cashflow Analysis and Options for Liquidity

**Date:** 4 May 2020  
**To:** Toronto Atmospheric Board of Directors  
**From:** Vice President, Impact Investing

#### **REASON FOR CONFIDENTIAL INFORMATION**

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The attachment to this report is about a plan to be applied to any negotiations carried on or to be carried on by or on behalf of the Board of Directors of the Toronto Atmospheric Fund.

#### **SUMMARY**

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The financial forecast indicates TAF has adequate cash availability to fund its operations until the end of Q3 by managing expenses and using the available Line of Credit. This position changes in Q4 when additional cash is needed for both normal operating expenses and significant Direct Investment advances. On the assumption that it will still not be prudent to get cash by making redemptions from the investment portfolio, given the downward valuation of equities markets as a result of the COVID-19 crisis, and our fixed income being at minimum limits, staff have explored various options. One option is recommended at this time.

#### **RECOMMENDATIONS**

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The Vice President, Impact Investing recommends the Toronto Atmospheric Fund Board of Directors:

- a) Approve raising up to \$2,500,000 by selling and/or borrowing against five (5) Direct Investments outlined in Confidential Attachment 1, which shall be:
  - ii) subject and conditional to the Investment Committee's satisfaction with the final terms and conditions, and
  - ii) if borrowing, subject to City Council approval;

- b) Direct the Vice President, Impact Investing to implement the transaction to the satisfaction of TAF's Solicitor; and
- c) Direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as is about a plan to be applied to any negotiations carried on or to be carried on by or on behalf of the Board of Directors of the Toronto Atmospheric Fund.

## **FINANCIAL IMPACT**

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None to the City. The proposed action would reduce earnings associated with Direct Investments but avoid reduced earnings associated with redeeming marketable securities at this point in the market cycle.

## **DECISION HISTORY**

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None.

## **COMMENTS**

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None.

## **CONTACT**

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## **SIGNATURE**

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Tim Stoate  
Vice President, Impact Investing

## **ATTACHMENTS**

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Confidential Attachment 1 - Options for Cashflow