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REPORT FOR ACTION

Toronto Parking Authority - 2019 Audited Financial Statements

Date: May 19, 2020
To: Board of Directors, Toronto Parking Authority
From: Acting President, Toronto Parking Authority
Wards: All

SUMMARY

This report presents the audited financial statements for the year ended December 31, 2019 to the Board of Directors of Toronto Parking Authority (TPA) for approval and provides highlights of the 2019 financial results.

PricewaterhouseCoopers LLP (PwC) has substantially completed their audit of Toronto Parking Authority's financial statements for the year ended December 31, 2019. A draft of these financial statements along with a copy of PwC's year-end report to the Board of Directors is provided in Attachments 1 and 2. PwC Audit Partner, Terri McKinnon, will be attending the June 3, 2020 Board meeting to provide an update on the status of their work, as well as a summary on significant accounting and financial reporting matters dealt with during the audit process.

RECOMMENDATIONS

The Acting President, Toronto Parking Authority recommends that:

1. The Board of Directors of Toronto Parking Authority approve the audited financial statements for the year ended December 31, 2019.

FINANCIAL IMPACT

Toronto Parking Authority's annual distribution to the City of Toronto for the 2019 financial year is $62.6 million.

DECISION HISTORY

Audited financial statements for Toronto Parking Authority are required to be submitted on an annual basis to the Board of Directors, the City of Toronto (City) Audit Committee and City Council.

Pursuant to City of Toronto Municipal Code Chapter 179, *Parking Authority*, the City's external auditor shall be the auditor of the Parking Authority, and all books, documents, transactions, minutes and accounts of the Parking Authority shall, at all times, be open to his or her inspection. The City's Auditor General conducts a competitive process to select an external auditor and at its meeting on March 31, April 1 and 2, 2015, City Council approved Pricewaterhouse Coopers LLP, Chartered Accountants, as the Auditor for the City from 2015-2019. As a result, Pricewaterhouse Coopers LLP is appointed as the auditor for TPA.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.AU1.20

COMMENTS

Summary of 2019 Financial Results

Toronto Parking Authority's net income sharing distribution to the City of Toronto for the 2019 financial year is $62.6 million, up $5.7 million or 10.0 percent from 2018.

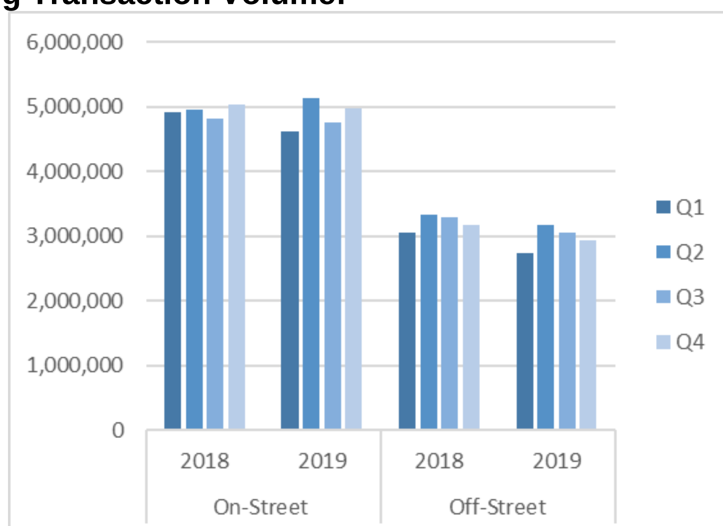
Total 2019 net income for the year increased 17.6 percent or $11.8 million over the prior year to $78.7 million primarily due to a gain on the sale of 221 St Patrick Street of $7.0 million along with on-street parking revenue growth of $2.1 million or 3.7 percent, despite transaction volume declines of -1.1 percent. Off-street performance remained at 2018 levels as car park closures and construction activity translated into a -5.5 percent volume decline, offsetting parking rate increases.

Total operating expense before other income decreased -$3.2 million or -3.6 percent over the prior year as a result of lower maintenance project activity and property taxes, offset by general inflationary price increases.

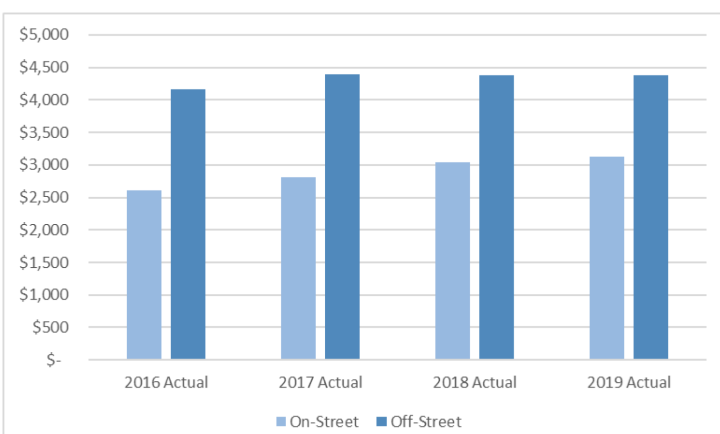
2019 Parking Results:

$000's	2019 Actual	2018 Actual	2019 Actual vs 2018 Actual	
Off-street	92,003	91,963	40	**0.0%**
On-Street	60,704	58,565	2,139	**3.7%**
Parking revenue	**152,707**	**150,528**	**2,179**	**1.4%**
Operating expenses	74,465	76,556	2,091	2.7%
Administrative expenses	11,483	12,571	1,088	8.7%
Income from operations	**66,759**	**61,401**	**5,358**	**8.7%**
Operating Margin %	**43.7%**	**40.8%**		
Other income	4,926	4,638	288	6.2%
Net income before one-time gains	**71,685**	**66,039**	**5,646**	**8.5%**
Gain on the sale of assets	7,082	936	6,146	656.6%
Net income	**78,767**	**66,975**	**11,792**	**17.6%**

Parking Transaction Volume:



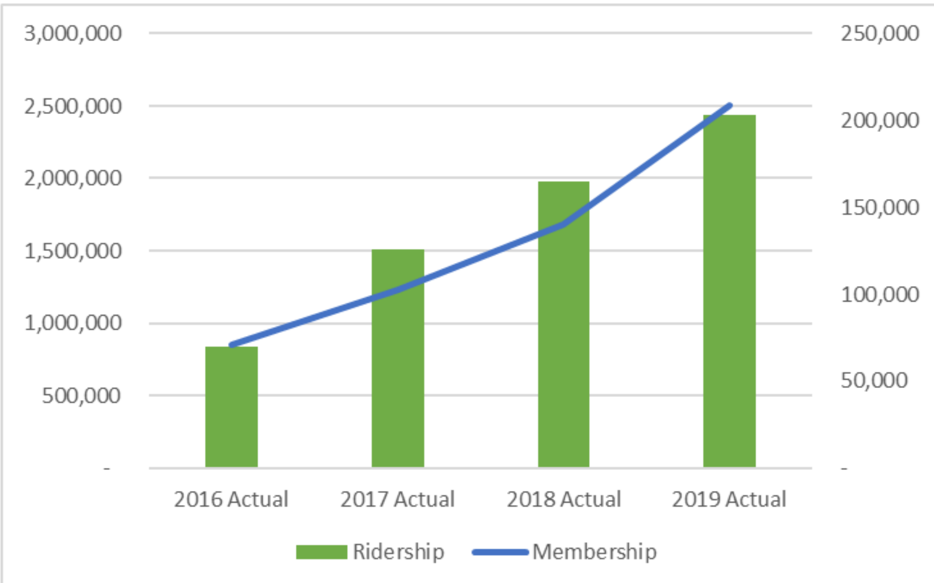
Parking Revenue per Space:



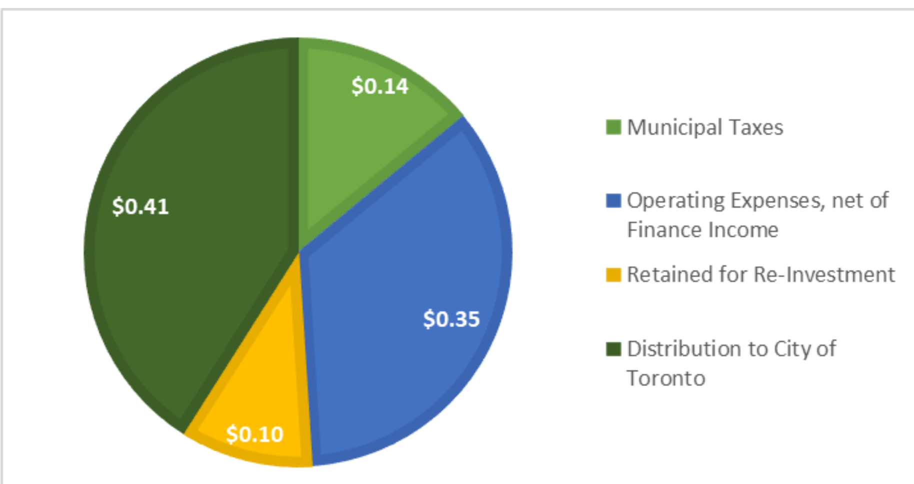
2019 Bike Share Results:

$000's	2019 Actual	2018 Actual	2019 Actual vs 2018 Actual	
Ridership revenue	3,502	2,642	860	32.6%
Advertising and other revenue	469	359	110	30.5%
Bike Share revenue	**3,971**	**3,001**	**970**	**32.3%**
Operating expenses	5,847	5,349	(498)	-9.3%
Administrative expenses	543	289	(254)	-88.1%
Net loss	**(2,419)**	**(2,637)**	**218**	**-8.3%**

Bike Share Ridership and Membership:



How each GreenP Dollar of 2019 Revenue is Spent:



CONTACT

Phyllis Gallagher, Acting Vice President, Finance, Toronto Parking Authority, 416-393-7296, Phyllis.Gallagher@toronto.ca

SIGNATURE

Robin Oliphant, Acting President
Toronto Parking Authority

ATTACHMENTS

Attachment 1 - Toronto Parking Authority Audit Results for the Year Ending December 31, 2019

Attachment 2 - Toronto Parking Authority Draft 2019 Audited Financial Statements