

Unaudited Financial Reports for Year-to-Date Q2 and Q3 2021

Date: November 3, 2021
To: Board of Directors of the Toronto Atmospheric Fund
From: Director of Finance

SUMMARY

The unaudited financial results for six months ended June 30, 2021 (Q2) and nine months ended September 30, 2021 (Q3) are provided in Attachments 1 and 2.

FINANCIAL IMPACT

None to the City.

COMMENTS

Actual year-to-date results are summarized below. This report covers Q2 and Q3 unaudited results as presented in Attachments 1 and 2.

Investment revenue in Q2 was very strong due to performance the equities portfolio and despite foreign currency losses on US\$ investment due to the appreciating CDN\$. Q3 earnings were positive and above budget year-to-date (YTD) budget by \$3M despite a market decline in late Q3, which was counterbalanced somewhat by US\$ appreciation against the CDN\$ resulting in unrealized gains from TAF's US holdings. YTD net earnings were \$3.99M in Q2 and \$3.85 YTD in Q3.

External revenues for Q2 and Q3 have consistently been below budget as decisions have been deferred due to COVID; several are now expected in 2022.

Program expenses were under budget in both quarters and Q3 YTD by \$1.4M. Q3 program expenses were \$200K higher than Q2 as retrofit activities gained momentum. Note that program spending is adjusted to match the external revenues received and expectations for the rest of the year; note that most external revenue is from government sources and is only received once expenditures have been made.

Grants payments amounted to \$500K in Q3 resulting in a small variance of \$25K above YTD budget. Grants are expected to be on-budget for the year based on the recommendations presented for Board approval at the November Board meeting. Grants are 35% of total expenditures.

Corporate Expenses for Q2 and Q3 were under budget YTD. Planned IT and software upgrades are expected to bring this line in on budget by year end.

No new funding agreements were signed during Q2 or Q3 2021.

Procurement was as follows:

Q2 Goods or services procured	Process Followed	Selected Provider	Contract value
Consultant to convene diverse stakeholders to reflect on a challenging urban carbon reduction issue and build a shared understanding of possible paths forward	Informal request for proposals	Delphi Group	Up to \$24,988 plus applicable taxes.
Implementation of new accounting platform.	Informal request for proposals	360 Visibility	Up to \$60,000 (over 3 years) plus applicable taxes
Integrated Project Delivery (IPD) support for a retrofit project with Toronto Community Housing Corporation (TCHC).	Non-Competitive Procurement (compatibility – continuity of IPD consulting team)	Colliers Project Leaders	Up to \$130,000 plus applicable taxes

Q3 Goods or services procured	Process Followed	Selected Provider	Contract value
Consultant to undertake a compensation study including review of internal data, job evaluation tool, benchmarking and recommendations.	Informal request for quotations	Castle HR	Up to \$12,500 plus any applicable taxes.
Consultant to identify, analyze and support the LC3 organizations in determining the most appropriate mechanism(s) and/or approach(es) for collaboration on direct Investments.	Informal request for proposals	SVX	Up to \$25,000 plus any applicable taxes.
Consultant to support design, branding and marketing of TAF's electric vehicle charging program.	Informal request for proposals	Hypenotic	Up to \$25,000 plus any applicable taxes.

CONTACT

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SIGNATURE

Robert Wotten
Director of Finance

ATTACHMENTS

1. Quarterly Financial Statement of Revenues and Expenditures (Unaudited) for six months ending June 30, 2021
2. Quarterly Financial Statement of Revenues and Expenditures (Unaudited) for nine months ending September 30, 2021.