

Toronto Islands Residential Community Trust Corporation



ANNUAL REPORT 2021-2022

June 2022

**Ministry of
Municipal Affairs
and Housing**

Office of the Minister

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TO THE LIEUTENANT GOVERNOR
OF THE PROVINCE OF ONTARIO

MAY IT PLEASE YOUR HONOUR:

For the information of Your Honour and the Legislative Assembly, I am presenting the Annual Report of the Toronto Islands Residential Community Trust Corporation for the fiscal year 2021-2022.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Steve Clark'.

Steve Clark
Minister



**TORONTO ISLANDS RESIDENTIAL
COMMUNITY TRUST CORPORATION**

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July 2, 2022

TO THE HONOURABLE STEVE CLARK
MINISTER OF MUNICIPAL AFFAIRS AND HOUSING

MINISTER,

On behalf of the Trust and Board of Directors, I am pleased to submit the Toronto Islands Residential Community Trust Corporation's Annual Report, 2021-2022, together with its audited financial statements for the period 2021-2022.

Respectfully submitted,

Alison Rogers

Chair

Toronto Islands Residential Community Trust Corporation

Message from the Chair:

Last year was a year of adaptation, modernization and digitization. This year has been a year of reflection, reassessment, and renewal. The seismic shifts wrought by the pandemic on our global society and the magnification of fissures big and small have led the Trust board, the community and, I daresay just about everyone around the globe, to examine and evaluate our goals and priorities.

This year the Trust and all standing committees have participated in an exercise of self-assessment and have identified areas of success and also issues which need to be addressed. An emphasis has been placed on improving communication, education and transparency.

The communications committee has developed tools and guidelines for all Trust staff and committees to ensure clear and informative messaging. The Chair has hosted several themed virtual community chats through Zoom allowing community members to raise and discuss issues of concern. These events have been well attended and well received.

The communications committee in cooperation with the governance committee has also developed a new community consultation model. Through this new model, we hope to reach a wider audience, engage more efficiently with stakeholders, communicate and educate more efficiently, and receive substantive and substantial feedback to improve the service we provide.

The governance committee has reviewed and is in the process of updating all by-laws, policies and procedures. This is an ongoing and regular activity of the Trust but this time is being tackled with a renewed commitment to transparency, education and communication. Through the lens of recent events, two by-laws were identified as needing further clarification and transparency. A draft transfer procedures policy and a draft residency requirements policy have been developed. These policies will be presented to the community for feedback and consultation using the new community consultation model.

These efforts are already bearing fruit through improved relations with stakeholders, more efficient levy collection, and increased community involvement in Trust activities. We are excited and optimistic that we will continue to realize the benefits for all stakeholders as these initiatives continue.

A handwritten signature in black ink, appearing to read 'Alison Rogers', with a long, sweeping horizontal line extending to the right.

Alison Rogers, Chair

Toronto Islands Residential Community Trust Corporation 2021-2022 Annual Report

A. ABOUT THE TORONTO ISLANDS RESIDENTIAL COMMUNITY TRUST CORPORATION

Under the *Toronto Islands Residential Community Stewardship Act, 1993* (the Act), residents of Ward's Island and Algonquin Island may hold title to their homes and may lease the lots on which their houses are located.

The Toronto Islands Residential Community Trust Corporation (the Trust) was established in December 1993 to manage the leasing process, the lands specified in the Act and six (6) related community buildings, on behalf of the Island residents and the public. These include the following:

- The Algonquin Island Association Clubhouse, located at 18 Wyandot Avenue on Algonquin Island
- The Shaw House, located at 108 Lakeshore Avenue on Ward's Island
- The Rectory, located at 102 Lakeshore Avenue on Ward's Island
- The Old Fire Hall, located at 101 Cibola Avenue on Ward's Island
- The two Ward's Island Association Clubhouse Buildings, located at 18 and 20 Withrow Street on Ward's Island.

The lands administered by the Trust, for both residential purposes and the six (6) community buildings, are vested in the province under the Act. They are leased to the Trust until December 15, 2092, under specified conditions, as set out in the Act.

The Trust is managed by a board of directors (the board) which can include up to 15 members. Board members are appointed on the recommendation of the Minister of Municipal Affairs and Housing by the Lieutenant Governor in Council. The board is supported by two part-time staff persons and a part-time bookkeeper.

Trust operations are financed by a levy on leaseholders, property rentals, purchasers' list fees, administrative fees and investment income. The Trust receives no provincial funding.

A Memorandum of Understanding (MOU) was signed by the Trust Chair on February 8, 2018, and by the Minister of the former Ministry of Municipal Affairs on March 6, 2018. A letter of affirmation for the MOU was signed by the Minister on December 16, 2020, and the Trust Chair on December 21, 2020. The MOU sets out the mandate of the Trust and the accountability relationship between the Minister and the Trust. The Trust reports to the Minister of Municipal Affairs and Housing.

To comply with the province's Agencies and Appointments Directive, the Trust Chair is required to provide the Minister, on an annual basis, a Three-Year Business Plan and an Annual Report.

B. MANDATE

The Trust's mandate is set out in the Act and is complemented by a Memorandum of Understanding between the Trust and the Minister of Municipal Affairs and Housing. The mandate of the Trust includes the following responsibilities:

- Manage the land described in the Schedule to the Act, including the houses and other buildings and structures on the land, for the benefit of the residential community on the Toronto Islands and the public
- Operate for the benefit and enjoyment of the public the buildings and structures, other than houses and the fire hall, that existed on the day the Act came into force on the land described in the Schedule of the Act, but nothing in this clause prevents the Trust from demolishing or relocating those buildings and structures at any time
- Ensure that the public has reasonable access to the buildings and structures required to be operated by the Trust
- Raise sufficient revenue to carry out the objects of the Trust
- Manage the sale of houses and land leases and vacant land leases on the Toronto Islands
- Subject to applicable legislation, such other matters as may be assigned to the Trust by the Minister which are within the Trust's statutory mandate.

To carry out its responsibilities, the Trust must maintain a waiting list of people who wish to purchase land leases when they become available. This Purchasers' List contains up to 500 positions.

C. TRUST GOVERNANCE

Board of Directors, Committees and Staff

For the first six months of the 2021-2022 fiscal year, the board was composed of five volunteer members. Four of the five board members were Island residents and one was a City of Toronto resident. On September 16, 2021, an additional City of Toronto resident was appointed. The board was supported by one non-voting provincial staff liaison, one non-voting City of Toronto staff liaison, two part-time staff persons employed by the Trust, and a contract bookkeeper. The board elects the following officers from amongst its members: chair, vice-chair, treasurer and secretary.

The membership of the board in 2021-2022 was as follows:

Board Member	Position	Appointment Initial Date	Appointment Expiry Date	Appointee of
Alison Rogers	Chair	March 21, 2018	March 21, 2024	Toronto Island Resident
Karen Rothfels	Treasurer	March 25, 2020	March 20, 2025	Toronto Island Resident
Gary Pieters	Vice Chair	March 21, 2020	March 20, 2023	City of Toronto Resident
Francis Ford	Board Member	March 21, 2021	March 20, 2024	Toronto Island Resident
Allyson Woodrooffe	Board Member	March 21, 2021	March 20, 2024	Toronto Island Resident
Melek De-Wint	Board Member	September 16, 2021	June 13, 2024	City of Toronto Resident

It is anticipated that the proposed new board composition will include four Toronto Island residents and three City of Toronto residents.

The board members are not remunerated for their services to the Trust.

Board Meetings

In 2021-2022, the board held 11 meetings to oversee Trust business and to ensure the objects of the Trust were met. Meetings are open to the community and the public. Members of the Toronto Island Community Association (TICA) regularly attended the meetings of the board.

The board also attended two community meetings. At the first meeting on June 23, 2021, the community endorsed the Trust's 2021-2022 budget. At the second meeting on October 20, 2021, the community received the Trust's 2020-21 audited financial statements as presented by the Trust board's auditor, Roger Chaplin of Chaplin and Company.

Board Committees

In 2021-2022, the Trust continued to be supported by the following committees: finance, governance, management, properties, communications, and technology committee. The purpose of the committees is to provide advice and recommendations to the board so that the board can ensure that the financial and operational activities of the Trust are carried out in the most efficient and economical manner and in accordance with acceptable accounting practices and applicable government legislation, regulations, directives, guidelines, and policies.

The committees are composed of board members, TICA members, and Island community volunteers. The Trust's manager has an active role in supporting all of these committees.

Community Volunteerism

The Trust views the community as a partner and welcomes and relies on community volunteers to provide additional perspectives in its deliberations and to inform its decision-making in carrying out the mandate of the Trust. Community volunteers are also involved in other community-related activities that contribute to a healthy and vibrant island community.

Community volunteer activities available to both the Island community and the public include the following:

- Operating five of the six Trust buildings
- Assisting with open houses related to sales of Island homes
- Undertaking projects that enhance the beauty of the eastern part of the Island
- Holding annual garden and house tours to benefit both community and charitable activities
- Offering programs for children and youth
- Running a concert series at the church
- Serving as members of groups that deal with waterfront issues and city-wide cycling initiatives
- Participating in annual clean-ups of the park.

Both Islanders and the general public participate in many of these activities.

D. OPERATIONAL ACTIVITIES IN 2021-2022

The Trust's core activities include:

- Conducting the sale and permitted transfers of leases and homes on leaseholds

- Managing six community buildings, in cooperation with the Island community and leaseholders, including, for example, ensuring building inspections are undertaken and current asset management plans are in place
- Disseminating information about, and managing, the residential lease process, and overseeing compliance with lease agreements to ensure the leaseholders use their properties as primary residences
 - This includes responding to inquiries from leaseholders, prospective leaseholders, third parties and the Ministry of Municipal Affairs and Housing, as required
- Maintaining official records of existing leases and common facilities, including the Property Register
- Maintaining the Purchasers' List
- Achieving compliance with mandatory aspects of the Government of Ontario agency-related directives that apply to the Trust.

The Trust also conducts ongoing reviews of its policies and procedures to ensure transparency, consistent application and the achievement of efficiencies.

In 2021-2022, the Trust undertook a number of activities and made progress in several areas as follows:

Permitted Transfer Procedure

In the October 2019 the Trust board and the Island community approved the Permitted Transfer by-law. This By-law was adopted in order to:

- set out how the Trust will interpret the *Act* with respect to Permitted Transfers;
- set out how the Trust will interpret the *Act* with respect to the holding of title to houses and land leases; and
- set out how the Trust will interpret the *Act* with respect to the obligations of the Trust and the estate of a deceased Owner following the death of an Owner.

Since that time, the governance committee has been working on the Permitted Transfer Procedures. These Procedures have been developed to provide guidance to the Trust Board, staff, lawyer, owners and other interested parties about the process to be followed around Permitted Transfers. The first draft was developed in 2021-22. A community consultation process is to begin in June 2022 with the final draft of the procedures to be completed in September 2022.

Information Sharing

In 2021-2022 the Trust's physical office remained closed due to the COVID-19 pandemic. The Trust office continued to use a virtual platform, through email and video

conferencing to successfully deliver responsive services for the benefit of the residents and the public as per its mandate.

In 2021-2022 the Trust created a leaseholders' section of the website, to share information and allow for leaseholders to pay their annual levies via credit card in order to advance digital delivery and customer service.

The Trust regularly receives and responds to leaseholder requests for information or access to documentation regarding their properties. In 2021-2022, the Trust chair, with technical assistance from the Trust manager, began hosting online "fireside" chats to inform the community on a variety of topics, including lease requirements, levies and the role of the Trust. The chats were recorded and posted on the Trust website in the leaseholders' section.

The Trust also receives a large number of inquiries regarding the Purchasers' List, from those on the list and the public. Due to the office closure, these continued to be answered via email and phone.

In 2021-2022, the Trust responded to over 4,000 email inquiries and 146 telephone inquiries. The Trust also responded to three letter inquiries.

The Trust produced two community newsletters in 2021-2022 as part of the Trust's communications strategy. The Trust also created a blog section on its public website. To date, two information pieces have been posted on the public website.

As per the Province of Ontario's Agencies and Appointments Directive and Travel, Meal and Hospitality Expenses Directive, a public posting of expense information for appointees can also be found on the Trust's website.

Lease Compliance/Levy Payments

The Trust continues to focus resources towards collecting the established annual levy payments from all leaseholders. Progress is being made and collections have remained relatively steady for the last few years. Currently, 86% of leaseholders have paid in full or have made payment plan arrangements with the Trust.

The Trust has drafted a safe workplace and harassment policy that is to be brought to the community at its October 2022 community meeting.

Managing Community Buildings

Maintenance of community buildings, vested in the province and managed by the Trust, for the benefit of the public and the community is ongoing. These buildings and facilities provide venues for organizational sports and recreational programs, accessible to both the residential community and the public, such as the Toronto Island Canoe Club and Camp, the Ward's Island Recreation Association lawn bowling and tennis and the

Montessori Day Care and Camp at the Algonquin Island Association Clubhouse. The buildings are also rented to the public for special functions and events, such as weddings, and two of the Trust buildings also house cafés/pubs. This rental income to the organizations and the Trust keeps the buildings in good repair.

On March 17, 2020, Ontario issued an order declaring an emergency under the *Emergency Management and Civil Protection Act* to protect the health and safety of Ontarians against the COVID-19 pandemic. As a result of this declaration and its associated orders, restaurants were required to close to the public, except to the extent that such facilities provided takeout food and delivery.

Provincial orders and municipal direction also required facilities providing indoor recreational programs and licensed childcare centres or private schools and outdoor recreation amenities, to be closed and restricted the gathering of people. As such, this impacted the operations of the community buildings, which were closed on and off to the public and Island residents throughout 2020, 2021 and into 2022. The COVID-19 pandemic has had a significant impact on all Ontarians, physically, mentally and financially and the Trust and its leaseholders are no exception. In 2021-2022 the Trust did not offer rent relief to the Riviera Restaurant and began charging interest on overdue levies beginning in November 2021, however, the Trust board continues to carefully review its financial position and monitor budgets and cash flow accordingly.

In 2021-2022, the Trust properties committee met with executive members of the Canoe Club and the Algonquin Island Association to discuss their sub-tenant leases and maintenance plans, ensuring that the buildings and tenants were adequately supported during the COVID-19 pandemic. All buildings have updated maintenance plans to work with for the next three years.

In 2021-2022, the Rectory property required tree maintenance, furnace repair and plumbing replacement in one of the upper washrooms, due to leakage. All damage due to the leak was also repaired.

Property Register

The Property Register outlines property information for all residential properties on Ward's and Algonquin Islands and is required to be updated on an annual basis. The Property Register was updated and submitted to the City of Toronto in November 2021.

E. OPERATIONAL PERFORMANCE

The Trust continues to adhere to the requirements of the province's directives, including the Agencies and Appointments Directive and the Open Data Directive.

Achievement of Strategic Goals and Performance Targets

The Trust's 2022-2025 Business Plan was developed and submitted for the Minister's approval, according to the province's requirements, as was the Trust's 2020-2021 Annual Report.

In its 2021-2024 Business Plan, the Trust identified the following four strategic goals:

1. 'The Trust board, its staff and members of its committees will have the skills, knowledge, capacity, resources and support to carry out the mandate of the Trust.'

The Trust is supported by several committees to carry out its objects. It maintains up-to-date terms of reference for all of its committees on an ongoing basis. Each committee reports at monthly board meetings with updates on activities or recommendations for action as necessary.

The Trust manager attended two webinars on conflict resolution and all materials, including recordings of the webinars, were shared with board members.

The newly appointed board members completed all the Accessibility for Ontarians with Disabilities Act (AODA) training required by the Ministry for Seniors and Accessibility for 2021-2022 including:

- The Ontario Human Rights Code as it relates to people with disabilities
- Accessibility for Ontarians with Disabilities Act: Workplace Wellbeing
- AODA Customer Service Training

The Trust board attended a video conference training session provided by the Ministry of Municipal Affairs and Housing that also included training on house appraisals and the equity factor.

All Trust board members completed Provincial Ontario Board Member Training as required by the Treasury Board Secretariat, with the exception of one Board member appointed in late 2021.

In March 2022, the Trust board approved a staffing model change to effectively facilitate the retirement of the Trust contract bookkeeper. This model brings on board a bookkeeper/administrator who will be part-time salaried at two days per week. The current manager will move to three days per week and the administrative assistant will remain part-time casual. This model will better service leaseholders, as well as increasing capacity to meet all Trust mandates.

2. 'The Trust will use efficient and effective systems to fulfil its mandate.'

An information technology plan is in place that addresses online collection of fees, automated solutions to the purchasers' list lottery, meeting organizational tools, digital forms and storage and backup of Trust records. All information technology equipment has been upgraded, security protocols have been implemented and appropriate internet service provider and technology support are in place to address technical issues.

In April 2021, the Trust chair, with assistance from the Trust manager, launched a series of "fireside" chats. Leaseholders were invited to attend these informational sessions where they were provided the opportunity to ask questions on topics such as the levies, permitted transfers and the role of the Trust and the Toronto Island Community Association.

In August 2021, the Trust launched the leaseholders' section of the website. This provided leaseholders with the opportunity to pay their levies via credit card. This section also hosts video recordings of the "fireside" chats for those unable to attend.

In February 2022, the purchasers' list renewals saw a significant increase in electronic formats of payment with almost 90 per cent of payments received either by credit card or e-transfer.

In December 2020, the Trust bookkeeper successfully moved the Trust bookkeeping system from a standalone computer to the online version of QuickBooks, allowing all staff remote access. This access continued into 2021-2022, with security protocols and access restrictions in place to ensure all data remained secure.

An inventory of bylaws, policies, and procedures has been completed and a plan has been put in place for review on an annual basis.

Following the development and approval of the Permitted Transfer By-Law, the Trust governance committee has been drafting a procedure document to assist with the transfers of Island properties. The first draft was completed in March 2022 and a community consultation process is to commence in June 2022.

The first draft of a Safe Workplace and Harassment Policy was created and is set for approval at the October 2022 community meeting.

The Trust conducted its business within the established service standards. In 2021-2022, the Trust completed one house sale and four permitted transfers to the satisfaction of all involved.

The Trust satisfied all the requirements for the province's Open Data Directive and Travel, Meal and Hospitality Expenses Directive.

The Trust continues to enforce the lease breach policy and has drafted revisions to the policy to make the procedures and decision making around lease breaches and Trust knowledge more transparent. These revisions will be presented to the community as part of a consultation process in the summer of 2022.

Further follow-up and monthly reporting on lease breaches will continue. In 2020-2021 the board agreed, due to the COVID-19 pandemic, lease breaches that involved leaseholder travel would not be pursued until the pandemic was over. This continued into 2021-2022. Currently, there are 14 lease breaches, four under investigation, and six in transition with either construction having commenced or notice being given to tenants, and four that were remedied in 2021-2022.

The Trust has been working with Ministry staff to support the Ministry's assessment of the feasibility of using provincial government property appraisers.

3. 'The Trust will enable a well-informed Island community, using principles of transparency, accountability and effective communication.'

The Trust's Communications Committee met regularly and communicated with the community through the community newsletters, fireside chats, the Trust blog, and two community meetings. All new and amended policies and committee terms of reference are posted on the upgraded Trust website.

Due to the COVID-19 pandemic, all in-person meetings were moved to an online format including all community and committee meetings. Community meeting attendance has grown fifty percent with this format and increased the Trust's accessibility for those unable to attend in person.

The Trust produced two community newsletters and held four "fireside" chats in 2021-2022. The leaseholders' section includes videos of the chats. In the next fiscal year, community meeting videos will also be available through the leaseholders' section of the Trust website.

The Trust also introduced a blog to the public section of the website. To date there are two blog posts available, one on Island life and the other a letter to the editor of Toronto Life about an article they published about the Island community.

4. 'The Trust will effectively oversee the management of its buildings and its natural assets'

The Trust actively works with the leaseholders of the Trust buildings to ensure that the buildings are maintained for the use of the Island community and the general public. Building inspections are completed on a rotating five-year basis and all asset management plans were finalized in the last fiscal year

Notwithstanding the development of asset management plans, maintenance of Trust buildings are ongoing. The Canoe Club reported completion of work on both electrical and plumbing issues that were noted in the November 2019 building inspection and maintenance plan. The Algonquin Island Association began plans for a kitchen renovation that will occur in the summer of 2022.

The Rectory building required furnace repairs as well as plumbing replacement in the upper level. All repairs were made in a timely and efficient manner, with little to no disruption to restaurant or Trust service.

A maintenance plan for the trees was developed and all work in the plan was completed by June 2021. A maintenance plan for the 2022-2023 fiscal year was completed in March 2022, with much of the work completed to date.

F. FINANCIAL PERFORMANCE

The Trust's 2021-2022 budget, approved by the Trust board on March 11, 2021 and by the community on June 23, 2021, confirmed that the business of the Trust would continue to be financed primarily by a levy on the 262 leaseholders, as well as by property rental fees, purchasers' list fees, administrative fees and investment income. The Trust is self-sufficient and receives no provincial or municipal funding to support its operations.

A copy of the 2021-2022 audited financial statements is attached to this annual report. The audit found that the financial statements fairly presented the Trust's financial position and performance. As per the Trust's Organizational By-law No. 1, these audited financial statements will be presented to the community in the fall of 2022. The audit of the Trust's financial statements for 2020-2021 was presented to the community on October 20, 2021.

The following summary tables set out actual results and variances against budget. Some additional details can be found in the audited financial statements included in the appendix to this report.

Revenues and Expenses:

	2020-2021 Actuals	2021-2022 Actuals	2021-2022 Budget	2021-2022 Actuals vs. Budget	Variance Explanation
Revenue	\$199,266	\$193,060	\$190,451	\$2,609	See Note 1
Expenses	\$141,570	\$154,024	\$183,971	\$(29,947)	See Note 1
Less Amortization	\$1,482	\$1,480	\$1,480	-	
Excess / (deficiency) of revenue over expenses for the year	\$56,214	\$37,556	\$5,000	\$32,556	

Transfer to Reserves:

	2020-2021 Actuals	2021-2022 Actuals	2021-2022 Budget	2021-2022 Actuals vs Budget	Variance Explanation
Transfer to Reserves	\$87,088	\$34,036	\$5,000	\$29,036	See Note 2

Note 1:

Variance in revenue is mainly from other income such as additional photocopier revenue. Variance in expenses is mainly from decisions made by The Riviera to defer updating of facilities, lower spending required for grounds and tree maintenance, lower administrative staffing needs and reduced spending for office and general expenses such as meetings and training.

Note 2:

Transfers to reserves are generally for contingencies, capital expenditures/major repairs and office expenses. The transfers are based on the unappropriated reserve balance which is comprised of the balance at the beginning of the year and any excess of revenues over expenses (not including amortization).

In 2021-2022, the variance in transfer to reserves from the approved budget includes a transfer from the current year's "excess of revenue over expenses" to the reserve for contingencies (\$29,036) and the reserve for office expenses (\$5,000).

Other Notes:

In 2021-2022, the total transfer to reserves was \$34,036, as per board approval on June 9, 2022.

Attachment:

Audited Financial Statements