REPORT FOR INFORMATION

Unaudited Financial Reports for Q1 2022

Date: June 28, 2022
To: Board of Directors of the Toronto Atmospheric Fund
From: Director of Finance

SUMMARY

The unaudited financial results for three months ended March 31, 2022 (Q1) are provided in Attachment 1.

FINANCIAL IMPACT

None to the City.

COMMENTS

In Q1 TAF's investment portfolio reflected the general market decline with unrealized losses (net of management fees) totalling $4.2M; -2% in fixed income, -7% in public equities, and –5% overall at quarter-end. Direct Investment revenue was slightly under budget ($91K) as the timing of some investment advances were delayed; it is expected accrued interest revenue will increase in Q2 and thereafter. External revenues were above budget ($544K) as TAF received some budgeted revenues from a Foundation.

Program Expenses were under budget YTD $850K. These are expected to catch up to budget as the year progresses, particularly as retrofit and other projects advance and result in higher expenditures. Grants payments amounted to $415K - slightly under budget for the quarter and 40% of total expenditures. Corporate Expenses were under budget for the quarter ($146K) due to unfilled staff vacancies and timing differences in corporate expenditures; both are expected to catch up during the year.

The net result for the quarter: expenditures exceeded revenues by $4.4M due to the unrealized investment losses. This should be considered in the context, as shown in the table, that the Toronto and Ontario funds have posted significant growth over the past couple of fiscal years, in the order of 15%, and the Canada endowment a modest increase since inception. For context, in Q1 2020, with two endowments, the portfolio experienced a net unrealized $6.4M loss which was subsequently recovered. Also, these are unrealized losses as TAF has not needed to redeem any securities.

TAF Fixed and Public Equities Portfolio	Asset Value			
	Mar31/20	Mar 31/22	$ Change	%Change
Toronto	$ 23,676,319	$ 28,207,891	$ 4,531,572	19%
Ontario	$ 16,857,022	$ 18,203,859	$ 1,346,837	8%
	$ 40,533,341.00	$ 46,411,750	$ 5,878,408.72	15%
Federal Endowment Started Q4 2020	**Mar31/21**	**March 31/22**		
Federal	$ 39,244,121	$ 39,604,330	$ 360,209	1%
Note Asset values in Mar 22 are after Q1 unrealized losses.				

Procurement during the current quarter was as follows:

Goods or services procured	Process Followed	Selected Provider	Contract value
Consultant to energize the design concept and creative style of TAF	Non-competitive procurement. Reason: compatibility	Hypenotic	Up to $45,000 plus applicable taxes.
Temporary accounting clerical services to support the Finance team during the audit period.	Request for Quotations	Robert Half Canada Inc.	Up to $9,999 plus applicable taxes
Consultant to develop and execute procurement approach for prefabricated overcladding.	Invitational Request for Proposals	WSP Canada Inc.	Up to $35,000 plus applicable taxes.

CONTACT

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SIGNATURE

Robert Wotten
Director of Finance

ATTACHMENTS

Quarterly Financial Statement of Revenues and Expenditures (Unaudited) for the three month period ended March 31,2022.