



Toronto Lands Corporation (TLC) Audit and Finance Committee Meeting

Committee Members: Payman Berjis, John Fillion, Liban Hassan, Zakir Patel, Leola Pon, Aleem Punja, Stacey Zucker

09 January 2024

In-Person: TLC Office, Virtual: Microsoft Teams

60 St Clair Ave E

Suite 201

Toronto, ON, M4T 1N5



Meeting Book - Toronto Lands Corporation (TLC) Audit and Finance Committee Meeting

PUBLIC AGENDA

Call to Order & Confirmation of Quorum

[Chair of the Board](#)

Election of TLC Audit & Finance Committee Chair for 2024

[Chair of the Board](#)

Land Acknowledgement

[Chair](#)

We acknowledge we are hosted on the lands of the Mississaugas of the Anishinaabe, the Haudenosaunee Confederacy and the Wendat. We also recognize the enduring presence of all First Nations, Métis and the Inuit peoples.

Declaration of Conflict of Interest under the Municipal Conflict of Interest Act and the Ontario Business Corporation Act

[Chair](#)

Approval of the Agenda/Other Business

[Chair](#)

For Approval

Approval of the Minutes of the Audit and Finance Committee

[Chair](#)

For Approval

2024-25 TLC Operating & Capital Budgets

[Ryan Glenn](#)

For information & Approval

a. 2024-25 Proposed Operating Budget as outlined in Appendix C of the report

[Ryan Glenn](#)

For information & Approval

b. 2024-25 Draft Capital Budget as outlined in Appendix B of the report

[Ryan Glenn](#)

For information & Approval

Termination of Meeting

[Chair](#)

For Approval

**TORONTO LANDS CORPORATION
60 ST. CLAIR AVENUE EAST
TORONTO, ONTARIO**

**MINUTES OF THE AUDIT AND FINANCE COMMITTEE MEETING
HELD IN-PERSON AT TORONTO LANDS CORPORATION OFFICE
AND VIRTUALLY VIA MICROSOFT TEAMS
TORONTO, ONTARIO**

SEPTEMBER 26, 2023, 5:30 PM

COMMITTEE MEMBERS

Shelley Laskin	Trustee Director (Regrets)
Stacey Zucker	TDSB Staff Director
Zakir Patel	Trustee Director (Regrets)
John Filion	Citizen Director
Payman Berjis	Citizen Director

TLC STAFF

Ryan Glenn	Interim Chief Executive Officer
George Kralidis	Head of People and Culture
Tyler Raponi	Head of Corporate Accountability and Governance (A)

GUESTS

Dennis Hastings	Trustee Director
Aleem Punja	Citizen Director
Craig Snider	TDSB Executive Officer, Business Services
Terry Liu	TDSB Assistant Comptroller, Financial Administration
Stephanie Harris	TDSB Comptroller, Finance and Enterprise Risk Management
Leola Pon	TDSB Associate Director; TDSB Staff Director

1. Call to Order & Confirmation of Quorum

There being a quorum present, and the Directors having been given adequate and proper notice of the meeting, the meeting was called to order at 5:36 PM (EST).

2. Land Acknowledgement

Ryan Glenn read the following Land Acknowledgement:

We acknowledge we are hosted on the lands of the Mississaugas of the Anishinaabe, the Haudenosaunee Confederacy and the Wendat. We also recognize the enduring presence of all First Nations, Métis, and the Inuit peoples.

3. Election of Committee Chair

John Fillion, seconded by Stacey Zucker, nominated Payman Berjis as Chair of the TLC Audit and Finance Committee.

There being no further nominations, Payman Berjis was acclaimed as Committee Chair and resumed Chair for the remainder of the meeting.

4. Declaration of Conflict of Interest under the Municipal Conflict of Interest Act and the Ontario Business Corporation Act

No conflicts of interest were declared.

5. Approval of the Agenda/Other Business

No corrections or amendments to the agenda.

On a motion duly made by John Fillion and seconded by Stacey Zucker, it was resolved to approve the agenda.

The motion was carried.

6. Approval of Minutes of the Audit and Finance Committee

The minutes of the Audit and Finance Committee meeting last May 11, 2023 were before the Committee. There were no errors or omissions.

On a motion duly made by Stacey Zucker and seconded by John Fillion, the minutes of the meeting of the Audit and Finance Committee were approved.

The motion was carried.

7. Items for Approval

The Committee had for its consideration the following item:

a. Audit and Finance Committee Terms of Reference Review (2023-09-049)

The Committee considered the terms of reference for the Audit and Finance Committee, last revised in 2020. Committee members shared draft revisions for consideration ahead of the meeting, and no additional comments or revisions were made at the meeting.

Moved by: Shelley Laskin
Seconded by: Stacey Zucker

The Audit and Finance Committee recommends to the Board: **That the revisions to the**

Audit and Finance Committee Terms of Reference, as discussed and agreed upon at the September 26, 2023 meeting of the Audit and Finance Committee, be approved.

The motion was carried.

8. Items for Information

The Committee had for its consideration the following items:

a. Toronto District School Board 2024-2025 Budget Schedule Update (2023-09-046)

The Committee considered an information report on the 2024-2025 TDSB budget schedule. The report in Appendix A was presented to the Finance, Budget and Enrolment Committee of the TDSB on September xxx, and will be presented to the TDSB Board on September xx for approval.

TLC staff, TDSB staff and Directors discussed the importance of collaboration during budget development.

Moved by: John Filion
Seconded by: Stacey Zucker

The Audit and Finance Committee recommends to the Board: **That the report be received for information.**

The motion was carried.

b. Toronto Lands Corporation 2022-23 and 2023-24 Operating Budgets (2023-09-047)

The Committee considered an information report presenting TLC operating budgets for the 2022-23 and 2023-24 fiscal years for information. Committee members asked questions of TLC and TDSB staff regarding:

- TLC staff salaries;
- individual facility revenues and expenditures;
- asset management processes and revenue maximization;
- consultant fees and associated costs.

Moved by: John Filion
Seconded by: Stacey Zucker

The Audit and Finance Committee recommends to the Board: **That the report be received for information.**

The motion was carried.

9. Resolution into Closed Session

At 6:12 p.m., on motion of John Filion, seconded by Stacey Zucker, the Committee resolved into closed (private) session to consider matters under section 207(2)[a] and [c] of the *Education Act* regarding financial information on property disposition.

10. Termination of the Meeting

On a motion duly made by John Filion and seconded by Stacey Zucker, the meeting terminated at 6:50 PM.

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Leola Pon	TDSB Associate Director; TDSB Staff Director

1. Items for Information

The Committee had for its consideration the following item:

a. Toronto Lands Corporation 2022-23 and 2023-24 Capital Budgets (2023-09-048)

The Committee considered an information report presenting TLC capital budgets for the 2022-23 and 2023-24 fiscal years for information. Committee members asked questions of TLC and TDSB staff regarding:

- partnerships in shared-use sites or long-term lease agreements;
- utilization of land for public vs. private services;
- determinations of leasing vs. selling TDSB-owned lands.

CLOSED SESSION MEETING MINUTES

Moved by: John Filion
Seconded by: Stacey Zucker

The Audit and Finance Committee recommends to the Board: **That the report be received for information.**

The motion was carried.

2. Resolution into Public Session

At 6:50 p.m., on motion of John Filion, seconded by Stacey Zucker, the Committee resolved into public session.

CONFIDENTIAL

2024-25 ANNUAL CAPITAL AND OPERATING BUDGET

COMMITTEE: Audit and Finance Committee
DATE: January 9, 2024
ACTION: APPROVAL

RECOMMENDATION

1. That the 2024-25 TLC proposed Operating Budget be approved and in accordance with the Shareholder's Direction be referred to TDSB Finance Staff and then to TDSB Board for approval (Appendix C) and,
2. That the 2024-25 TLC draft Capital Budget be received for information and that staff will bring forward proposed capital by March 2024 (Appendix B).

STRATEGIC DIRECTION

Authority or Direction: [Shareholders Direction](#)

Reporting Requirement: [Toronto Lands Corporation \(TLC\) Annual Plan Progress](#)

That the Toronto Lands Corporation provides the TDSB with an annual budget for approval during their annual budget cycle.

EXECUTIVE SUMMARY

Annually, TDSB is required to complete and submit to the Ministry of Education a Board approved Operating Budget and a separate Capital Budget no later than June 30 for each fiscal year starting September 1. As a part of TDSB's budget process, TLC's approved Annual Budget is consolidated into TDSB's annual budget.

TDSB's Capital Budget accounts for all anticipated capital revenues derived from proceeds of disposition (POD's) and applicable Ministry capital funding. Within the budget, capital revenues are identified and then allocated to Board approved capital priority projects. The three-year capital timeline provides for projected cash flows to be matched with expenditures and year over year budget balances. Currently, TDSB's Capital Budget and associated program remains in a net positive position.

TLC provides key inputs into TDSB's capital budget by identifying potential revenue opportunities, timing of anticipated receipt of POD's and the projected amount of POD's to be received by TDSB based on TDSB surplus declarations.

TDSB's Operating Budget relies on Ministry grants to fund the day-to-day business of the school board. Each year the Ministry of Education releases its "Grants for Student Needs" (GSN's), representing funding to be distributed to school boards primarily based on enrolment. Boards are required to submit a balanced budget that aligns with the GSN's. TLC develops its budget for integration into TDSB's budget cycle and approval process.

TLC's 2024-2025 Budget Preparation

Pursuant to Article 1 of the Shareholder's Direction, TLC's "Annual Budget" is defined as "annual financial plan in a form consistent with industry best practices and will include an annual operating budget, annual capital and renewal budget and any other such information as may be required".

Since TLC's inception in 2008, TDSB Finance has had direct responsibility for all TLC's financial recording and reporting. To this end, TLC works closely with TDSB Finance and the Executive Team to develop a financial plan that will enable TLC's work program to support TDSB's real-estate and land use planning needs.

With the 2024-25 budget TLC has focussed on containing controllable operating costs at a net decrease of 1% (\$72,333) even after accounting for a projected 1% salary increase, step increases and an increase of 4 FTE due to the essential need for an increase in staffing to bolster the organization's core purpose and support ongoing modernization initiatives.

For Non-Operating and Operating School Facilities there was an increase in revenue and a decrease in expenses which resulted in an overall 9% (\$2,691,896) decrease in Operational Costs. The expense variance primarily stems from the assumption that the City of Toronto Umbrella leases cost the same as what the Ministry of Education is funding us – the \$10.85 psf + 3% inflation for 2024-25 which still requires TDSB Finance approval.

The TLC 2024-25 Capital Budget clearly separates and identifies projected Capital POD's and assigns related capital costs such as: real-estate broker commissions, property appraisal reports, legal fees, surveys, heritage, environmental and other due diligence reports that are required to generate sales proceeds. The \$151M capital revenues are directly related to the proceeds of disposition identified within TDSB's approved Capital Budget for 2024-25. After projected capital expenditures are offset by projected revenues to be obtained, TLC is projecting an expense ratio of 2% thus returning 98% of projected revenues for TDSB's capital program.

ACTION PLAN AND ASSOCIATED TIMELINE

1. Presentation of 2024-25 Proposed Operational budget to the TLC Audit and Finance Committee for approval and the 2024-25 Draft Capital Budget for information (January 9, 2024). Approval of the 2024-25 Proposed Capital Budget by the Audit & Finance Committee (March 7, 2024)
2. Presentation of final 2024-25 budget once reviewed and agreed with TDSB Finance to TLC Audit and Finance Committee (March 7, 2024) and Board of Directors (March 28, 2024)
3. Transmittal to the TDSB Board of Directors for approval at their May meeting of the Board.

RESOURCE IMPLICATIONS

See attached appendices.

DUE DILIGENCE

The 2024–25 Toronto Lands Corporation budget will be reviewed and agreed to with TDSB Finance team.

POLICY AND PROCEDURE REFERENCE(S)

Shareholders Direction

APPENDICES

- APPENDIX A** TLC's Combined 2024-25 Capital and Operating Budget
- APPENDIX B** TLC's 2024-25 Capital Budget
- APPENDIX C** TLC's 2024-25 Operational Budget

FROM

Ryan Glenn, Interim Chief Executive Officer, Toronto Lands Corporation, at rglenn.tlc@tdsb.on.ca or at 437-219-8191.

APPENDIX A
TLC's Combined 2024-25 Capital and Operating Budget

MERGED BUDGET				
2024-25 [DRAFT]				
	2023-24 BUDGET		DRAFT 2024-25 BUDGET	
	Revenues	Expenditures	Revenues	Expenditures
Non-Operating School Facilities				
Lease Revenue and Recoveries	\$ 6,088,551	\$ 1,628,618	\$ 7,001,935	\$ 1,710,632
Other Revenue - Land Use Planning/705 Progress (Consolidated into Ln1 2021-22)				
TDSB Program and Administration	\$ 53,000		\$ 53,000	
Deferred Capital Improvement Revenue	-\$ 1,000,000		-\$ 1,000,000	
Provision for Rental Arrears		\$ 5,000		\$ 5,000
Total Net Real Estate Revenue/Expense - Non-Operating Sites	\$ 5,141,551	\$ 1,633,618	\$ 6,054,935	\$ 1,715,632
Operating School Facilities				
City of Toronto Childcare Umbrella Lease Agreements	\$ 9,039,986	\$ 11,212,894	\$ 7,579,324	\$ 7,579,324
City of Toronto Pools Agreements	\$ 5,936,767	\$ 5,936,767	\$ 6,210,198	\$ 6,210,198
City of Toronto Stage 1 Revenues	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
City of Toronto Exclusive Use Agreements	\$ 1,209,837	\$ 1,209,837	\$ 1,217,190	\$ 1,217,190
Contract Services and Partnership Development (CSPD) and LINC Lease Administration	\$ 317,291	\$ 317,291	\$ 330,670	\$ 330,670
Air Conditioning Surcharge	\$ 93,600	\$ 93,600	\$ 124,600	\$ 124,600
Child Care and Other Agreements	\$ 3,714,881	\$ 3,714,881	\$ 4,249,378	\$ 4,249,378
Temporary Property Interests with Third Parties	\$ 325,000	\$ -	\$ 300,000	\$ -
Total Real Estate Revenue/Expense- Operating Sites	\$ 21,737,362	\$ 23,585,270	\$ 21,111,360	\$ 20,811,360
Total Non-Operating and Operating	\$ 26,878,913	\$ 25,218,888	\$ 27,166,295	\$ 22,526,992
TDSB Chargeback of Administrative Expenses				
Facility Services		\$ 148,886		\$ 151,947
Business Services		\$ 110,415		\$ 116,373
Administrative Support Allocation		\$ 60,600		\$ 60,600
Total TDSB Chargeback		\$ 319,901		\$ 328,919
TLC Administrative Expenses				
Board Remuneration		\$ 50,000		\$ 50,000
Staff Salaries & Benefits		\$ 3,148,742		\$ 3,575,697
Professional Development & Certification		\$ 11,700		\$ 16,044
Supply and Services		\$ 93,305		\$ 93,305
Rental expenses: TLC office		\$ 136,731		\$ 110,598
Legal Fees		\$ 465,000		\$ 425,000
Fees and Contractual Services		\$ 1,525,500		\$ 1,100,000
Casual Help		\$ 24,000		\$ 12,000
Furniture and Equipment		\$ 7,000		\$ 7,000
Other expenditures		\$ 5,000		\$ 5,000
Total TLC Administration Expenses		\$ 5,466,978		\$ 5,394,645
Total TLC Operations		\$ 31,005,767		\$ 28,250,556
Property Sales	\$ -	\$ 98,500,000	\$ -	\$ 151,000,000

APPENDIX B TLC's 2024-25 Capital Budget

CAPITAL BUDGET				
2024-25 [DRAFT]				
	2023-24 Capital Budget		Draft 2024-25 Capital Budget	
	Revenues	Expenditures	Revenues	Expenditures
Proceeds of Disposition (PODs)				
	X			
	X			
	X			
	X			
			X	
			X	
			X	
			X	
			X	
Other Proceeds				
	X			
Total Proceeds of Disposition	\$ 98,500,000		\$ 151,000,000	
TLC Expenses Related to Proceeds of Dispositions				
Staff Salaries & Benefits		\$ 1,976,538		\$ 2,358,184
Facility Services		\$ 89,332		\$ 91,168
Business Services		\$ 66,249		\$ 70,522
Administrative Support Allocation		\$ 36,360		\$ 36,724
Legal Fees		\$ 400,000		\$ 255,000
Fees and Contractual Services		\$ 915,300		\$ 660,000
Board Remuneration		\$ 30,000		\$ 30,000
Professional Development & Certification		\$ 18,000		\$ 9,626
Supply and Services		\$ 55,983		\$ 55,983
Rental expenses: TLC office		\$ 82,039		\$ 66,359
Casual Help		\$ 14,400		\$ 7,200
Furniture and Equipment		\$ 4,200		\$ 4,200
Other expenditures		\$ 3,000		\$ 3,000
Total Expenses		\$ 3,691,400		\$ 3,647,966
Total Expenses Charged to POD		\$ 3,691,400		\$ 3,647,966
Net Contribution to TDSB		\$ 94,808,600		\$ 147,352,034

APPENDIX C **TLC's 2024-25 Operational Budget**

OPERATING BUDGET				
2024-25 [DRAFT]				
	2023-24 Operating Budget		DRAFT 2024-25 Operating Budget	
	Revenues	Expenditures	Revenues	Expenditures
Non-Operating School Facilities				
Lease Revenue and Recoveries	\$ 6,088,551	\$ 1,628,618	\$ 7,001,935	\$ 1,710,632
Other Revenue - Land Use Planning/705 Progress				
TDSB Program and Administration	\$ 53,000		\$ 53,000	
Deferred Capital Improvement Revenue	-\$ 1,000,000		-\$ 1,000,000	
Provision for Rental Arrears		\$ 5,000		\$ 5,000
Total Net Real Estate Revenue/Expense - Non-Operating Sites	\$ 5,141,551	\$ 1,633,618	\$ 6,054,935	\$ 1,715,632
Operating School Facilities				
City of Toronto Childcare Umbrella Lease Agreements	\$ 9,039,986	\$ 11,212,894	\$ 7,579,324	\$ 7,579,324
City of Toronto Pools Agreements	\$ 5,936,767	\$ 5,936,767	\$ 6,210,198	\$ 6,210,198
City of Toronto Stage 1 Revenues	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
City of Toronto Exclusive Use Agreements	\$ 1,209,837	\$ 1,209,837	\$ 1,217,190	\$ 1,217,190
Contract Services and Partnership Development (CSPD) and LINC Lease Administration	\$ 317,291	\$ 317,291	\$ 330,670	\$ 330,670
Air Conditioning Surcharge	\$ 93,600	\$ 93,600	\$ 124,600	\$ 124,600
Child Care and Other Agreements	\$ 3,714,881	\$ 3,714,881	\$ 4,249,378	\$ 4,249,378
Temporary Property Interests with Third Parties	\$ 325,000	\$ -	\$ 300,000	\$ -
Total Real Estate Revenue/Expense- Operating Sites	\$ 21,737,362	\$ 23,585,270	\$ 21,111,360	\$ 20,811,360
Total Non-Operating and Operating	\$ 26,878,913	\$ 25,218,888	\$ 27,166,295	\$ 22,526,992
TDSB Chargeback of Administrative Expenses				
Facility Services	\$ -	\$ 59,554	\$ -	\$ 60,779
Business Services	\$ -	\$ 44,166	\$ -	\$ 47,014
Administrative Support Allocation	\$ -	\$ 24,240	\$ -	\$ 24,482
Total TDSB Chargeback	\$ -	\$ 127,960	\$ -	\$ 132,276
TLC Administrative Expenses				
Board Remuneration	\$ -	\$ 20,000	\$ -	\$ 20,000
Staff Salaries & Benefits	\$ -	\$ 1,172,204	\$ -	\$ 1,217,514
Professional Development & Certification	\$ -	\$ 12,000	\$ -	\$ 6,418
Supply and Services	\$ -	\$ 37,322	\$ -	\$ 37,322
Rental expenses: TLC office	\$ -	\$ 54,692	\$ -	\$ 44,239
Legal Fees	\$ -	\$ 65,000	\$ -	\$ 170,000
Fees and Contractual Services	\$ -	\$ 610,200	\$ -	\$ 440,000
Casual Help	\$ -	\$ 9,600	\$ -	\$ 4,800
Furniture and Equipment	\$ -	\$ 2,800	\$ -	\$ 2,800
Other expenditures	\$ -	\$ 2,000	\$ -	\$ 2,000
Total Administration Expenses	\$ -	\$ 1,985,818	\$ -	\$ 1,945,093
Total TLC Operations Rev/Expense	\$ 26,878,913	\$ 27,332,667	\$ 27,166,295	\$ 24,604,360