



REPORT TO

## CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

### ANNUAL INVESTMENT REPORT 2020-2021

*"Be truly glad. There is wonderful joy ahead!"*  
(1 Peter 1:6)

Created, Draft	First Tabling	Review
November 30, 2021	December 8, 2021	
R. Putnam, Chief Financial Officer and Treasurer D. Bilenduke, Senior Coordinator, Finance		
<b>INFORMATION REPORT</b>		

**Vision:**

*At Toronto Catholic we transform the world through witness, faith, innovation and action.*

**Mission:**

*The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.*

*We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.*



Brendan Browne, PhD  
Director of Education

A. Della Mora  
Associate Director of  
Academic Affairs and  
Chief Operating Officer

D. Boyce  
Associate Director of  
Facilities, Business and  
Community Development

R. Putnam  
Chief Financial Officer and  
Treasurer

## **A. EXECUTIVE SUMMARY**

The following report updates Trustees on the Board's investment activity during fiscal year 2020-2021 as required by Ontario Regulation 41/10 and TCDSB Policy F.M.08 (Effective Financial Management and Control of Operations).

The Treasurer of the Board confirms that all TCDSB investment activity for fiscal 2020-2021 conforms to both the regulation and policy.

**The cumulative staff time required to prepare this report was 4 hours.**

## **B. PURPOSE**

The Ministry of Education mandates that the Treasurer of the Board report on investing and commodity hedging activity (e.g. gas contracts) annually.

## **C. BACKGROUND**

**This report fulfils a legislative and Board policy requirement.** Ontario Regulation 41/10 (Board Borrowing, Investing and Other Financial Matters) and TCDSB Policy F.M. 08 (Effective Financial Management and Control of Operations) requires the Treasurer of the Board to present an annual report confirming all investment activity is within the criteria specified by the regulation. It also requires disclosure of any commodity price hedging agreements in respect of energy prices.

## **D. EVIDENCE/RESEARCH/ANALYSIS**

**The Board maintains a diversified portfolio subject to legislative restrictions and cash flow needs.** As of August 31, 2021, the audited financial statements of the Board listed \$109.6 million of Cash and Cash Equivalents and \$15.2 million of Investments & Restricted Cash. The Board also has forward gas contracts in the amount of \$2.7 million and a capital receivable of \$21.1 million from the Ministry of Education (EDU).

**The Board's largest holding is in interest bearing cash investments.** Cash and Cash Equivalents are temporary short-term cashable Guaranteed Investment Certificates (GIC) investments that earned between 0.72% and 1.50% over the year. The Cash and Cash Equivalents balance is \$109.6M compared to \$145.9M last year. The difference is due primarily to Ministry cashflow holdbacks with respect to capital projects and the Board's utilization of reserves to balance the 2020-2021 operating budget.

**The Board holds several special investments.** As of August 31, 2021, Special Investments include \$15.0 million as an operating reserve, \$0.17 million of Restricted Cash held in trust for a joint school construction project, a capital revenue receivable with the Ministry of Education totalling \$21.1 million and forward contracts to purchase natural gas totalling \$2.7 million.

**Figure 3: Summary of Special Investments**

<b>Amount (\$M)</b>	<b>Rate</b>	<b>Description</b>	<b>Purpose</b>
<b>\$15.0</b>	1% guaranteed, 5% actual	Long Term Investment	Operating Reserve
<b>\$0.2</b>	Variable	Restricted cash, in Trust	Railway lands school construction
<b>\$21.1</b>	1.00%	Short term EDU receivable	New school construction
<b>\$2.7</b>	Variable	Forward gas contracts	Mitigate variable natural gas rates

## **E. METRICS AND ACCOUNTABILITY**

**Finance staff continue to optimize the investment portfolio on behalf of the Board.** In the 2020-21 fiscal year, TCDSB earned interest revenues totalling \$1.71 million. Interest rates are expected to remain relatively flat during 2021-2022.

**All investments are in accordance with legislation and policy.** As required under O. Reg. 41/10 the Treasurer confirms that all TCDSB investment activity for fiscal 2020-2021 is consistent with Ontario Regulation 41/10 and in accordance with the investment policies and goals of the Board.

## **F. CONCLUDING STATEMENT**

This report is for the information of the Corporate Services Committee.