

**ALLOCATION OF NET PROCEEDS FROM FUNDRAISING**

**Recommendation**

The Commissioner of Finance & Corporate Services, in consultation with the City Manager recommends:

- 1) That annually, the net proceeds from the Mayor's Gala be forwarded directly to the Vaughan Health Care Foundation;
- 2) That \$369,467.88, subject to any year-end interest adjustment be transferred to the Vaughan Health Care Foundation;
- 3) That annually, the net proceeds from the Mayor's Charity Golf Classic be forwarded directly to the Michael Di Biase Charitable Foundation Inc; and
- 4) 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 of Vaughan until the Foundation has established a separate bank account, at which time the funds can be transferred.

**Purpose**

The purpose of the report is to direct where the net proceeds from the City's two (2) major charitable events is allocated.

**Background - Analysis and Options**

The City of Vaughan holds two (2) major charitable events each year, Mayor's Gala and the Mayor's Charity Golf Classic. These events have been viewed as a success by the community and they have raised significant funds.

An important objective that the City of Vaughan has undertaken is to have a health care facility located in Vaughan. To that end a separate Vaughan Health Care Foundation has been incorporated. Its focus is the establishment of a healthcare facility. To address broader charitable purposes another foundation has been incorporated, the Michael Di Biase Charitable Foundation Inc.

The Mayor's Gala has been promoted on the basis that it is for the development of a health care facility in Vaughan. Since the Health Care Foundation is now incorporated, a Treasurer has been appointed and a bank account in the name of the Foundation has been opened it is appropriate that funds collected for the health care facility, by the City be transferred to the Foundation. Attachment 1 outlines the net proceeds collected and expenses incurred. Interest has been credited to the balance. The City previously entered into a contract for consulting services with IBM Canada. That contract is nearing completion and it has been determined that the contract will be completed with the City, rather than transferring it to the Foundation. Consequently sufficient funds will be held back by the City to pay the balance of the contract. Therefore, as outlined on Attachment 1, a balance of \$369,647.88, subject to any year-end interest adjustment is available for transfer to the Vaughan Health Care Foundation.

The Michael Di Biase Charitable Foundation Inc. has been incorporated and a bank account is in the process of being established. Funds raised at the Mayor's Charity Golf Classic are being held in trust by the City. Attachment 2 outlines the net proceeds collected, interest and expenses incurred. The balance held at the end of December 31, 2004 is \$132,571.79, subject to any year-end interest adjustment. When the Foundation has opened a bank account the funds accumulated can then be transferred.

**Conclusion**

This report identifies the net proceeds that have been raised for a health care facility as well for other worthwhile purposes. Now that separate foundations have been established it is appropriate for the City to transfer the net proceeds and responsibility for their administration to the appropriate foundation.

**Attachments**

Attachment 1 – The Vaughan Health Care Foundation as at December 31, 2004

Attachment 2 – The Michael Di Biase Charitable Foundation as at December 31, 2004

**Report prepared by:**

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Respectfully submitted,

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Commissioner of Finance & Corporate Services

**The Vaughan Health Care Foundation**  
as at December 31, 2004

Revenue

Mayor's Gala Net Proceeds ( 2003 )	\$191,972.98
Mayor's Gala Net Proceeds ( 2004 )	\$273,527.06
Run for Vaughan ( 2003 )	\$50,000.00
Donation - Club S Vincenzo Ferreri ( 2003 )	\$3,000.00
Interest Earned ( Est )	<u>\$9,019.00</u>
	Sub Total \$527,519.04

Expenses

IBM	\$155,000.00
Other Misc Expense	<u>\$3,051.16</u>
	Sub Total \$158,051.16
	Net Transfer <u>\$369,467.88</u>

Note: Outstanding invoice for legal services in connection with the incorporation of foundation. Invoice to be paid by the Vaughan Health Care Foundation.

*Prepared by Ferruccio Castellarin - February 24, 2005*

**The Michael Di Biase Charitable Foundation Inc.**  
as at December 31, 2004

Revenue

Mayor's Golf Net Proceeds ( 2003 )	\$59,223.87
Mayor's Golf Net Proceeds ( 2004 )	\$95,083.99
Interest Earned (Est )	<u>\$2,671.00</u>

Sub Total \$156,978.86

Expenses

Professional Fees	\$407.07
Royal Canadian Cadets (2003 )	\$15,000.00
Royal Canadian Legion (2003 )	\$5,000.00
Vaughan Food Bank (2004 )	\$2,000.00
Vita Nova Foundation (2004)	<u>\$2,000.00</u>

Sub Total \$24,407.07

Net \$132,571.79