REPORT FOR ACTION

Unaudited Financial Report for Q1 2026

Date: June 26, 2026
To: Board of Directors of the Toronto Atmospheric Fund
From: Director of Finance

SUMMARY

The unaudited financial results for the three months ended March 31,2026 (Q1) are presented for information.

RECOMMENDATIONS

The Director of Finance recommends that the Board of Directors of the Toronto Atmospheric Fund receive the report for information.

FINANCIAL IMPACT

There is no financial impact to the City of Toronto resulting from the adoption of the recommendations in this report.

COMMENTS

The unaudited financial results for Q1 2026 are attached for information.

For the quarter ending March 31, 2026 (Q1), TAF's publicly traded investments had overall negative results: fixed income had net gains of $47K (before management fees) and public equities had a net loss of $611K (before management fees) with aggregate net realized/unrealized losses (excluding management fees) totalling $564K before and $649K after management fees, compared to $1.2M budgeted. Direct Investments performed well at $1.1M year-to-date (YTD), tracking above budget of $429K due to unbudgeted loan receivables. External revenues were $428K versus $1.2M budgeted due to timing differences in the retrofit program that are expected to reverse in the coming quarters.

Program Expenses in Q1 were under budget $128K matching lower than expected external revenues. Grants expense was $127K -- $551K under budget -- for the quarter reflecting the shift in grant application and approval timing. Corporate expenses were $176K and $153K below budget due to timing differences expected to partially reverse in subsequent quarters. Staff vacancies amounted to $98K of the under spending.

The net result for Q1 is that expenses exceeded revenues by $1.5M YTD due to public equity and fixed income portfolio losses that were partially mitigated by overall spending savings of $576K. and program and corporate expenses being below budget. The Q1 unaudited Net Asset Value stood at $99M ($38.5M, $19.4M, $41.2M for Toronto, Ontario, and Canada endowments respectively).

While the Q2 statement is not yet available, regular monitoring indicates significant recovery which will bring revenues more in line with budget.

The following procurements were approved and executed during the quarter in accordance with TAF's Procurement Policy:

Goods or Services Procured	Process Followed	Selected Provider	Contract Value (excl. applicable taxes)
Charging Service Provider contracted to deliver and operate EV-ready charging infrastructure and Level 2 chargers in up to 11 multi-unit residential buildings, with provision for future expansion.	Open Competitive Request for Proposals	Elocity Technologies Inc.	Up to $769,055
Engineering firm contracted to complete a feasibility study for a potential low-carbon thermal storage retrofit of a multi-unit residential building.	Non-competitive Procurement Reason: Unforeseeable urgent circumstances that prevent the use of open procurement procedures within the necessary timeframe.	Rathco Eng Limited	Up to $47,500
Consulting firm contracted to expand research, modelling, and stakeholder engagement for the Public Charging Action Plan for non-municipal lands in Toronto, reflecting updated EV policy context and enhanced engagement needs.	Non-competitive Procurement Reason: Additional deliveries from the original supplier where economic or technical constraints prevent supplier substitution.	6893449 Canada Inc. (Dunsky Energy + Climate Advisors)	Up to $52,408.50

CONTACT

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SIGNATURE

Robert Wotten
Director of Finance

ATTACHMENTS

1. Quarterly Year to Date Financial Statement of Revenues and Expenditures (Unaudited) for the quarter ended March 31, 2026