CREATE TO

REPORT FOR ACTION

# Third Quarter Financial Results

**Date:** October 31, 2023
**To:** The Board of Directors of CreateTO
**From:** Chief Executive Officer
**Wards:** All

## SUMMARY

For the nine months ending September 30, 2023, CreateTO's gross expenditures are $1.35 million favourable compared to budget.

Annual expenditures are expected to be $0.65 million favourable.

## RECOMMENDATIONS

The Chief Executive Officer recommends that the Board of Directors of CreateTO receive this report for information.

## FINANCIAL IMPACT

There is no financial impact of this report. Annual expenditures are expected to be within the approved budget.

## DECISION HISTORY

This is a new report.

## COMMENTS

For the nine months ending September 30, 2023, gross expenditures are $11.96 million. This represents a $1.35 million favourable variance to budget. The lower expenditures are primarily due to lower Salaries & Benefits of $0.53 million due to in year vacancies. Lower Project Investigative Costs of $ 0.37 million, which will vary annually based on need. Lower Professional Fees, Marketing Costs and Office Services of $0.20 million, $0.11 million, and $ 0.14 million respectively due to timing of expenditures. Please see Table 1 for details.

**Table 1: Q3 2023 Financial Results**

| (in millions) | **Actual $** | **Budget $** | **Variance $** |
|---|---|---|---|
| **Revenue**[1] | | | |
| Advisory & operations management[2] | 3.40 | 4.86 | (1.46) |
| Portland Management[3] | 4.16 | 4.16 | **-** |
| City project management[4] | 3.81 | 3.61 | 0.20 |
| Other revenue[5] | 0.53 | 0.47 | 0.06 |
| Interest | 0.06 | 0.21 | (0.15) |
| | **11.96** | **13.31** | **(1.35)** |
| **Expenditures** | | | |
| Salaries and benefits | 10.91 | 11.44 | 0.53 |
| Office services and other | 0.69 | 0.83 | 0.14 |
| Professional fees | 0.21 | 0.41 | 0.20 |
| Marketing & promotion | 0.14 | 0.25 | 0.11 |
| Project investigative costs | 0.01 | 0.38 | 0.37 |
| | **11.96** | **13.31** | **1.35** |
| **Net Income** | **-** | **-** | **-** |

1. NOTE: revenue categories have been updated to better reflect revenue sources and the operations of the organization.

2. Advisory and operations management revenue reflects fees earned to explore, address, and solution real estate requests from divisions, agencies, corporations, City Council and City leadership. This amount is a residual amount and will fluctuate on an annual basis.

3. Port Lands management revenue reflects fees earned to lead day-to-day property management and asset management functions in the Port Lands on behalf of Toronto Port Lands Company (TPLC) and fees earned to advance various waterfront initiatives and projects on behalf of the Waterfront Secretariat.

4. City project management revenue reflects fees earned to advance capital real estate projects on behalf of the City.

5. Other revenue reflects budget transfers which have a net zero impact to CreateTO. Budget transfers come with corresponding revenue and expenses and reflect the consolidation of real estate functions at CreateTO.

## CONTACT

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## SIGNATURE

Vic Gupta
Chief Executive Officer