

MICHAEL DI BIASE CHARITABLE FOUNDATION INC.

Recommendation

The Commissioner of Finance and the Director of Reserves and Investments recommends:

That this report be received for information purposes.

Contribution to Sustainability

Not applicable.

Economic Impact

There is no economic impact associated with this report.

Communications Plan

Not applicable.

Purpose

The purpose of this report is to provide Council with information relating to a deputation before the Special Council meeting of January 18, 2010 with respect to contributions by the City of Vaughan to the Michael Di Biase Charitable Foundation Inc.

Background - Analysis and Options

Council at its Special Council meeting of January 18, 2010 received a deputation questioning the City's contributions to the Michael Di Biase Charitable Foundation Inc. and the availability of funds on hand in the Michael Di Biase Charitable Foundation Inc.

In 2003, Council established a committee in support of the Mayor Michael Di Biase Foundation. The committee was established to review donation requests made by local Vaughan charities. In the interim, until the Mayor Michael Di Biase Foundation Trust Fund was incorporated and a bank account established, the City of Vaughan held the monies raised in trust.

On February 27, 2004, the Michael Di Biase Charitable Foundation Inc. was incorporated.

Council at its meeting of February 28, 2005, under the report titled "Allocation of Net Proceeds from Fundraising", adopted the following:

"That annually, the net proceeds from the Mayor's Charity Golf Classic be forwarded directly to the Michael Di Biase Charitable Foundation Inc.; and

That the funds that would normally be transferred to the Michael Di Biase Charitable Foundation Inc. continue to be held in trust by the City until the Foundation has established a separate bank account at which time the funds can be transferred."

On June 14, 2005, the City of Vaughan received correspondence from the Michael Di Biase Charitable Foundation Inc. solicitor stating that the Foundation has opened a bank account. Shortly thereafter, the City of Vaughan issued a cheque in the amount of \$136,133.56 representing the net proceeds from the July 16, 2003 and July 21, 2004 Mayor Golf

Tournaments. There were no specific provisions attached to the funding beyond what is contained within the Foundation's Articles of Incorporation.

Council at its meeting of September 12, 2005 adopted:

“that Council direct staff to forward the net proceeds from the 2005 Mayor Michael Di Biase Annual Charity Golf Classic to the Michael Di Biase Charitable Foundation and that 50 percent of these funds be allocated to the Vaughan Hospital Foundation and 50 percent to local charities, as per consultation with Golf Committee Chair Peter Meffe, and the local charities be so informed particularly as to how applications are to be made to receive such funds.”

The net proceeds from the July 18, 2005 Mayor's Golf Tournament in the amount of \$134,603.05 was distributed to the Michael Di Biase Charitable Foundation Inc. on November 23, 2005. In 2006, the Michael Di Biase Charitable Foundation Inc. donated to the Vaughan Health Care Foundation \$70,000 (slightly more than 50 percent of \$134,603.05, as directed by Council).

The net proceeds for the July 19, 2006 Mayor's Golf Tournament in the amount of \$159,056.36 was distributed to the Michael Di Biase Charitable Foundation Inc. on November 15, 2006, as per the February 28, 2005 Resolution of Council. In 2007, the Michael Di Biase Charitable Foundation Inc. donated to the Vaughan Health Care Foundation \$79,528.

Subsequently, with Council approval, the net proceeds from the 2007, 2008 and 2009 Mayor's Golf Tournaments has been forwarded directly to the Vaughan Health Care Foundation.

The last charity information return filed by the Michael Di Biase Charitable Foundation Inc. is for 2008. Based on this information return, the cash on hand with the Michael Di Biase Charitable Foundation is \$203,875.

Under the Income Tax Act, every registered charity has to file an information return each year and must be filed no later than six months after the end of the registered charity's fiscal period. The 2009 Michael Di Biase Charitable Foundation Inc. information return would be required to be filed no later than June 30, 2010.

Relationship to Vaughan Vision 2020/Strategic Plan

Not applicable.

Regional Implications

Not applicable.

Conclusion

Net proceeds for the 2003 – 2006 Mayor Golf Tournaments have been distributed to the Michael Di Biase Charitable Foundation Inc. pursuant to Council direction. The information returns indicate that the Foundation is in compliance with Council's direction. The disbursement of funds in the Michael Di Biase Charitable Foundation Inc. are subject to the terms and conditions of their charter.

This report is provided for the information of Council.

Attachments

None

Respectfully submitted,

Barbara Cribbett, CMA
Commissioner of Finance and
City Treasurer

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Director of Reserves & Investments