

MINUTES of a public Teleconference Call of the Finance, Audit and Risk Management Committee of the Toronto Waterfront Revitalization Corporation held at the Offices of Toronto Waterfront Revitalization Corporation, 20 Bay Street, Suite 1310, Toronto, Ontario on Tuesday, September 2, 2014, 2:00 p.m., local time.

PRESENT: Janet Graham, Chair  
David Johnson  
Joe Pantalone

The following additional persons were in attendance throughout the meeting or only for particular business items as noted in these minutes: John Campbell, President and CEO; David Kusturin, Chief Operating Officer; Chad McCleave, Chief Financial Officer; and Sampada Chandane, Corporate Controller.

The Chair, Janet Graham, took the chair and with the consent of the Committee members, appointed Ann Landry to act as secretary of the meeting.

The Chair declared that a quorum of Committee Members was present and that notice of the meeting having been duly sent to all Committee Members in accordance with the Corporation's By-laws, the meeting was duly called and regularly constituted for the transaction of business.

## **1. Minutes**

The minutes of the public and in-camera portions of the May 29, 2014 meeting of the Finance, Audit and Risk Management ("FARM") Committee were tabled, and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the minutes of the public and in-camera portions of the FARM Committee meeting held on May 29, 2014 be and are hereby approved with revisions as noted.

## **2. Financial Statements**

Sampada Chandane tabled the unaudited, Interim Financial Statements for the period ended June 30, 2014. She provided a brief overview of the Financial Statements including the statement of financial position and the statement of financial activities.

Questions were posed regarding assets and revenue, discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the Interim Financial Statements, as amended, for the period ended June 30, 2014 be and are hereby approved for recommendation to the Board.

### 3. Cash Flow Forecast

Chad McCleave tabled a Cash Flow Forecast highlighting the following:

- In managing the cash flow risks associated with committing to contracts in advance of secured funding sources, Management provides a cash flow forecast to the FARM Committee as a standing agenda item.
- As at August 30, 2014, the Corporation has cash balances of \$7 million and a short term investment balance of \$45 million, total \$52 million (exclusive of restricted cash).
- Management expects to have sufficient cash resources (primarily from quarterly government funding together with redemption of short term investments) for the remainder of the fiscal year (March 31, 2015).
- Management is forecasting a negative cash position in July, August and September 2015.
- The province has committed new funding from land sales in West Don Lands (Urban Capital transaction) in the amount of \$23.5 million, to be flowed to Waterfront Toronto in incrementals of \$5M in 2014/15, \$4M in 2015/16 and the balance thereafter.
- Currently, the Corporation does not have the ability to borrow to address negative cash flows.
- Management is reviewing a number of options including land sales, operating line of credit, and slowing down expenditures.

The Committee expressed concern regarding Waterfront Toronto's financial position in October, 2015 as there isn't a long-term solution as yet to the Corporation's cash flow issues. It was agreed that the Cash Flow Forecast would be tabled at the September 10, 2014 Board meeting.

### 4. Adjournment of the Meeting

There being no further business, **ON MOTION**, duly made, seconded and carried, be it **RESOLVED** that the meeting be terminated at 2:40 p.m.

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Chair

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Secretary of the Meeting