

For Information

TTC Insurance Company Limited – Investment

Date: June 16, 2021

To: TTC Insurance Company Limited Board of Directors

From: Treasurer

Summary

As a condition of the TTC Insurance Company Limited's (TTCICL) license to underwrite automobile insurance, the City of Toronto has provided a Guarantee for all of the obligations of TTCICL, which states that TTCICL must maintain cash or securities available for the payment of current liabilities in an amount of not less than one month's claims and operating expenses or \$350,000, whichever amount is greater.

As at December 31, 2021, the TTC's monthly claims and operating expenses are approximately \$1.6 million. The amount presently advanced from Toronto Coach Terminal Inc. (TCTI) is \$2.6 million for 1st quarter 2021. Staff will continue to monitor this amount and adjust as necessary.

Financial Summary

This report has no financial impact.

Equity/Accessibility Matters

There are no accessibility or equity issues associated with this report.

Decision History

At its meeting of June 11, 1996, the Toronto Coach Terminal Inc. authorized its Treasurer to make advances on a demand non-interest bearing loan to the TTC Insurance Company Limited on an as-needed basis to comply with TTCICL's working capital requirements.

Comments

As at December 31, 2020, the TTC's monthly automobile claims and operating expenses are approximately \$1.6 million, down from \$2.1 million in 2019, due in part, to the COVID pandemic in 2020. The amount presently advanced by TCTI is \$2.6 million (1st quarter 2021) and was reduced from \$3.2 million in Q2, 2020. Staff

continues to monitor this amount quarterly and will adjust as necessary. The advance from TCTI, along with the initial \$100,000 capital investment from the TCTI, currently totals \$2.7M and is not required for any cash disbursements as all operating expenses are in practice paid directly by the TTC.

These funds are held in an interest bearing account at the TTC's bank.

Contact

Alex Cassar, Treasurer, TTC Insurance Company Limited
416-393-3647
Alex.Cassar@ttc.ca

Signature

Alex Cassar, Treasurer, TTC Insurance Company Limited

Attachments

None