TORONTO PARKING AUTHORITY

2024 Operating Budget
2024-2033 Capital Budget and Plan

TPA Board Audit and Risk Management Committee
November 2, 2023

Overview – Toronto Parking Authority

Who we are?

The Toronto Parking Authority is North America's largest municipally-owned operator of commercial parking and manages Bike Share Toronto, North America's fourth largest bike share program.

Our Mission

To re-imagine how Toronto moves by creating a seamless mobility experience that delivers on choice, ease, and speed through Toronto.

Our Vision

To become the world's best provider of sustainable parking, bike share and last mile mobility experiences for our customers, our partners, and our city.

Our Approach

"One Team, One Vision, One City"

2024 Priority Actions

Strategic Platforms

1. **Build a Great Place to Work**
   - Safety, Talent, Engagement, Rewards and Recognition
2. **Strengthen the Core, Execute with Excellence**
   - SOGR, Security, Capital Productivity, Asset Management
3. **Drive Sustainable Growth**
   - Deliver P&L, Grow Bike Share & Parking, EV Transformation
4. **Connect with our Customers**
   - Modernize Cx at Point of Sale, Prototype Innovation Hubs, Accelerate & Integrate Digitization Across all Platforms
5. **Innovate with our City Stakeholders/Partners**
   - **Sustainable Profit-Sharing Agreement with City**; Expand Strategic Partnerships; Activate City-wide Parking Strategy

Strategic Enablers

Talent

Culture

Analytics

Technology

Innovation

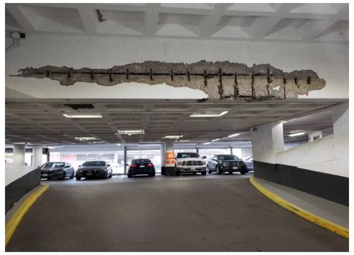
Build a Great Place to Work

Bike Share

EV Charging

Mobility Hubs

Parking Equipment



SOGR

Tangerine

How Well We Are Doing – Behind The Numbers

Operations for the year ending December 31, 2023

(in thousands)	Forecast	Budget	Change	%
Revenue	**144,823**	**140,610**	**4,214**	**3.0%**
Direct operating	(58,959)	(61,462)	2,503	4.1%
Administration	(19,018)	(21,173)	2,156	10.2%
Municipal property tax	(25,235)	(22,686)	(2,548)	-11.2%
Total Operating Expense	**(103,211)**	**(105,322)**	**2,111**	**2.0%**
EBITDA	**41,612**	**35,288**	**6,324**	**17.9%**
Amortization	(9,513)	(11,146)	1,633	14.7%
Finance income	5,236	1,302	3,933	302.0%
Net income	**37,335**	**25,444**	**11,891**	**46.7%**

- 2023 Forecasted Net Income of $37.3M, + $11.9M v plan; assumes October-December revenue run rate of 85.7 % index versus 2019 levels
- Capital investments for the year is estimated at $60.3M with $19.5M carried forward to 2024; forecasting year end cash position of $50M+
- TPA is delivering against all its Big Bets in 2023*:
    - Expansion of EV Charging Network to 400 EV chargers;
    - Second year execution of the 4-Year Bike Share Growth Plan;
    - New Bike Share rate structure and Tangerine partnership;
    - Organizational restructuring with a focus on Growth;
    - New Enforcement Technology; and
    - Approval of new Relationship Framework.

2023 Highlights

PROFIT
$37.3M
+ $11.9M v PLAN

REVENUE
$144.8M
+ $4.2M v PLAN

OPERATING EXPENSE
$103.2M
+$2.1M v PLAN

BIG BET #1
Capital
- On track to spend 90+ % of TPA-led capital budget of $45.5 M

BIG BET #2
EV Charging
- 400 EV Chargers (+285)
- 31k transactions (est.)
- Leading on-street EV
- Strategic Partner EoI

BIG BET #3
Bike Share
- Record 5.4M Trips
- 1,825 E-Bikes (+1,300)
- 780 Stations (+160)
- Tangerine Bank

BIG BET #4
SOGR/Modernization
- Invested $20 M across 3 facilities
- 225 new Pay-by-Plate Payment Machines

BIG BET #5
Governance
- New Relationship Framework
- Expanded Delegation of Authority
- Income Share Agreement

BIG BET #6
Organization
- Structured for success
- Rules of the Road
- Rewards and Recognition

2024 Operating Budget

$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2024 Budget vs 2023 Budget		2023 Forecast vs 2023 Budget	
Off-Street revenue	84,643	82,675	76,992	1,968	2%	7,652	10%	5,684	7%
On-Street revenue	59,722	50,185	51,282	9,536	19%	8,440	16%	(1,096)	-2%
Bike Share revenue	13,288	9,991	10,663	3,297	33%	2,625	25%	(672)	-6%
Total parking & user revenue	**157,653**	**142,851**	**138,936**	**14,801**	**10%**	**18,716**	**13%**	**3,915**	**3%**
Other revenue	1,939	1,972	1,673	(33)	-2%	266	16%	299	18%
Total revenue	**159,592**	**144,823**	**140,610**	**14,769**	**10%**	**18,983**	**14%**	**4,214**	**3%**
Direct expenses - operating	(67,154)	(58,959)	(61,462)	(8,195)	-14%	(5,692)	-9%	2,503	4%
Municipal property tax	(23,918)	(25,235)	(22,686)	1,317	5%	(1,232)	-5%	(2,548)	-11%
Total Operating Expenses	**(91,072)**	**(84,194)**	**(84,149)**	**(6,878)**	**-8%**	**(6,923)**	**-8%**	**(45)**	**0%**
Total Operating Income	**68,520**	**60,630**	**56,461**	**7,890**	**13%**	**12,059**	**21%**	**4,169**	**7%**
Indirect expenses	(20,823)	(19,018)	(21,173)	(1,806)	-9%	350	2%	2,155	10%
EBITDA	**47,697**	**41,612**	**35,288**	**6,085**	**15%**	**12,409**	**35%**	**6,324**	**18%**
Finance Income	2,766	5,236	1,302	(2,470)	-47%	1,463	112%	3,933	302%
Amortization of property and equipment	(18,541)	(9,513)	(11,146)	(9,028)	-95%	(7,395)	-66%	1,633	15%
Net income	**31,921**	**37,335**	**25,444**	**(5,414)**	**-14%**	**6,478**	**25%**	**11,891**	**47%**

2024 Highlights:

- EBITDA of $47.7M (+15%) vs Forecast
- Planned revenue + $14.8M (+10%) vs Forecast Parking revenue 2019 indexed at 94.4% +7.4% v 2023
- Operating expenses +$6.9M (+8%)
- Indirect expenses +$1.8M (+9%)
- Finance income ($2.4M) due to lower cash balance as a result of capital investments
- Amortization of property and equipment +$9M reflecting recent modernization of facilities and equipment (~$140M in capital investments in 2023 and 2024)

2024 Operating Budget – Revenue Categories

$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2024 Budget vs 2023 Budget		2023 Forecast vs 2023 Budget	
Off-Street revenue	84,643	82,675	76,992	1,968	2%	7,652	10%	5,684	7%
On-Street revenue	59,722	50,185	51,282	9,536	19%	8,440	16%	(1,096)	-2%
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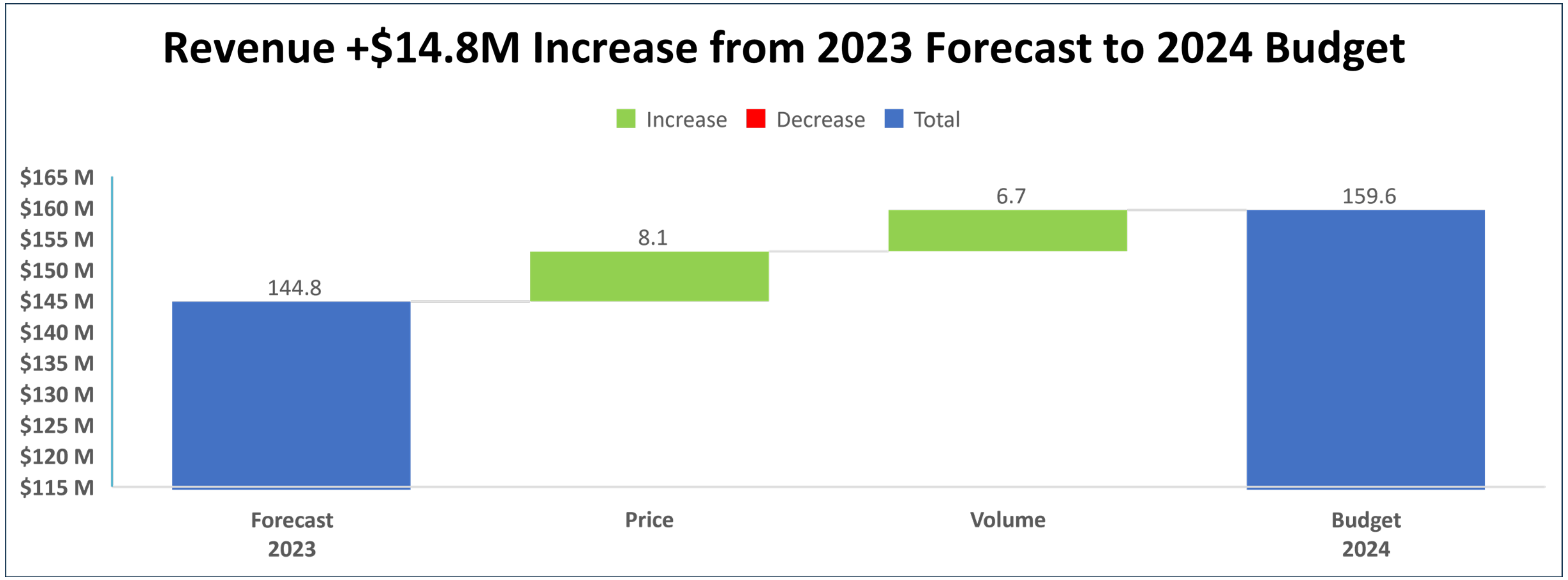


2024 Highlights:

Planned revenue + $14.8 million (+10%) v Forecast; 2019 indexed at 94.4% +8.7% v 2023

+$14.8M planned revenue driven by:

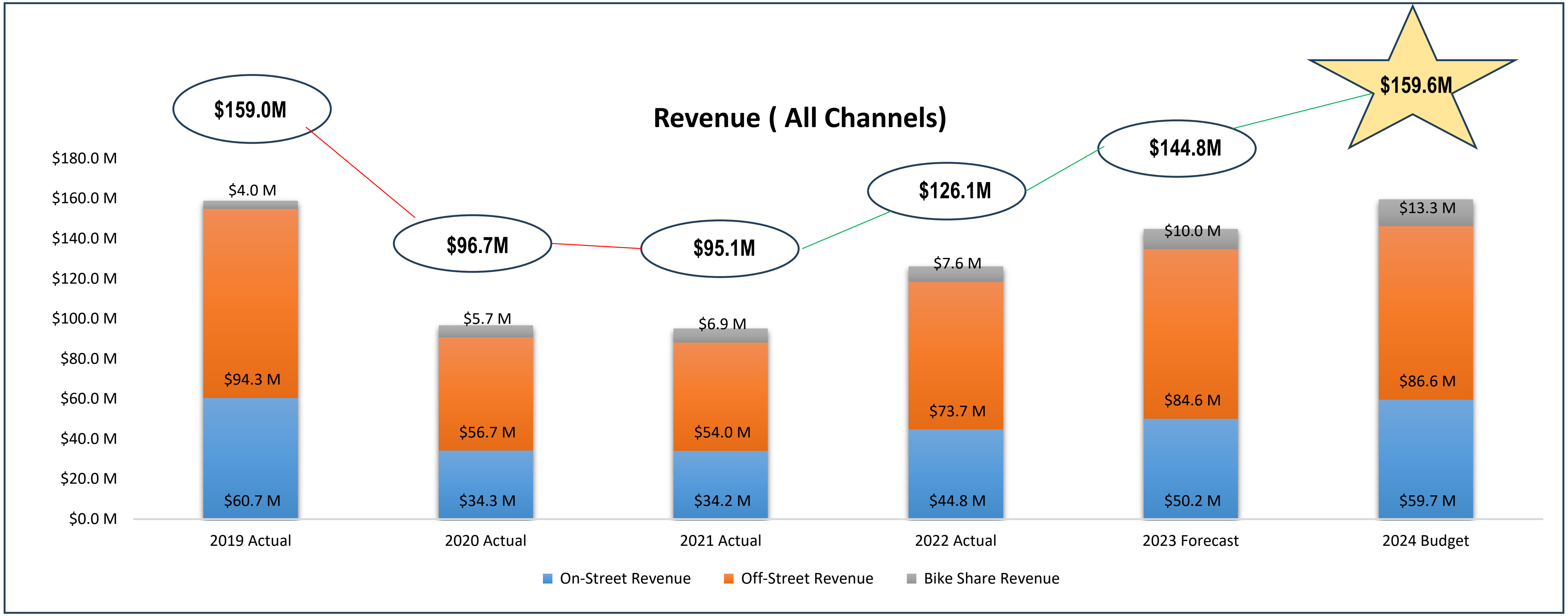
Price:

- + $8.1M from increased parking rates ($6.5M from On-Street and $1.6M from Off-Street)

Volume:

- + $3.4M in volume driven by +6% in transaction growth and new B2B opportunities
- + $3.3M in Bike Share revenue due to increase in ridership tracing to organic growth and favourable mix to E-bikes

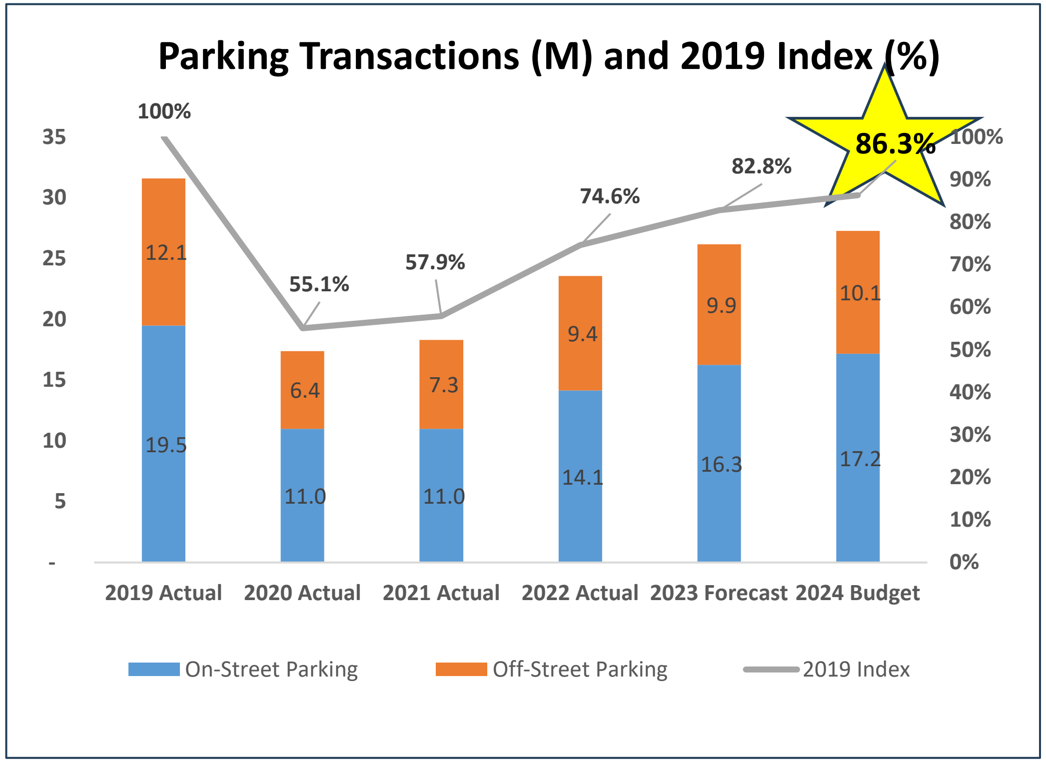
TPA Will Exceed Pre-Pandemic Revenue Levels By 2024

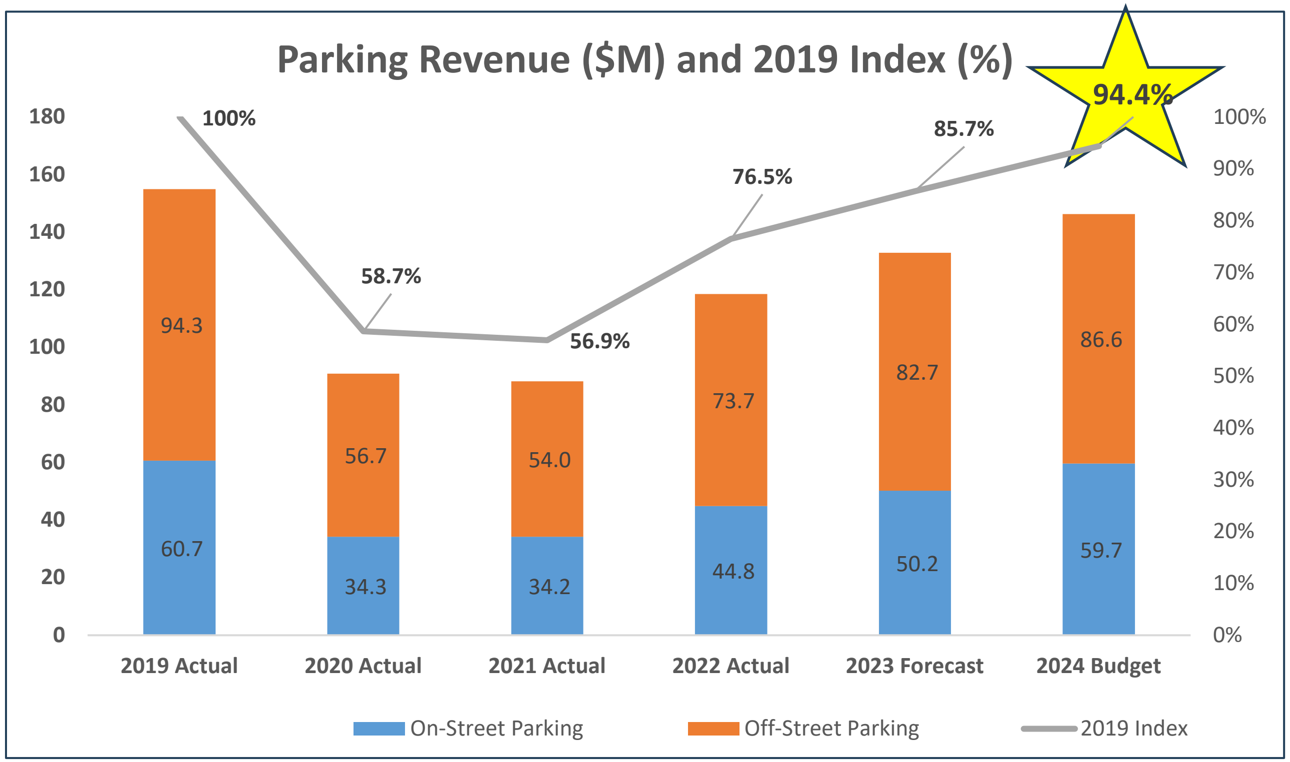


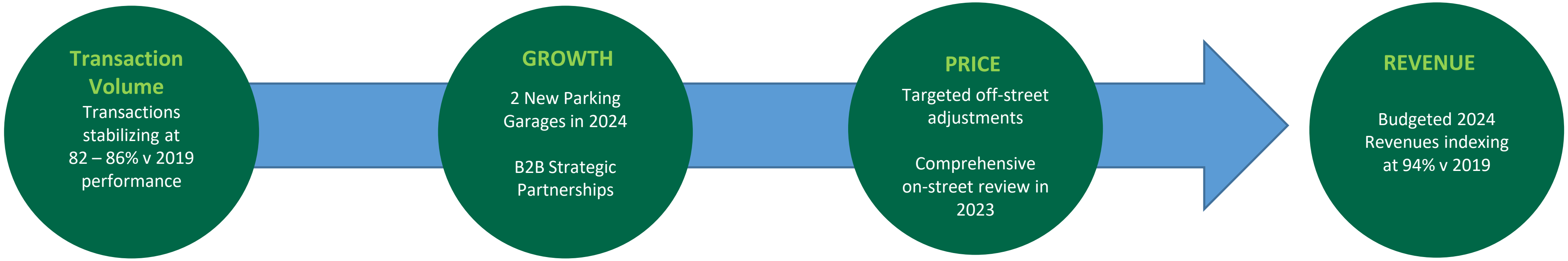
2023 Full Year Forecast

Parking Revenue	Bike Share Revenue	Off-Street Revenue	EV Charging Sessions	On-Street Revenue	Green P Users
$134.8M	**$10.0M**	**$84.6M**	**31,000**	**$50.2M**	**1.6M**
+ $16.2M v PY	+ $2.3 M v PY	+$10.9M v PY	N/A	+$5.3 M v PY	+0.3M v PY

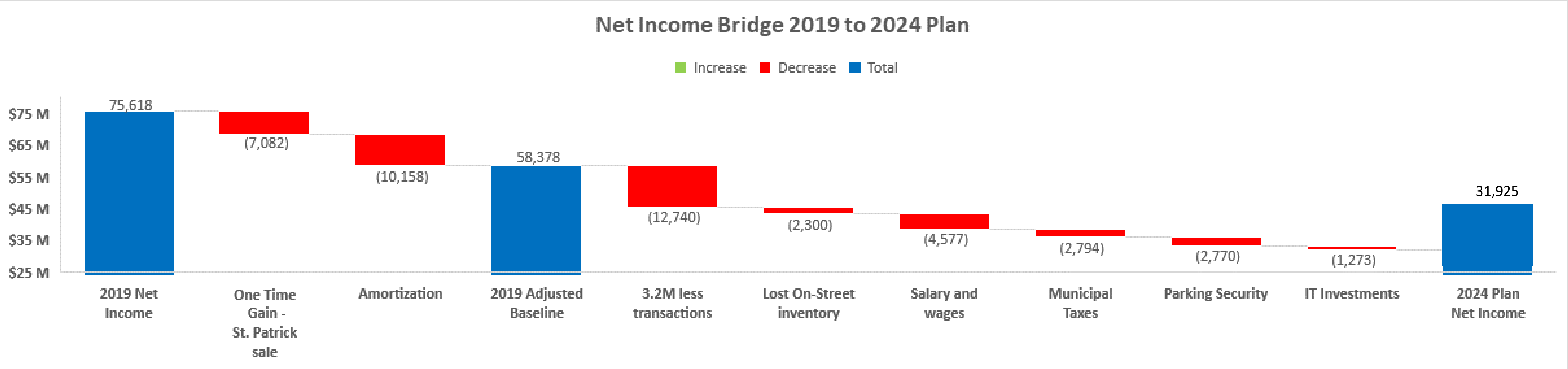
TPA Is Re-imagining its Business Model to Better Support our Growth Agenda and Toronto's Long-term Journey to a More Sustainable Future







Net Income Recovery vs 2019 Lagging Top Line Performance



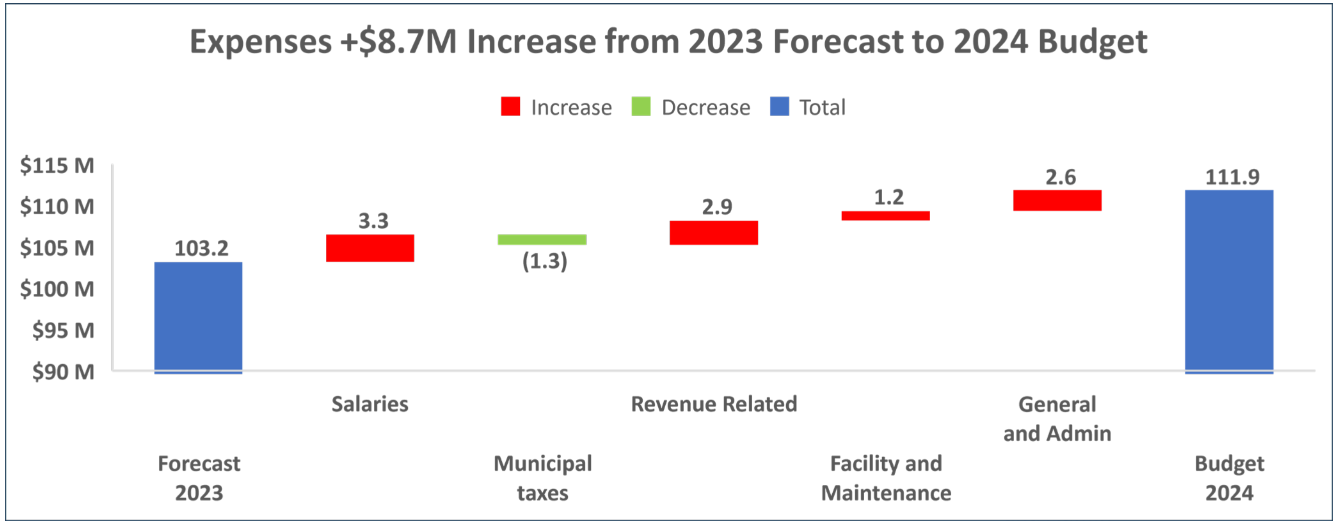
Revenue in 2024 is budgeted to exceed 2019 levels; however, Net income will be $31.9; $26.5M* lower than 2019 due to:

- $12.7M due to reduced parking transactions tracing to new hybrid workplace.
- $2.3M due to reduction in on-street inventory (Café TO and City construction)
- $4.6M related to annual merit increases and upskilling of staff (3.2% CAGR)
- $2.8M municipal taxes increase
- $2.8M related to investments in security to address higher incident rates impacting customers and staff
- $1.3M to support investments in IT, PCI Compliance and Cybersecurity

*2019 Net Income adjusted for one-time gains and amortization is $58.4M vs $31.9M in 2024 or $26.5M lower

2024 Operating Budget Expenditure Categories

$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2023 Forecast vs 2023 Budget	
				$	%	$	%
Salaries, wages and benefits	31,038	27,731	33,466	(3,307)	-12%	5,735	17%
Municipal taxes	23,918	25,181	22,686	1,263	5%	(2,494)	-11%
Revenue related costs	30,394	27,460	26,425	(2,934)	-11%	(1,035)	-4%
Facility and maintenance	15,078	13,894	13,344	(1,183)	-9%	(550)	-4%
General and admin	11,468	8,914	9,400	(2,554)	-29%	486	5%
Total	**111,895**	**103,180**	**105,322**	**(8,715)**	**-8%**	**2,142**	**2%**



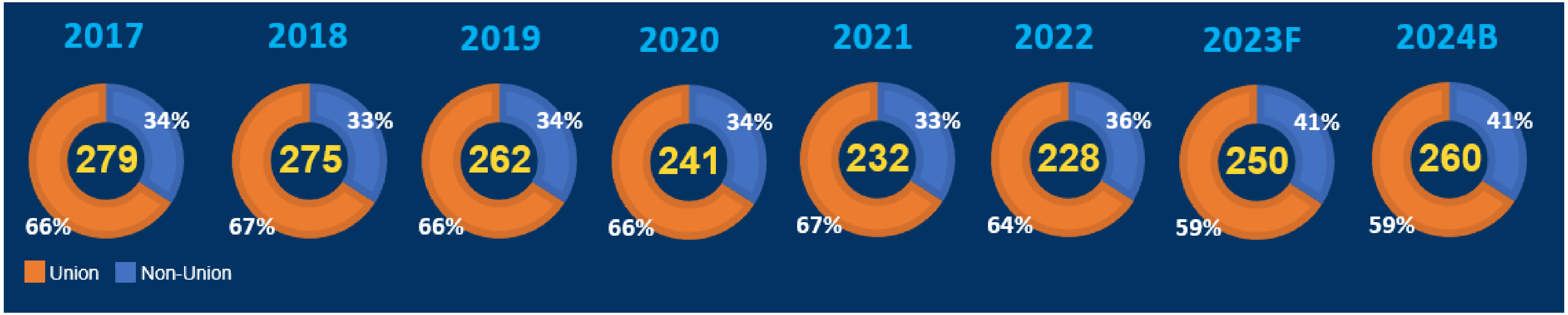
Highlights:

+$8.7M 2024 Operating Budget Increase over 2023 driven by:

- +$3.3M salaries and benefits (+$2.6M annualized impact of 2023 new hires and vacant positions, +$0.7M Merit)
- ($1.3M) in municipal taxes due to historical back taxes for one property recognized in 2023
- +$2.9M in revenue related costs mainly due to growth:
  - +$1.1M Bike Share direct expenditures to support growth
  - +$0.9M transaction processing costs reflecting growth in parking and Bike Share
  - +$0.6M to Implement new parking rates in legacy Pay & Display machines
- +$1.2M in facilities and maintenance; $0.6M for spare Bike Share bike parts, $0.6M related to contractual CPI increases, insurance and electric charging program
- +$2.6M in costs supporting organizational growth programs in EV charging, marketing and talent development

TPA Driving Growth Agenda While Keeping Staff Levels Below 2019*

Staffing

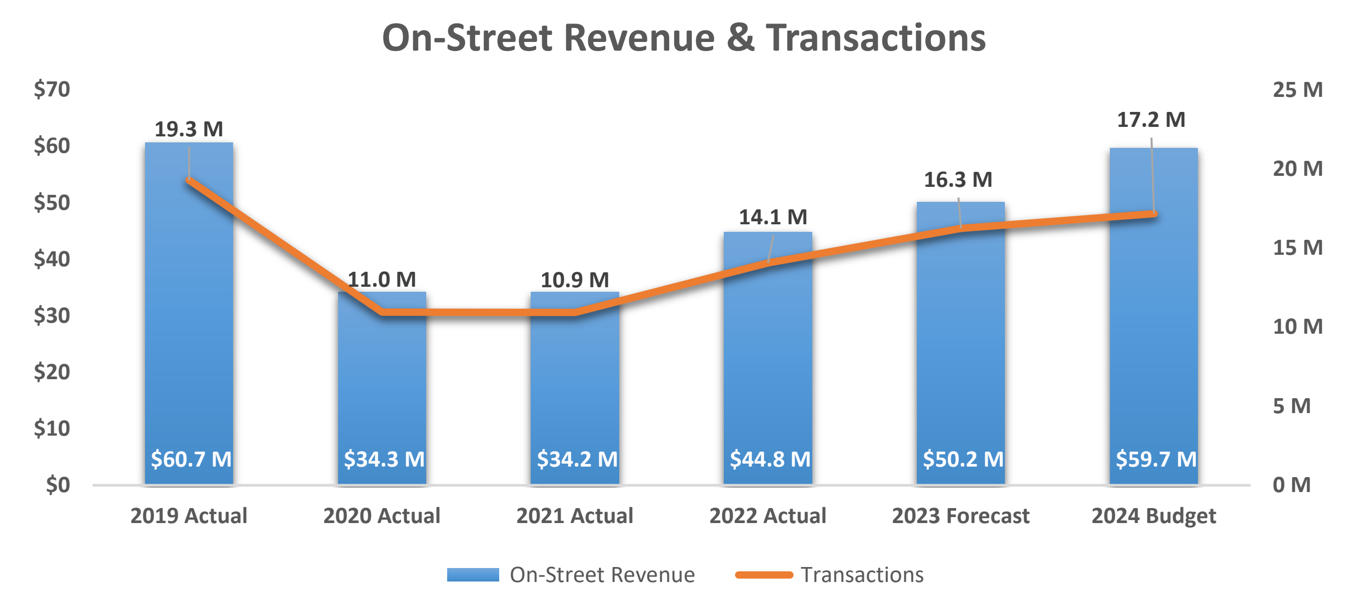


Highlights

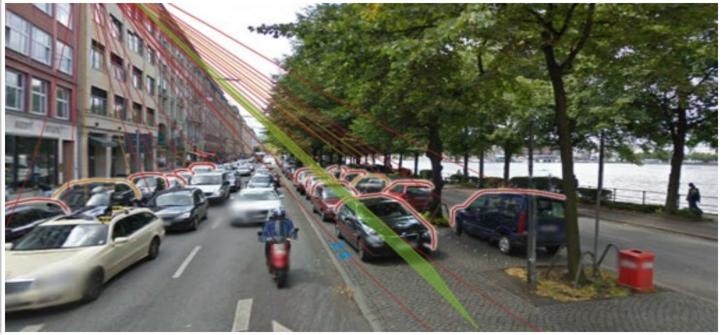
- TPA right-sized staffing levels reflecting post-pandemic impact on revenues and profit
- 65% of non-union staff (76) exited the organization post-2019
- Post-2021, Management invested in staff with capabilities, skills and leadership necessary to deliver TPA's growth agenda, including, EV development, Bike Share expansion, State of Good Repair, IT modernization and improved Financial/Operational rigour.
- Total salary and benefits in 2024 +$4.6 M vs 2019 baseline; +3.2% CAGR (merit, staff mix)

* Excludes part-time student labour

How Well Are We Doing – On-Street Parking



2023 FULL YEAR		
Transactions **16.3M+** +2.2M v PY	ATV **$3.02** - $0.08 cents v PY	Average Dwell Time **80.9min** +1.4 min v PY
Revenue per stall **$2.3K+** + $23 v PY	Stalls **21K** flat v PY	Equipment uptime **99.4%** +1% v PY
Mobile Payment **72%** +11 % v PY	Credit Payment **20%** -9 % v PY	Cash Payment **8%** -2 v PY



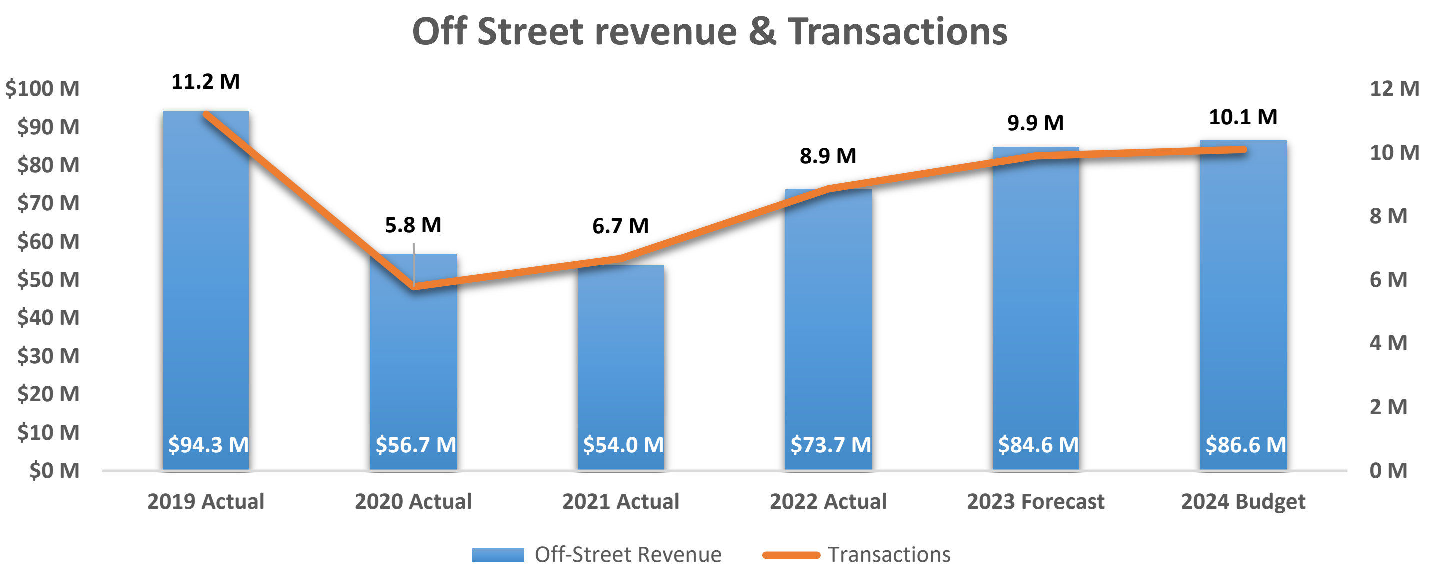
2024 On-Street Budget

$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2024 Budget vs 2023 Budget		2023 Forecast vs 2023 Budget	
On-Street parking revenue	**59,722**	**50,185**	**51,282**	**9,536**	**19%**	**8,440**	**16%**	**(1,096)**	**-2%**
Direct expenses - operating	(12,548)	(10,029)	(10,398)	(2,519)	-25%	(2,150)	-21%	369	4%
Total Operating expenses	**(12,548)**	**(10,029)**	**(10,398)**	**(2,519)**	**-25%**	**(2,150)**	**-21%**	**369**	**4%**
Total Operating Income	**47,174**	**40,157**	**40,884**	**7,017**	**17%**	**6,290**	**15%**	**(727)**	**-2%**

Highlights:

- Operating Income +7.0M v 2023
- Revenue +$9.5M; +$6.5M price +$3.0M Volume on +6% transaction growth
  - Revenue 2019 index: Sep 2023 YTD 82.5%, 82.7% full year 2023 and 98.4% 2024.
  - Transaction 2019 Index: Sept 2023 YTD 81.8%, 84.2% full year 2023. 89.0% 2024.
- Operating expenses are +$2.5M higher mainly driven by:
  - +$0.6M in annualized salaries impact and from vacant roles in 2023
  - +$1.0M in revenue related cost due to revenue price and volume growth
  - +$0.9M from installation of parking management solutions, marketing to support EV and parking growth, and CPI increases

How Well Are We Doing – Off-Street Parking



2023 FULL YEAR

Transaction	ATV	Average Dwell Time
9.9M+ +0.4M v PY	$8.14 +$0.43 v PY	5.0hrs -0.2 hrs v PY
Revenue per stall $1.9K+ +$200 v PY	**Stalls** 41K Flat v PY	**Equipment uptime** 99.4% +1% v PY
Mobile Payment 41% +4 % v PY	**Credit Card Payment** 51% -2 % v PY	**Cash Payment** 8% -2 % v PY

EV Enforcement

Kensington Market

Digitization

Modernized Payment Equipment

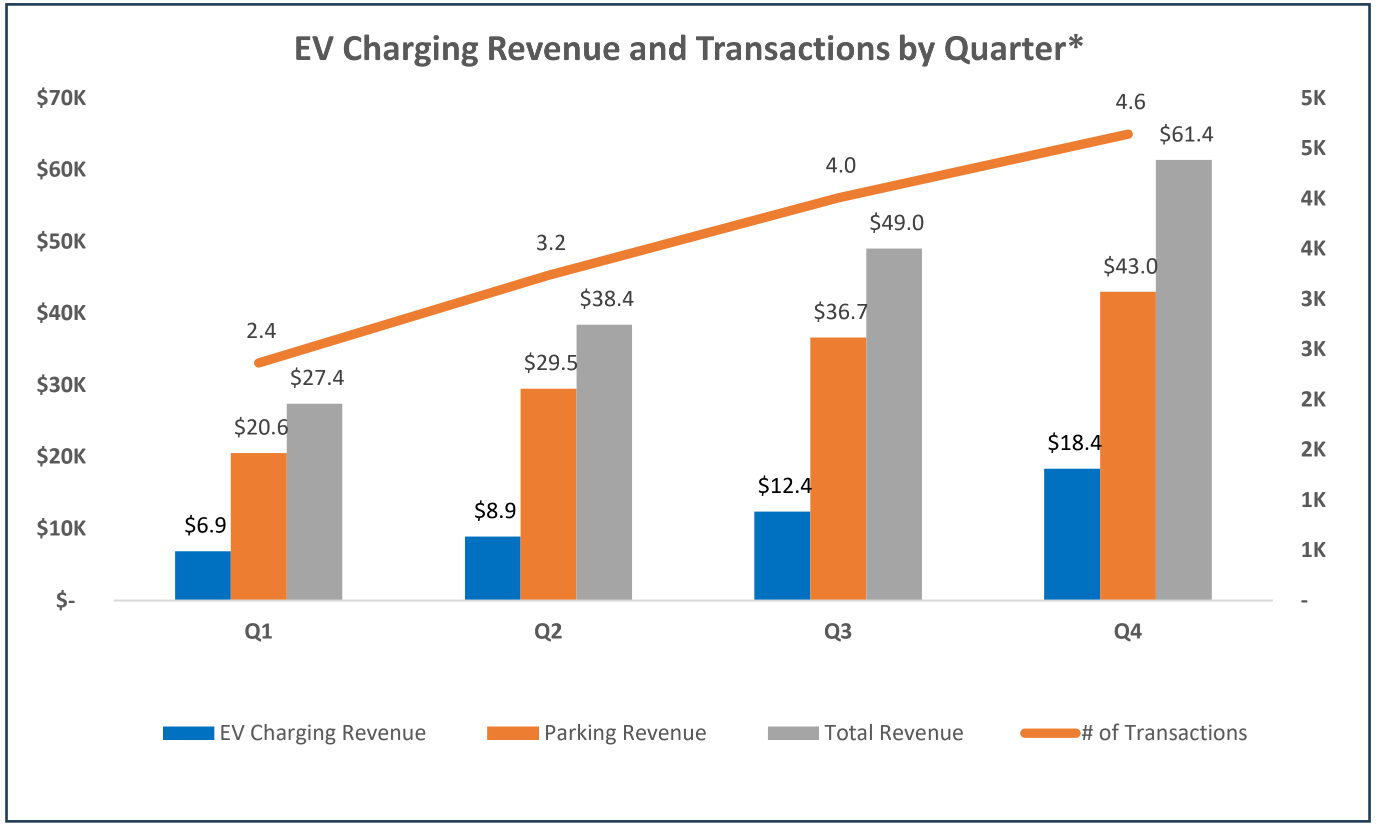
2024 Off-Street Budget

$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2024 Budget vs 2023 Budget		2023 Forecast vs 2023 Budget	
Off-Street parking revenue	84,643	82,675	76,992	1,968	2%	7,652	10%	5,684	7%
Other revenue	1,939	1,972	1,673	(33)	-2%	266	16%	299	18%
Total revenue	**86,583**	**84,647**	**78,665**	**1,936**	**2%**	**7,918**	**10%**	**5,982**	**8%**
Direct expenses - operating	(38,502)	(35,278)	(38,744)	(3,225)	-9%	241	1%	3,466	9%
Municipal property tax	(23,918)	(25,235)	(22,686)	1,317	5%	(1,232)	-5%	(2,548)	-11%
Total Operating expenses	**(62,420)**	**(60,512)**	**(61,430)**	**(1,908)**	**-3%**	**(990)**	**-2%**	**918**	**1%**
Total Operating Income	**24,162**	**24,135**	**17,235**	**27**	**0%**	**6,928**	**40%**	**6,900**	**40%**

Highlights:

- Operating Income flat vs 2023 forecast.
- Revenue +$1.9M; +$1.6M price and +$0.3M new B2B growth
  - Revenue 2019 index: Sep 2023 YTD 90.4%, 90.0% Full Year 2023 and 2024.
  - Transaction 2019 Index: Sept 2023 YTD 88.3%, 88.3% remaining 2023. 90.1% 2024
- Operating expenses are +$1.9M mainly driven by +$2.7M in annualized salaries impact from vacant roles in 2023 offset by municipal taxes ($1.3M) due to historical back taxes for one property recognized in 2023
- Unfavourability on margins tracing to City ABCs historical agreements (approx. 55% of off-street inventory contributes only 11% of total margin)

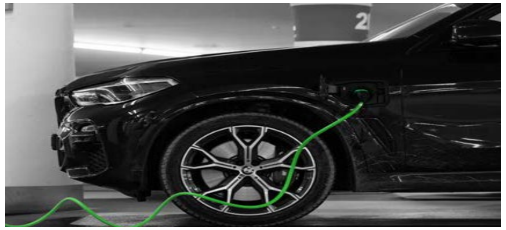
How Well are We Doing – EV Charging



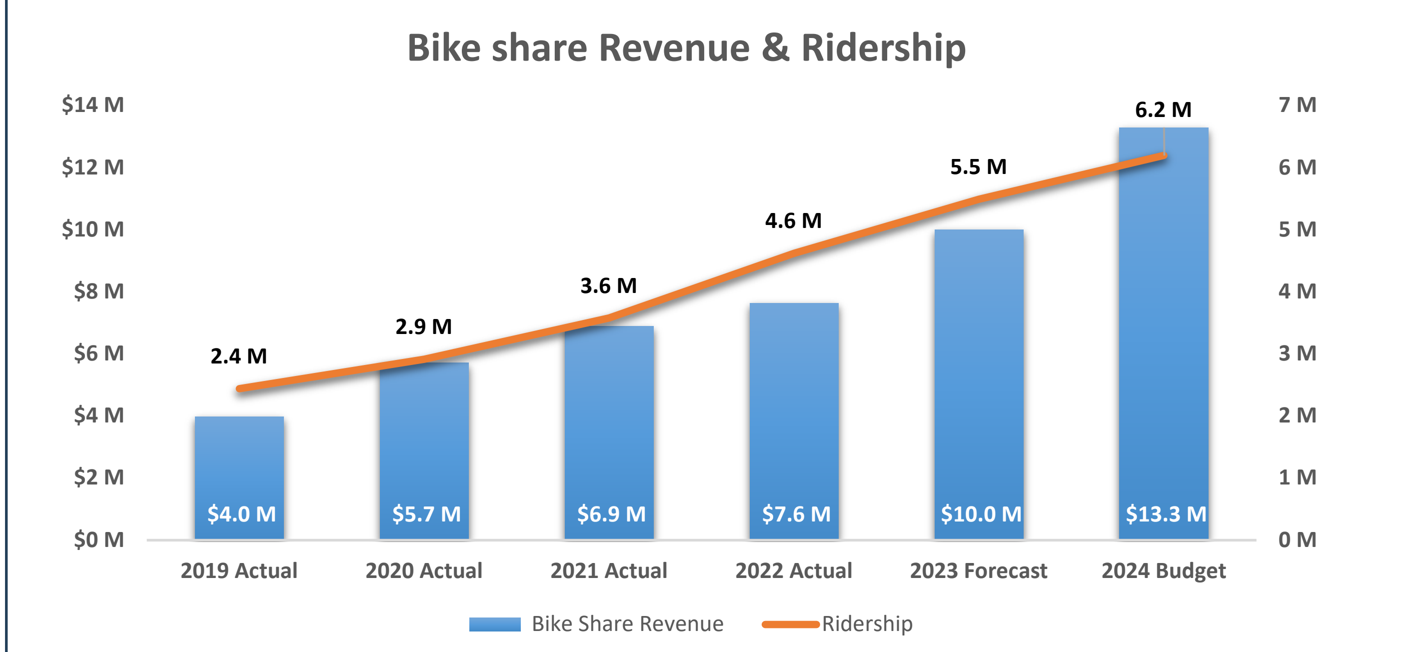
2023 FULL YEAR		
Charging Sessions **31K****	On and Off-Street Chargers **400+** +285 v PY	Average Connection Duration **3.21hrs**
Unique Users **4,112**	Charging Rev/Session **$5.54**	Parking Rev/Session **$8.99**
Return Users Rate **29%**	GHG Saved **421** Tonnes	Total Fuel Saved (litres) **179K**

* Revenue and Transactions generated by 85 TPA-owned EV chargers. TPA in the process of acquiring 35 chargers from Toronto Hydro located in TPA facilities

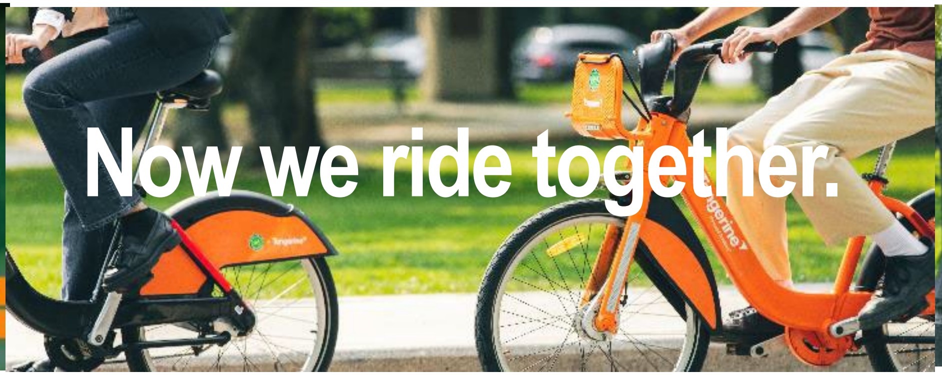
** 31K session is inclusive of all TPA and Toronto Hydro asset

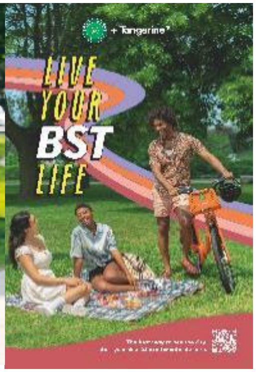


How Well Are We Doing – Bike Share Toronto



2023 FULL YEAR		
Rides **5.5 M** +0.9 M v PY	Memberships **37K+** +5.2K v PY	GHG Reduction **2,314** tonnes
E-Bike Fleet **1.8K** +1.3K v PY	E-docks **700+** +350 v PY	Capital spend **$13M+** + $9.6M v PY
Revenue per trip **$1.82** +$0.16 v PY	Subsidy per ride **$0.67** - $0.01 v PY	Km Travelled **17.5M**





2024 Bike Share Budget

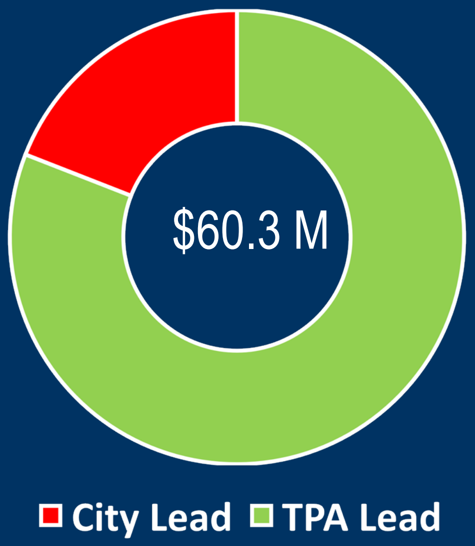
$000's	2024 Budget	2023 Forecast	2023 Budget	2024 Budget vs 2023 Forecast		2024 Budget vs 2023 Budget		2023 Forecast vs 2023 Budget	
Bike Share revenue	**13,288**	**9,991**	**10,663**	**3,297**	**33%**	**2,625**	**25%**	**(672)**	**-6%**
Direct expenses - operating	(16,104)	(13,653)	(12,321)	(2,451)	-18%	(3,783)	-31%	(1,332)	-11%
Total Operating expenses	**(16,104)**	**(13,653)**	**(12,321)**	**(2,451)**	**-18%**	**(3,783)**	**-31%**	**(1,332)**	**-11%**
Operating Loss from Operation	**(2,816)**	**(3,662)**	**(1,658)**	**846**	**23%**	**(1,158)**	**-70%**	**(2,004)**	**-121%**

Highlights:

- Operating loss ($2.8M), +$0.8M vs 2023. Subsidy to be $0.50 per ride; +$0.17 vs 2023.
- Revenue +$3.3M vs 2023 ($1.2M on base volume; +$1.2M E-Bike, $0.9M new membership and other revenue)
  - Annual Membership target of 44k in 2024; +4k v 2023.
  - Ridership target of 6.2M; +0.7M v 2023. Casual mix at 18% reflecting historical trend.
- Operating expenses are +$2.4M due to:
  - +$1.1M in direct program costs resulting from incremental 0.7M rides
    - Bike Share margin pressures due to annual member subsidy of $1.22 per ride
    - Incremental 1300 e-bikes generate higher costs due to operating complexity
  - +$0.6M Spare parts on higher ridership and bikes maintenance
  - +$0.7M Revenue related activities such as processing, facility maintenance in winter, program consultations and low-income pass.

TPA Will Deliver in 2023 Capital Spend Rate of 80%+ vs Plan; 100% Performance in TPA Led Projects

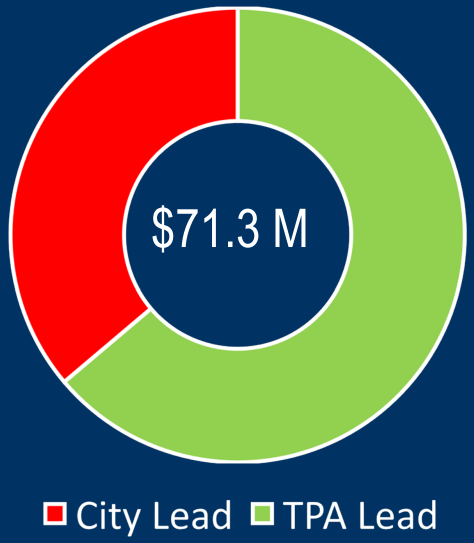
FORECAST: 2023 Capital $60.3M



$11.5M spend,
44% vs budget

$48.8M spend,
107% vs budget

BUDGET: 2023 Capital Plan $71.3M



$25.8M

$45.5M

2024 – 2026 Capital Budget $208M Spend Program

		3 Year Capital			
		2024 Plan	2025 Plan	2026 Plan	3 Yr Total
EV On-Street		1,275			1,275
EV Off-Street		8,500	12,000	10,000	30,500
EV Total	+	**9,775**	**12,000**	**10,000**	**31,775**
Bike Electrification and non labour cost optimization	+	**6,120**	**5,900**	**2,000**	**14,020**
St. Lawrence		14,000	-	-	14,000
Fit Out - St. Lawrence and St. Patrick		5,950	-	-	5,950
CP 221 (JV) 121 St. Patrick St.		5,468	-	-	5,468
Other JV's (363 Adelaide and 105 Spadina)		-	-	10,755	10,755
Joint venture - Legal work prior to acquisition		43	96	275	414
Acquisitions	+	**25,461**	**96**	**11,030**	**36,587**
Fleet Equipment		281	400	500	1,181
Parking Equipment		4,182	13,100	4,500	21,782
Equipment	+	**4,463**	**13,500**	**5,000**	**22,963**
Wayfinding		638	800	1,000	2,438
Facility improvements (Connell Court, Metro Hall, Etobicoke Centre)		1,275	2,500	749	4,524
Facilities	+	**1,913**	**3,300**	**1,749**	**6,962**
Health and Safety SOGR		5,111	4,840	5,021	14,972
CCTV on expanding coverage		978	2,770	2,230	5,978
H&S ($15M SOGR H&S repairs, $6M CCTV on expanding coverage)	+	**6,089**	**7,610**	**7,251**	**20,950**
SOGR - Garage and urgent repairs (CP43, CP68, CP58, CP29, CP125, CP150)	+	**17,044**	**17,760**	**20,083**	**54,887**
Parking App solutions and integration		3,825	8,400	5,250	17,475
Parking Technology		689	-	-	689
Network and Security		850	-	-	850
Data Analytics, reporting and B2B platform		595	-	-	595
Technology	+	**5,959**	**8,400**	**5,250**	**19,609**
Total Capital	=	**76,822**	**68,566**	**62,363**	**207,751**

Highlights:

- **Total 3-year plan of $208M**
- **Benefits of 3-year plan:**
  - Longer term planning with the ability to accelerate and/or decelerate projects
  - Provides more visibility to cash flow requirements
  - Ability to enter into multi-year contracts (better efficiency)

Legacy Income Sharing Agreement Limiting TPA's Capacity to Deliver Strategic Priorities

10-Year Financial Outlook – Current City Agreement

Continuity Schedule $000's	2023 Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	10 Year
Net Income	**37,335**	**31,921**	**39,743**	**43,249**	**46,935**	**50,811**	**54,885**	**59,169**	**63,672**	**68,405**	**73,380**	**532,169**
City Share	31,735	27,133	33,781	36,761	39,895	43,189	46,653	50,293	54,121	58,144	62,373	452,343
TPA Retained Earnings (15%)	5,600	4,788	5,961	6,487	7,040	7,622	8,233	8,875	9,551	10,261	11,007	79,825
Opening Cash	**116,114**	**56,928**	**6,693**	**(39,127)**	**(75,878)**	**(90,456)**	**(110,823)**	**(111,635)**	**(113,379)**	**(98,006)**	**(81,871)**	**116,114**
TPA Retained Earnings (15%)	5,600	4,788	5,961	6,487	7,040	7,622	8,233	8,875	9,551	10,261	11,007	85,426
Add: Depreciation	9,513	18,541	18,541	18,541	18,541	18,541	18,541	18,541	18,541	18,541	18,541	194,922
Minus: 2022 City Dividend	(14,000)											(14,000)
Minus Capital Spending	(60,300)	(73,564)	(70,323)	(61,778)	(40,160)	(46,530)	(27,586)	(29,160)	(12,718)	(12,667)	(12,650)	(447,435)
Closing Cash	**56,928**	**6,693**	**(39,127)**	**(75,878)**	**(90,456)**	**(110,823)**	**(111,635)**	**(113,379)**	**(98,006)**	**(81,871)**	**(64,973)**	**(64,973)**

Motions for TPA action from City Council – June 15, 2022

- Ensure that the City of Toronto / Toronto Parking Authority Net Income Revenue Share Agreement provides TPA with sufficient retained earnings to fund the incremental costs associated with the operation, maintenance and continued expansion of the on-street Electric Vehicle Charging Program

Key Capital Investments at Risk Absent New Funding Model

		3 Year Capital				
		2024 Plan	2025 Plan	2026 Plan	3 Yr Total	Priority
EV On-Street		1,275			1,275	4
EV Off-Street		8,500	12,000	10,000	30,500	4
EV Total	+	**9,775**	**12,000**	**10,000**	**31,775**	
Bike Electrification and non labour cost optimization	+	**6,120**	**5,900**	**2,000**	**14,020**	3
St. Lawrence		14,000	-	-	14,000	2
Fit Out - St. Lawrence and St. Patrick		5,950	-	-	5,950	2
CP 221 (JV) 121 St. Patrick St.		5,468	-	-	5,468	1
Other JV's (363 Adelaide and 105 Spadina)		-	-	10,755	10,755	1
Joint venture - Legal work prior to acquisition		43	96	275	414	1
Acquisitions	+	**25,461**	**96**	**11,030**	**36,587**	
Fleet Equipment		281	400	500	1,181	2
Parking Equipment		4,182	13,100	4,500	21,782	3
Equipment	+	**4,463**	**13,500**	**5,000**	**22,963**	
Wayfinding		638	800	1,000	2,438	2
Facility improvements (Connell Court, Metro Hall, Etobicoke Centre)		1,275	2,500	749	4,524	1
Facilities	+	**1,913**	**3,300**	**1,749**	**6,962**	
Health and Safety SOGR		5,111	4,840	5,021	14,972	1
CCTV on expanding coverage		978	2,770	2,230	5,978	1
H&S ($15M SOGR H&S repairs, $6M CCTV on expanding coverage)	+	**6,089**	**7,610**	**7,251**	**20,950**	
SOGR - Garage and urgent repairs (CP43, CP68, CP58, CP29, CP125, CP150)	+	**17,044**	**17,760**	**20,083**	**54,887**	1
Parking App solutions and integration		3,825	8,400	5,250	17,475	3
Parking Technology		689	-	-	689	1
Network and Security		850	-	-	850	1
Data Analytics, reporting and B2B platform		595	-	-	595	2
Technology	+	**5,959**	**8,400**	**5,250**	**19,609**	
Total Capital	=	**76,822**	**68,566**	**62,363**	**207,751**	

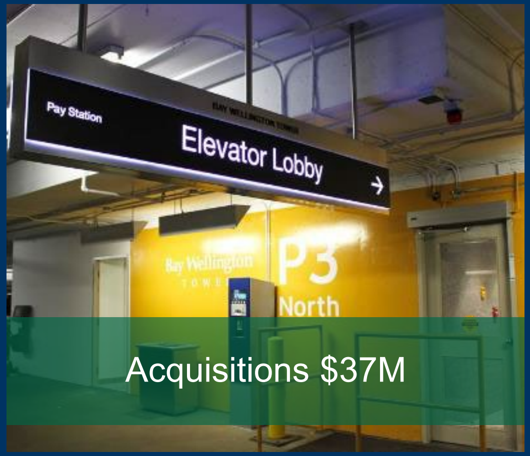
Projects at Risk

1. EV On-Street
2. EV Off-Street
3. Parking Modernization
4. Bike Share Expansion and Electrification

~$85M unfunded

Three-Year Capital Spend of $208M Will Future-proof Our Business and Accelerate Our Journey Towards a World Class Mobility Operator


SOGR $55M



Acquisitions $37M

Expand EV Network $32M

Facilities Maintenance $7M


Equipment Modernization $23M


Technology Program $19M


Bike Share Growth $14M

Health and Safety $21M

REIMAGINING HOW TORONTO MOVES

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Appendices

2024 Risks and Mitigation Strategies

#	Risk Statement	Outcome (s) Impacted	Impact (1-5)	Likelihood (1-5)	Inherent Risk Rating	Risk Mitigation Strategies
1.	TPA lacks a sustainable income sharing agreement to fund City mandated services, including Bike Share Toronto and EV charging; SOGR and equipment modernization.	Sub-optimal outcomes to support operation of expanded Bike Share Toronto and on-street EV charging networks while delivering against City financial, customer, congestion and sustainability goals.	5	3	High	• At its meeting of June 15, 2022, City Council adopted 2022.IE30.11 and directed the Chief Financial Officer and Treasurer to ensure that the City of Toronto / Toronto Parking Authority Net Income Share Agreement provides TPA sufficient retained earnings to fund the incremental costs associated with the operation, maintenance and continued expansion of the on-street EV. Management has been engaging City Finance to renegotiate the Income Sharing agreement with the City to reflect capital intensive cost of Bike Share and EV charging expansion as well as the negative impact of "fair market value" policy change (Refer to 2021.EX.27.4) on TPA's balance sheet and below market management of City-owned commercial parking assets.
2.	Cybersecurity - IT Internal/external intrusion and/or attack on information systems may result in a financial loss, loss/leakage of data, system disruptions and potential reputational damage.	Brand Reputation, Financial Sustainability, Executional Capacity.	5	4	High	• TPA has professionalized its IT team and is working closely with Technology Services to modernize its' IT infrastructure and systems without causing business disruptions. • TPA has increased the frequency of cybersecurity training and phishing campaigns (monthly instead of quarterly) to ensure diligent TPA workforce able to minimize risk. • A stringent user activity policy is being developed and will be implemented by Q1 2024 to provide greater visibility and isolation during cyber incidents. • TPA insurance policy includes Cyber insurance liability and is working with insurance providers to increase the amount.

2024 Risks and Mitigation Strategies

#	Risk Statement	Outcome (s) Impacted	Impact (1-5)	Likelihood (1-5)	Inherent Risk Rating	Risk Mitigation Strategies
3.	State of Good Repair for Off-Street Parking Assets requires significant investments to improve structural integrity, safety, security and customer centered upgrades including digitization and wayfinding.	Reputational risk, including customer loyalty and financial sustainability	4	4	High	• Management completed comprehensive engineering audit of our facilities in 2022. This data is supporting development of our infrastructure recovery plan targeted sequentially against our best performing facilities. • Concurrently, management has leveraged the same data to identify and address immediate health & safety gaps, including security issues. • Restructured Operations Team in 2022; invested in engineering and project management talent to ensure expertise and capacity available to address infrastructure deficit.
4.	Current city-wide approach to Parking requires strategic modernization to better integrate Parking and Bike Share into Toronto's transportation and mobility eco-system.	Reputational risk, including customer loyalty and financial sustainability	5	3	High	• Management has secured Council approved Relationship Framework with City to reflect expanded TPA responsibilities including EV Charging and Bike Share • Management partnering with City Transportation and CreateTO to co-create new Parking Strategy for the City of Toronto (Q1 '23-Q2 '24).

2024 Risks and Mitigation Strategies

#	Risk Statement	Outcome (s) Impacted	Impact (1-5)	Likelihood (1-5)	Inherent Risk Rating	Risk Mitigation Strategies
5.	The City of Toronto has the largest publicly accessible EV Charging Network in Canada but remain underdeveloped in EV charging infrastructure; significant parking revenue and environmental opportunity cost for not enabling EV development in Toronto.	Financial and Environmental Sustainability	5	4	High	• 285 EV chargers deployed in 2023 bringing TPA's charging network to 400 EV chargers by the end of the year. • TPA to lead deployment of on street charging across the City in partnership with Transportation and THESL. • 97 on-street EV chargers to be in operation by the end of 2023. • Management has issued an Expression of Interest to the market to help build out the City's EV Charging Network through a strategic partnership.

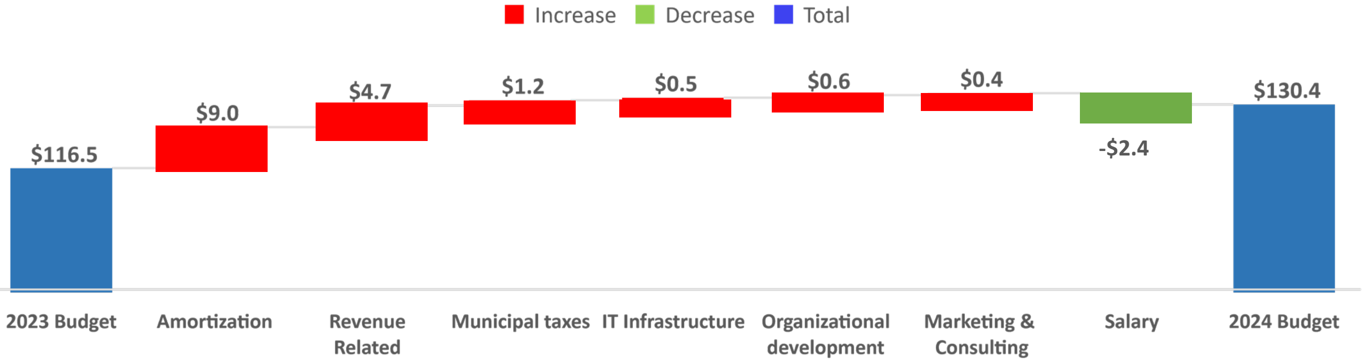
2024 Outcomes and Priorities -Expenses

(In $000s)	2024				2025 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
2023 Projection*	**146,431**	**111,211**	**(35,221)**	**N/A**	**N/A**
2023 Budget	**141,912**	**116,468**	**(25,444)**	**326.5**	**N/A**
Key Cost Drivers:					
Prior Year Impacts					
Operating Impacts of Capital					
Salary & Benefits		(2,428)	(2,428)		1,242
Amortization		8,997	8,997		1,500
Non-Salary Inflation					
Revenue Decrease					
Other Changes		7,399	7,399		(2,742)
Sub-Total - Key Cost Drivers		**13,968**	**13,968**		
Affordability Measures:					
Line by Line/Matching Actuals					
Revenue Changes	20,446		(20,446)		(3,247)
AG Recommendations					
Efficiencies					
Others					
Sub-Total - Affordability Measures	**20,446**		**(20,446)**		**(3,247)**
Total 2024 Budget	**162,358**	**130,436**	**(31,921)**	**326.5**	**(3,247)**
Change from 2023 Budget ($)	**20,446**	**13,968**	**(6,478)**	**N/A**	**N/A**
Change from 2023 Budget (%)	**14%**	**12%**	**25%**	**N/A**	**N/A**

*Based on 6 Month Variance

**YoY comparison based on approved positions

Expenses +$13.9M Increase from 2023 Budget to 2024 Budget



+$13.9 M 2024 Operating Budget Increase over 2023 a result of:

- $9.0M increase in amortization, reflecting recent modernization of facilities and equipment ($140+ million dollars in capital investments).
- $4.7M increase in revenue related costs due to higher volume:
  - $2.6M Bike Share variable and fixed cost direct expenditures to address growth of the system and increased rebalancing efforts with e-bikes
  - Increased ridership and parking volumes are driving $1.5M higher processing costs.
  - Implementing new parking rates in legacy Pay&Display machines will cost $0.6M
- $1.2M increase in municipal taxes expected
- $0.5M increase in IT infrastructure to reflect TPA 's commitment to cyber security risk
- $0.6M organization development
- $0.4M increase in marketing and consulting to help scale TPA's EV charging and growth programs
- ($2.4M) decrease in salaries and benefits

2024 Outcomes and Priorities - Revenue

(In $000s)	2024				2025 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
2023 Projection*	**146,431**	**111,211**	**(35,221)**	**N/A**	**N/A**
2023 Budget	**141,912**	**116,468**	**(25,444)**	**326.5**	**N/A**
Key Cost Drivers:					
Prior Year Impacts					
Operating Impacts of Capital					
Salary & Benefits		(2,428)	(2,428)		1,242
Amortization		8,997	8,997		1,500
Non-Salary Inflation					
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Line by Line/Matching Actuals					
Revenue Changes	20,446		(20,446)		(3,247)
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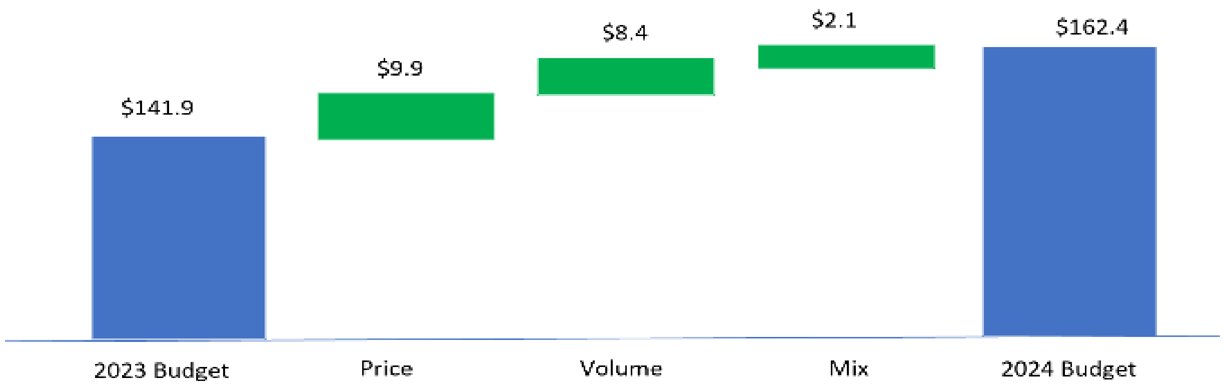
Efficiencies					
Others					
Sub-Total - Affordability Measures	**20,446**		**(20,446)**		**(3,247)**
Total 2024 Budget	**162,358**	**130,436**	**(31,921)**	**326.5**	**(3,247)**
Change from 2023 Budget ($)	**20,446**	**13,968**	**(6,478)**	**N/A**	**N/A**
Change from 2023 Budget (%)	**14%**	**12%**	**25%**	**N/A**	**N/A**

*Based on 6 Month Variance

**YoY comparison based on approved positions

Revenue +$20.4M increase from 2023 Budget to 2024 Budget



TPA forecasting strong growth in 2024 revenues:

Price*:*

- $9.9M driven by increased rates ($6.5M from On-Street and $3.4M from Off-Street)

Volume*:*

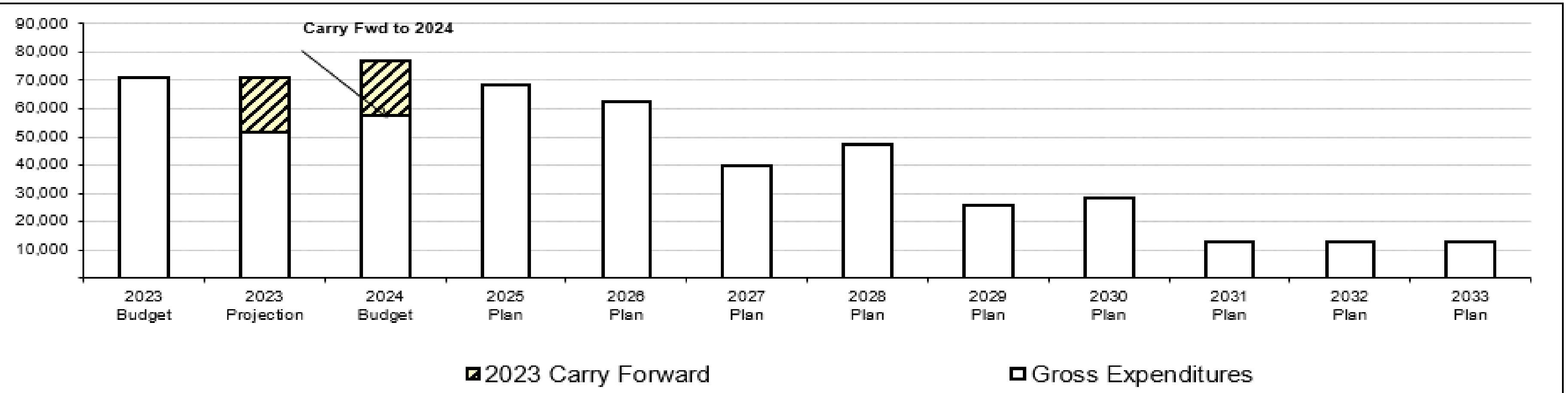
- $5.8M increase in volume +6% increase in transaction growth
- $2.6M increase in Bike Share revenues resulting from +1.2M Bike Share rides

Mix*:*

- $2.1M related to investment income from bank interest and income from TPA's managed services.

2024 - 2033 Capital Budget & Plan Submission

10-Year Capital Plan Overview



	2023		2023 Capital Budget and 2024 - 2032 Capital Plan										
	2023		2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total 10 Year Plan
In $000's	Budget	Projected Actual											
Gross Expenditures by Project Category:													
Health & Safety & Legislated	1,912	1,485	6,089	7,610	7,251	6,219	5,870	4,473	4,700	2,680	2,680	2,680	50,252
SOGR	21,016	49,367	17,044	17,760	20,083	17,875	15,360	11,138	13,440	6,720	6,720	6,720	132,861
Service Improvement & Growth	48,369	16,256	53,689	43,196	35,029	15,600	26,259	10,250	10,250	3,250	3,250	3,250	204,023
Total by Project Category	**71,297**	**67,107**	**76,822**	**68,566**	**62,363**	**39,694**	**47,489**	**25,861**	**28,390**	**12,650**	**12,650**	**12,650**	**387,135**
Financing:													
Debt													
Debt Recoverable													
TPA Current & Future Retained Earnings	70,888	66,698	72,522										72,522
Unfunded				68,566	62,363	39,694	47,489	25,861	28,390	12,650	12,650	12,650	310,313
Reserves/Reserve Funds	409	409	4,300										4,300
Development Charges													
Provincial													
Federal													
Other Revenue													
Total Financing	**71,297**	**67,107**	**76,822**	**68,566**	**62,363**	**39,694**	**47,489**	**25,861**	**28,390**	**12,650**	**12,650**	**12,650**	**387,135**

$387.1 Million 10-Year Capital Program

Service Improvement, Enhancement and Growth	Aging Infrastructure/SOGR	Health and Safety
$204.0 M 53.0%	$132.8M 34.0%	$50.2 M 13.0%
• Bike Share Expansion and electrification ☑ • EV On-Street and Off-Street expansion ☑ • Property acquisitions and JV developments • Equipment modernization • Service Operating Centre (SOC)	• Structural Maintenance • Modernization • Parking garages waterproof and concrete repairs • Other major repairs to garages and surface lots • Stairwell rehabilitation	• Security Projects (CCTV, Access Control) - Facilities Maintenance • Health and Safety - Safety, Compliance, Improvements • Emergency Repairs

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction* ☑ - Project includes social procurement spending

*Information above includes full project / sub-project 2023-2032 Budget and Plan cash flows. Does not break out the climate component costs separately