

Minutes of a meeting 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 8, 2015 at 2:00 p.m., local time.

PRESENT: David Johnson
Gary Wright
Mark Wilson

ABSENT: Sue Dabarno

The following additional persons were in attendance, unless otherwise noted, throughout the meeting or only for particular items as noted in these notes: John Campbell, President and Chief Executive Officer; Chad McCleave, Chief Financial Officer; David Kusturin, Chief Operating Officer; Sandra Tran, Director, Finance and Enterprise Risk Management; and Sampada Chandane, Corporate Controller.

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

The Chair declared that a quorum of the 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 – April 9, 2015
Notes – June 23, 2015**

The Minutes of the April 9, 2015 Finance, Audit and Risk Management ("FARM") Committee Meeting and the Notes of the June 23, 2015 FARM Committee meeting were tabled. Discussion ensued and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the Minutes of the April 9, 2015 FARM Committee Meeting and the Notes of the June 23, 2015 FARM Committee meeting were approved with changes as noted.

2. June 30, 2015 Unaudited Financial Statements

Sampada Chandane tabled the unaudited Financial Statements for the period ended June 30, 2015. She provided an overview of the statement of financial position, including net assets, receivables, and accounts payable and accrued liabilities.

Ms. Chandane reported that of the total receivables (\$32 million), \$26.5 million is from the City of Toronto, the majority of which pertains to a delivery agreement entered into for the Waterfront Sanitary Servicing project. She further reported that of the \$26.5 million, approximately \$9 million has been collected with the City in the

process of reviewing the balance. The Committee questioned why payment has not yet been made and Management advised that the City is in receipt of some of the documentation associated with the receivables and are in the process of reviewing the material and requesting additional information and clarification. Management further advised that staff is in the process of compiling the remaining paperwork and will forward it to the City as soon as it is ready.

Discussion ensued regarding the process around invoicing for work completed by Waterfront Toronto. Management was asked to provide a report at the next FARM meeting that looks at the magnitude of the problem. Management advised that an internal audit will be conducted in Q4 to review invoicing and collection processes.

3. Quarterly Variance Reports

David Kusturin tabled the Quarterly Financial Variance Report and Work Package Risk/Status Report, as at the close of Q1, FY 2015/16. He advised that the reports summarize the budget, commitment, current costs, forecast costs, budget variance and risk status of each active project at the close of each fiscal quarter.

He advised that the report was for information and discussion purposes only.

4. Quarterly Procurement Report

David Kusturin tabled the Quarterly Procurement Report and provided an overview of the exceptions to the Procurement Policy as well as the rationale for the exceptions. Discussion ensued and it was agreed that Management would review the procurement policies for materiality.

5. FARM Mandate

Chad McCleave tabled a revised FARM Mandate advising that the Mandate was modified to include the responsibility of reviewing all projects as outlined in the Board approved Capital Approval Process and to recommend to the Board those projects that require monitoring by the Committee. The Committee will provide independent monitoring with respect to project budgets, scope and schedule. The Committee suggested additional modifications and **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that the FARM Committee approves the revised FARM Mandate for recommendation to the Board.

6. Adjournment of the Public Session

There being no further business other than those matters to be discussed in a closed session, **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that in accordance with Section 190 of the City of Toronto Act, confidential matters were then to be considered. The Chair indicated to the members of the public present that it was in order for them to depart from the meeting. Members of the public then left the meeting. The meeting was adjourned for 5 minutes to be reconvened in a closed session.

Closed Session
3:45 p.m.

7. Cash Flow Forecast

(By-Law No. 2, Section 6.1.1(a) – The security of the property of the Corporation)

Sandra Tran tabled a confidential report and provided an overview of said report. She advised that the item was tabled for information purposes only.

8. Borrowing

(By-Law No. 2, Section 6.1.1(c) – A proposed or pending acquisition or disposition of land)

Sandra Tran tabled a confidential report and provided an overview of said report for discussion and approval. A motion will be tabled when the Committee moves back into a public session.

9. 2016/17 Corporate Plan Development

(By-Law No. 2, Section 6.1.1(c) – A proposed or pending acquisition or disposition of land)

Chad McCleave tabled a confidential report and provided an update on the development of the 2016/17 Corporate Plan. He and provided an overview of the update. He advised that the item was tabled for information purposes only.

10. Adjournment of the Closed Session

There being no further business other than those matters to be discussed in a public session, **ON MOTION** duly made, seconded and carried, it was **RESOLVED** that in accordance with Section 190 of the City of Toronto Act, the Chair indicated that it was then in order for members of the public to rejoin the meeting. Members of the public then rejoined the meeting. The meeting was adjourned to be immediately reconvened in a public session.

Public Session
4:00 p.m.

11. Resolutions Arising during the Closed Session

During the closed session discussions, the following resolution was proposed and voted on:

ON MOTION duly made, seconded, and carried, it was **RESOLVED** that the FARM Committee approves, for recommendation to the Board, the Corporation's negotiated borrowing and encumbering of assets with CIBC.

12. Termination of the Meeting

There being no further business, **ON MOTION**, duly made, seconded and carried, it was **RESOLVED** that the meeting be terminated at 4:10 p.m. local time.

Chair

Secretary of the Meeting

DRAFT