



**To:** COUNCIL  
**Meeting Date:** 2/24/2026  
**Subject:** Recommendation to Close Trust Funds – Library Donation Trust and Library Art Acquisition Trust  
**Submitted By:** Sheena Pawliwec, CPA, CGA, Chief Financial Officer, Treasurer  
**Prepared By:** Mirna Raponi, CPA, CA, Manager of Finance, Deputy Treasurer  
**Report No.:** 26-006-CFS  
**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT the trust funds associated with By-Law 199-95, namely the Library Donation Trust and the Library Art Acquisition Trust, be closed as outlined in report 26-006-CRS, and that the City Solicitor and Chief Financial Officer be directed to initiate the closure of such accounts;

AND THAT the remaining balances of the Library Donation Trust Fund and the Library Art Acquisition Trust Fund be transferred to the Cambridge Public Library Board;

AND FURTHER THAT Council authorize the Mayor and Chief Financial Officer to enter into agreements with the Cambridge Public Library Board to facilitate the transfer of funds and confirm future administration responsibilities, subject to the satisfaction of the City Solicitor.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

To obtain Council approval to close two trust funds currently held by the City of Cambridge and transfer the remaining balances the Cambridge Public Library Board.

#### **Key Findings**

- The Library Donation Trust Fund has a balance of \$319,570 as of December 31, 2025, and is derived from library donations from individuals, organizations, and estates with the understanding that these donations are to be used to purchase items or undertake projects that would not be possible through regular operating revenue.

- The Library Art Acquisition Trust Fund has a balance of \$249,218 as of December 31, 2025 and is used for art purchases for the Gallery's permanent collection.
- The Cambridge Public Library Board has requested transfer of these funds to its own investment accounts and has confirmed its readiness to assume full responsibility for the respective trusts.

### **Financial Implications**

There are no financial implications to the City's operating or capital budgets. These are externally restricted funds held in trust to be transferred to Cambridge Public Library Board in accordance with the original intent and terms of the trust.

### **STRATEGIC ALIGNMENT:**

Strategic Action

**Objective(s):** Not Applicable

**Strategic Action:** Not Applicable

**OR**

Core Service

**Program:** Finance

**Core Service:** Financial Accounting and Reporting

### **BACKGROUND:**

The City of Cambridge currently holds two trust funds established to support library initiatives: the Library Donation Trust Fund and the Library Art Acquisition Trust Fund. These funds were created through donations and fundraising efforts to enable the Cambridge Public Library Board to undertake projects beyond what is possible through regular operating revenues.

Historically, the City acted as investment trustee, while the Cambridge Public Library Board administered the use of funds through motions of approval. Over time, the Cambridge Public Library Board has developed governance policies and administrative capacity to manage these funds directly. The Cambridge Public Library Board has requested that these funds be transferred to its own investment accounts which supports the existing broader initiative currently underway by staff to review and seek transfers of qualifying city managed Trusts to trustors.

## **ANALYSIS:**

This report focuses on two trust funds identified as immediately relevant and recommended for closure.

### **1. Library Donation Trust Fund.**

- **Balance as of December 31, 2025:** \$319,570.
- **Purpose:** Derived from library donations intended to fund projects and purchases beyond regular operating revenues. The fund allows the Cambridge Public Library Board to undertake special projects and make purchases that would not be possible through regular operating revenue.
- **Administration:** The Corporation of the City of Cambridge acts as Trustee for investment, while the Cambridge Public Library Board administers usage of funds through motions of approval.
- **Governance:** By-Law #199-95 Being a By-Law of the Corporation of the City of Cambridge for establishing and maintaining Trust Funds (November 13, 1995).

### **2. Library Art Acquisition Trust Fund**

- **Balance as of December 31, 2025:** \$249,218.
- **Purpose:** To fund the purchase of artwork for the Gallery's permanent collection, with funds generally raised by Gallery members and volunteers.
- **Administration:** The Corporation of the City of Cambridge acts as Trustee for investment, while the Cambridge Public Library Board serves as Trustee for distribution.
- **Governance:** By-Law #199-95 Being a By-Law of the Corporation of the City of Cambridge for establishing and maintaining Trust Funds (November 13, 1995).

### **Rationale for Closure**

The recommendation to close these trust funds is based on a comprehensive review of trust fund activity and alignment with current organizational capacity. Both funds were created to fill administrative gaps that no longer exist. The Cambridge Public Library Board now has the infrastructure and capacity to manage these funds directly, without City oversight. After signing agreements with the City, the Cambridge Public Library Board will become the legal trustee for investments for both trusts. Maintaining these trusts under City administration creates unnecessary overhead.

### **Benefits to the City**

Closing these trust funds will reduce staff time and resources spent on managing

externally controlled funds, ensure that funds are managed by the organization best positioned to administer them, and initiate a phased approach to reviewing all trust funds held by the City.

**EXISTING POLICY / BY-LAW(S):**

The Library Donation Trust Fund and the Library Art Acquisition Trust Fund were established under By-Law 199-95, which consolidated the authority for all City trust funds under the provisions of the Charities Accounting Act, R.S.O. 1990, Chapter C.10. Schedule “A” of By-Law 199-95 specifically lists these two trust funds and outlines that the Corporation of the City of Cambridge shall act as Trustee to hold and invest all funds forming the capital and accumulated income of these trusts. The Cambridge Public Library Board is responsible for approving the use of funds through motions of the Board, as described in the trust documentation.

**FINANCIAL IMPACT:**

Upon Council approval, Finance will transfer the current balances of the Library Donation Trust Fund (\$319,570) and the Library Art Acquisition Trust Fund (\$249,218) to the Cambridge Public Library Board. There is no net impact to the City’s operating or capital budgets. Final amounts will reflect investment income earned up to the transfer date.

**ADVISORY COMMITTEE INPUT:**

Not Applicable.

**PUBLIC INPUT:**

No public consultation was required for this administrative matter. However, both recipient organizations have been consulted and support the proposed transfers.

**INTERNAL / EXTERNAL CONSULTATION:**

**Internal Consultation**

Finance staff consulted with the City’s Legal Services Division.

**External Consultation**

Library administration (Cambridge Public Library Board) has confirmed support for the closures and transfer of funds.

**CONCLUSION:**

The Library Donation Trust Fund and the Library Art Acquisition Trust Fund were originally established to support valued community initiatives during a time when the Cambridge Public Library Board required municipal oversight for investment and

administration. However, the Cambridge Public Library Board has since developed the capacity to manage these funds independently. Following a comprehensive review of trust fund activity and alignment with current practices, staff recommend the closure of these two funds to reflect best practices in financial stewardship.

**REPORT IMPACTS:**

Agreement: **Yes**

By-law: **Yes**

Budget Amendment: **No**

Policy: **No**

**APPROVALS:**

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

General Manager

Chief Financial Officer

City Solicitor

City Manager

**ATTACHMENTS:**

1. 26-006-CFS Appendix A – By-Law #199-95 The Corporation of the City of Cambridge for establishing and maintaining Trust Funds (November 13, 1995).
2. 26-006-CFS Appendix B – Cambridge Public Library Trust Funds Closure Letter