

Agenda Item	Item 3C, FARM Committee, March 8, 2018
Purpose	<p>For Committee Information</p> <p>The Corporation prepares cash flow forecasts on a monthly basis and monitors closely in periods where cash becomes critical. The purpose of the cash flow forecast is to highlight significant risks if any, associated with the timing of realizing revenues and the related implications on required borrowing.</p>
Key Message	<ul style="list-style-type: none"> • Although the Corporation continues to monitor its cash flow a formal cash flow forecast is not being presented this quarter. • Waterfront Toronto is in the process of assessing the benefits of a Centralized Cash Control (CCC) Service with its bank to minimize borrowing costs. • A key issue is transparency of working capital for government funded projects and the borrowing needs of non-government funded (i.e. revenue dependent) projects. • A preliminary assessment of the impact of the CCC Service which works on the premise of pooling the Corporation’s bank accounts to a net total, indicates that borrowing will not be required until late 2018 as compared to Spring 2018 in the absence of such an arrangement. • Current available borrowing room is \$37 million. • Current available cash is \$48 million.
Areas of note/ Key issues	<ul style="list-style-type: none"> • As per the 2015 five year Government Borrowing Consent, which expires on March 31, 2020, Waterfront Toronto, can borrow up to \$40 million, secured against Quayside lands. • In June 2017 Waterfront Toronto issued a letter of credit for approximately \$3 million to the Department of Fisheries and Oceans for the Cherry Street Stormwater and Lakefilling project, reducing available borrowing to \$37 million. • The key borrowing dependent projects include: <ul style="list-style-type: none"> a. Land acquisition for Queens Quay and Parliament Street realignment; and b. Stormwater management facility. • Cash inflows expected to be realized during FY 18/19 to FY 19/20 to repay borrowing aggregate \$120 million and are primarily made up of the following land related revenues for Bayside, Dockside and Quayside. • Any delay in the expected timing of realization of these revenues could result in an extended borrowing period and a need to extend the existing borrowing consent beyond March 2020. • The Corporation is currently assessing the benefits of the CCC service with respect to minimizing its borrowing costs.
Expected Outcome	No Committee action is required.
Key Takeaways/ Next Steps	A cash flow forecast incorporating the impact of the CCC facility will be provided to the FARM Committee at its next meeting on May 31, 2018.