REPORT FOR ACTION

Toronto Parking Authority - 2023 Audited Financial Statements

Date: April 11, 2024
To: Audit and Risk Management Committee of the Board of Directors of Toronto Parking Authority
From: President, Toronto Parking Authority
Wards: All

SUMMARY

The purpose of this report is to provide the Audit and Risk Management Committee of the Board of Directors of Toronto Parking Authority (TPA) with the draft audited financial statements for the year ended December 31, 2023.

KPMG LLP has completed their audit of TPA's financial statements for the year ended December 31, 2023. A draft of the financial statements along with a copy of KPMG's year-end report to the Audit and Risk Management Committee is provided in Attachments 1 and 2. The financial statements continue to be marked as draft pending approval by the TPA Board of Directors. KPMG Audit Partner, Kevin Travers, will be attending the April 25, 2024, Audit and Risk Management Committee meeting to provide a summary on significant accounting and financial reporting matters dealt with during the audit process.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1) The Board of Directors, Toronto Parking Authority, approve the Toronto Parking Authority's Audited Financial Statements for the year ended December 31, 2023 in Attachment 2.

FINANCIAL IMPACT

The Toronto Parking Authority's annual distribution to the City of Toronto for the 2023 financial year is $32.0 million compared to plan of $21.6 million (Better by $10.3 million).

DECISION HISTORY

Audited financial statements for Toronto Parking Authority are required to be submitted on an annual basis to the Audit and Risk Management Committee of the Toronto Parking Authority, the Board of Directors of Toronto Parking Authority, 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 City Council adopted the recommendation at its meeting on June 29, 2020 to appoint KPMG LLP, as the Auditor for the City from 2020-2024.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU5.7

COMMENTS

Summary of 2023 Financial Results

Total 2023 net income for the year increased 20.5 percent or $6.5 million over the prior year to $38.0 million, as the recovery from the pandemic continued to improve parking transaction volume relative to 2019 pre-pandemic transaction volumes. Transaction volumes for on-street increased to 83.2 percent of 2019 and off-street increased to 83.0 percent of 2019. Bike Share ridership continued to increase due to the 2023 expansion of capacity and ebikes.

The 2023 unaudited financial results were presented at the March 25, 2024, Board meeting with a net income of $38.1 million.

Table 1: ***2023 Financial Results***

$000's	2023 Actual	2022 Actual	Change	
Off-Street revenue	82,582	71,711	10,871	15.2%
On-Street revenue	50,586	44,847	5,739	12.8%
Bike Share revenue	10,432	7,632	2,800	36.7%
Total parking & user revenue	**143,600**	**124,190**	**19,410**	**15.6%**
Other revenue	2,348	1,989	359	18.0%
Total revenue	**145,948**	**126,179**	**19,769**	**15.7%**
Direct expenses - operating	(60,216)	(52,389)	(7,827)	-14.9%
Administration	(19,290)	(15,290)	(4,000)	-26.2%
Municipal property tax	(24,332)	(21,073)	(3,259)	-15.5%
Amortization of property and equipment	(10,020)	(8,779)	(1,241)	-14.1%
Total operating expenses	**(113,858)**	**(97,531)**	**(16,327)**	**-16.7%**
Operating income	**32,090**	**28,648**	**3,442**	**12.0%**
Finance income	5,938	2,910	3,028	104.1%
Net income and comprehensive income	**$ 38,028**	**$ 31,558**	**$ 6,470**	**20.5%**

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Attachment 1 - Toronto Parking Authority Audit Findings Report for the Year Ended December 31, 2023

Attachment 2 - Toronto Parking Authority Draft 2023 Audited Financial Statements