

### CreateTO 2020 Financial Results

**Date:** April 26, 2021  
**To:** The Board of Directors of CreateTO  
**From:** Chief Financial Officer  
**Wards:** All

#### SUMMARY

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As the City of Toronto's real estate agency, CreateTO manages the City's real estate portfolio, develops City lands and buildings for municipal purposes, and delivers client-focused real estate solutions to City divisions, agencies and corporations.

2020 marked an unprecedented year with the COVID-19 pandemic. While this required some adjustments as an organization, there was no significant impact to the financial statements of CreateTO. Staff adapted to the new working environment and continued to move forward key city initiatives such as Housing Now, Modular Housing and ModernTO. Please refer to attachment 1 for further details on these initiatives and our 2020 highlights.

For the year ending December 31, 2020, KPMG LLP came on as our new auditors and delivered a clean audit opinion. Please refer to attachment 2 for KPMG LLP's audit findings report and attachment 3 for the audited financial statements.

#### RECOMMENDATIONS

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The Chief Executive Officer recommends that the CreateTO Board of Directors:

1. Receive for information KPMG LLP's draft audit findings report, in Attachment 2 of this report.
2. Receive for information CreateTO 2020 Highlights, in Attachment 1 of this report.
3. Approve the 2020 Audited Financial Statements, in Attachment 3 of this report.
4. Recommend that City Council receive for information CreateTO 2020 Highlights, in Attachment 1 of this report.
5. Recommend that City Council approve the 2020 Audited Financial Statements, in Attachment 3 of this report.

## FINANCIAL IMPACT

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There is no financial impact.

## DECISION HISTORY

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Audited financial statements for CreateTO are required to be submitted on an annual basis to the Board, City of Toronto Audit Committee, and ultimately to City Council.

<https://www.toronto.ca/legdocs/municode/toronto-code-215.pdf>

## COMMENTS

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For the year ending December 31, 2020, gross expenditures were \$13.85 million. This represents a \$0.81 million favourable variance to budget. Please see Table 1 for details.

The favourable variance is primarily related to lower office costs as a result of staff working from home, lower project investigative costs and lower human resource costs.

**Table 1: 2020 Financial Results**

(in millions)	Actual \$	Budget \$	Variance \$
<b>Revenue</b>	<b>13.85</b>	<b>14.66</b>	<b>(0.81)</b>
<b>Expenditures</b>			
Salaries and benefits	11.68	11.86	0.18
Office services	0.69	1.01	0.32
Office occupancy	0.86	0.72	(0.14)
Professional fees	0.18	0.21	0.03
Marketing and promotion	0.09	0.20	0.11
Project investigative costs	0.20	0.50	0.30
Amortization	0.15	0.16	0.01
<b>Total Expenditures</b>	<b>13.85*</b>	<b>14.66</b>	<b>0.81</b>
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>

*\*Note: Actual financial results differ from those reported to the City due to the treatment of capital expenditures. Capital expenditures are expensed for City reporting and capitalized for financial reporting. This results in a variance in total expenditures of \$0.64 million as reported to the City versus the \$0.81 million as indicated above.*

## **CONTACT**

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## **SIGNATURE**

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Jaspreet Hansra-Kulasingam  
Chief Financial Officer

## **ATTACHMENTS**

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1. Attachment 1: CreateTO 2020 Highlights
2. Attachment 2: KPMG LLP Audit Findings Report
3. Attachment 3: 2020 Draft Audited Financial Statements