

# CreateTO 2022 Financial Results

**Date:** April 6, 2023

**To:** The Board of Directors of CreateTO

**From:** Chief Financial Officer

**Wards:** All

## SUMMARY

---

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.

The strategic use of the City's real estate assets is central to achieving Toronto City Council's goals around the delivery of housing, environmental sustainability, economic development, cultural vitality and community health, and diversity, equity and inclusion. CreateTO is committed to supporting the City in reaching the targets identified in each of these public policy areas. Key accomplishments achieved in 2022 have been summarized in CreateTO's 2022 Highlights Report. Please refer to Attachment 1 for details.

For the year ending December 31, 2022, KPMG LLP conducted the audit 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**

---

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

1. Receive for information the CreateTO 2022 Highlights Report, in Attachment 1 of this report.
2. Receive for information KPMG LLP's audit findings report, in Attachment 2 of this report.
3. Approve the 2022 Audited Financial Statements, in Attachment 3 of this report.
4. Recommend that City Council receive for information the CreateTO 2022 Highlights Report, in Attachment 1 of this report.
5. Recommend that City Council approve the 2022 Audited Financial Statements, in Attachment 3 of this report.

## **FINANCIAL IMPACT**

---

There is no financial impact.

## **DECISION HISTORY**

---

Audited financial statements for CreateTO are required to be submitted on an annual basis to the Board and to City Council.

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

## **COMMENTS**

---

For the year ending December 31, 2022, gross expenditures were \$15.94 million. This represents a \$0.89 million favourable variance to budget. Please see Table 1 for details.

The favourable variance is due to lower project investigative costs, professional fees and salaries and benefits costs.

**Table 1: 2022 DRAFT Financial Results**

(In millions)	<b>Actual \$</b>	<b>Budget \$</b>	<b>Variance \$</b>
<b>Revenue</b>			
Management fees <sup>1</sup>	7.90	10.81	(2.91)
City funding <sup>2</sup>	7.91	5.99	1.92
Interest	0.13	0.03	0.10
	<b>15.94</b>	<b>16.83</b>	<b>(0.89)</b>
<b>Expenditures</b>			
Salaries and benefits <sup>3</sup>	14.29	14.49	0.20
Office services and other	0.90	0.91	0.01
Professional fees <sup>4</sup>	0.54	0.69	0.15
Marketing & promotion	0.14	0.24	0.10
Project investigative costs <sup>5</sup>	0.07	0.50	0.43
	<b>15.94</b>	<b>16.83</b>	<b>0.89</b>
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>

1. Management fees reflect funding from Build Toronto Inc. and Toronto Port Lands Company. This amount will fluctuate on an annual basis, based on the total expenditures of the agency and the level of City funding received. In 2022 total expenditures came in lower, coupled with higher City funding, resulting in lower management fees.
2. In 2022 City funding was higher than budget due to unbudgeted project management fees received for work performed on the Etobicoke Civic Centre. City funding reflects capital funding to support the advancement of key City initiatives such as Housing Now and ModernTO.
3. In 2022 salary and benefits were lower than budget primarily due to staff vacancies.

4. In 2022 professional fees were lower than budget primarily due to lower consulting fees due to the timing of work.
5. Project investigative costs represent funding required to support initial feasibility analysis prior to bringing projects/strategies to council for approval. These costs will fluctuate annually.

## **CONTACT**

---

Jaspreet Hansra-Kulasingam, Chief Financial Officer, 416-981-3765,  
[jhansrakulasingam@createto.ca](mailto:jhansrakulasingam@createto.ca)

Susan O'Neill, Director, Communications and Marketing, 416-981-3759,  
[soneill@createto.ca](mailto:soneill@createto.ca)

## **SIGNATURE**

---

Jaspreet Hansra-Kulasingam  
Chief Financial Officer

## **ATTACHMENTS**

---

1. Attachment 1: CreateTO 2022 Highlights Report
2. Attachment 2: KPMG LLP Audit Findings Report
3. Attachment 3: 2022 Draft Audited Financial Statements