

2016 Audited Trust Funds Consolidated Financial Statements

Date: June 13, 2017

To: Audit Committee

From: Treasurer

Wards: All

SUMMARY

This report presents the City of Toronto's Consolidated Trust Funds Financial Statements for the year ended December 31, 2016 to Committee and City Council for approval, and provides highlights of the Trust Funds' 2016 financial performance and financial condition as of December 31, 2016.

RECOMMENDATIONS

The Treasurer recommends that:

1. City Council approve the 2016 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 City Council for approval. Following is the link to the 2015 Audited Trust Funds Consolidated Financial Statements and Council decision.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.AU6.3>

COMMENTS

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.

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, 2016 amounted to \$66.9 million (2015 - \$49.7) of which \$48.3 million (2015 - \$32.1 million) was in the form of investments.

Trust fund balances at December 31, 2016 amounted to \$66.7 million (2015 - \$49.6 million).

Revenues

Revenues have increased by \$14.6 million in 2016 to \$22 million (2015 - \$7.4 million).

Investment income decreased by \$2.8 million in 2016, mainly due to unrealized loss related to foreign exchange and market value on sale of TAF investments.

Contributions and other income increased by \$17.4 million from 2015, primarily as a result of an endowment received by the Toronto Atmospheric Fund (TAF) from the Province of Ontario for \$17 million and a contribution received on the Regent Park Legacy Trust of \$0.4 million.

Expenditures

Trust fund expenditures decreased by \$0.95 million in 2016 compared with 2015. This is the result of:

- A \$0.7 million decrease in distribution to the Toronto Atmospheric Fund as a result of investment redemption in 2016;
- A \$0.7 million decrease in funding from Community Services & Facilities and Queen's Quay Community Services trust funds for community services project; offset by
- An increase in funding from the Public Art Maintenance Trust for \$0.2 million, increase in municipal election refund of \$0.18 million, and increase in payment in Toronto police protection program by \$0.07 million.

CONTACT

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SIGNATURE

Mike St. Amant
Treasurer

ATTACHMENTS

Appendix A: Consolidated Financial Statements City of Toronto Trust Funds
December 31, 2016

Appendix B: Trust Funds Account Descriptions of December 31, 2016