



STAFF REPORT ACTION REQUIRED

2015 Audited Trust Funds Consolidated Financial Statements

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| Date: | June 14, 2016 |
| To: | Audit Committee |
| From: | Treasurer |
| Wards: | All |
| Reference Number: | P:\2016\Internal Services\acc\ac16005acc (AFS 22020) |

SUMMARY

This report presents the City of Toronto's Consolidated Trust Funds Financial Statements for the year ended December 31, 2015 to Committee and City Council for approval and provides highlights of the Trust Funds' 2015 financial performance and financial condition as of December 31, 2015.

RECOMMENDATIONS

The Treasurer recommends that:

1. City Council approve the 2015 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 2014 Audited Trust Funds Consolidated Financial Statements and Council decision:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.AU3.7>

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, administered by the Eastview Neighbourhood Community Centre;
- ii. Toronto Police Services Board Trust Fund, administered by the Toronto Police Services Board; and
- iii. V.C. Polley Trust Fund (included under "Other" in Appendix B), administered by the 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 purposes specified by each trust agreement.

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

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, 2015 amounted to \$49.7 million (2014 - \$48.1 million) of which \$32.1 million (2014 - \$32.4 million) was in the form of investments.

Trust fund balances at December 31, 2015 amounted to \$49.6 million (2014 - \$48 million).

Revenues

Revenues have increased by \$0.8 million in 2015 to \$7.4 million (2014 - \$6.6 million).

Investment income increased by \$1.0 million in 2015, mainly due to unrealized gain of \$1.5 million on Toronto Atmospheric Fund (TAF) investments related to foreign exchange and market value; offset by realized gains transferred to TAF of \$0.2 million as a result of investment redemption and \$0.3 lower investment income on other Trust Funds.

Contributions and other income decreased by \$0.2 million compared with 2014, primarily as a result of no contributions received on the Regent park legacy Trust in 2015.

Expenditures

Trust fund expenditures increased by \$0.6 million in 2015 compared with 2014. This is the result of:

- Expenditures increased by \$0.1 million in 2015 as a result of increased residents' withdrawals in the Homes for the Aged Trust;
- A \$0.2 million increase in distribution to the Toronto Atmospheric Fund as a result of investment redemption in 2015; and
- A \$0.3 million increase in funding for the library waterfront construction project from various Development Levy Trust Funds; \$0.7 million in 2015 versus \$0.4 million in 2014.

CONTACT

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SIGNATURE

Mike St. Amant
Treasurer

ATTACHMENTS

- Appendix A: City of Toronto Trust Funds Consolidated Financial Statements for the Year ended December 31, 2015
- Appendix B: Trust Funds Account Descriptions at December 31, 2015