REPORT FOR ACTION

Toronto Parking Authority – 2025 March 31 Year-to-Date Financial Performance (First Quarter Results)

Date: March 31, 2025
To: Audit and Risk Management Committee, Toronto Parking Authority
From: President, Toronto Parking Authority
Wards: All

SUMMARY

Toronto Parking Authority's (TPA) net income for the three months ending March 31, 2025, was $8.4 million; +$1.2 million versus plan.

Total revenue was $37.8 million; -$1.3 million versus plan. Transactions were 80.6 percent of pre-pandemic transactions levels (2019) as businesses continue to adapt to a hybrid work model. In February, revenue across all the business lines were affected by a major snowstorm that impacted roads, particularly affecting 47% of the On-street inventory located on snow routes.

Total operating costs were $26.5 million; $2.0 million lower than plan driven mainly by lower salaries and benefits, municipal taxes, volume related costs and management of discretionary expenses.

Finance income was $0.9 million, comparable to plan, while amortization of assets was $0.6 million lower due to timing of capital delivery.

TPA capital spend was $2.1 million, with 40%+ currently committed to date. Management is on track to deliver an annual capital plan of $55.6 million supported by $25.8 million of direct capital funding for Bike Share and Electric Vehicle (EV) from the City of Toronto.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Board of Directors, Toronto Parking Authority, receive this report for information.

FINANCIAL IMPACT

There are no financial impacts from this report.

DECISION HISTORY

N/A

COMMENTS

Performance Tables

Table 1: *2025 Q1 Year to Date (YTD) Results*

For the Three Months Ending March 2025 $000's	2025 Actual	2025 Budget	2024 Actuals	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actuals	
Off-Street revenue	20,512	21,103	19,781	(592)	-3%	731	4%
On-Street revenue	15,120	15,700	14,654	(580)	-4%	465	3%
Bike Share revenue	1,763	1,825	1,692	(62)	-3%	71	4%
Total parking & user revenue	**37,394**	**38,628**	**36,127**	**(1,234)**	**-3%**	**1,267**	**4%**
Other Revenue	356	415	275	(59)	-14%	81	30%
Total Revenue	**37,750**	**39,043**	**36,402**	**(1,293)**	**-3%**	**1,348**	**4%**
1 Direct expenses - operating	(14,974)	(16,663)	(14,921)	1,689	10%	(53)	0%
Contribution Margin	**22,776**	**22,380**	**21,481**	**396**	**2%**	**1,295**	**6%**
Contribution Margin %	60.3%	57.3%	59.0%	3.0%		1.3%	2%
2 Municipal property tax	(5,868)	(6,227)	(5,531)	359	6%	(337)	-6%
3 Indirect Expenses	(5,637)	(5,538)	(4,845)	(99)	-2%	(791)	-16%
EBITDA	**11,272**	**10,615**	**11,105**	**657**	**6%**	**166**	**1%**
EBITDA %	29.9%	27.2%	30.5%	2.7%		-0.6%	-2%
Finance Income	853	846	1,155	7	1%	(302)	-26%
Amortization of property & equipment	(3,723)	(4,294)	(3,442)	571	13%	(281)	-8%
Net income	**8,402**	**7,168**	**8,818**	**1,234**	**17%**	**(417)**	**-5%**

Highlights:

Net Income

Net income at $8.4 million; + $1.2 million versus plan due to:

Revenue

Total revenue was $37.8 million; -$1.3 million versus plan. In February, revenue across all the business lines were affected by a major snowstorm that impacted roads, particularly affecting 47% of the On-street inventory located on snow routes where snowbanks blocked street parking and prevented access to charging equipment. City of Toronto Street parking restrictions on snow routes was initiated on Feb 12th and ended March 5th.

Total parking transactions decreased to 80.6 percent of 2019 levels, 8 points lower vs 2024.

Expenses

Total operating costs (1+2+3) was $26.5 million, $2.0 million favourable to plan driven mainly by lower salaries and benefits, municipal tax, volume related costs and management of discretionary expenses.

Finance Income

Finance income was $0.9M million and flat vs plan.

Amortization of Property and Equipment

Amortization of property and equipment was $3.7 million; $0.6 million lower than plan due to timing of capital delivery.

Table 2: *Q1 2025 Off-Street Results*

For the Three Months Ending March 2025

$000's	2025 Actual	2025 Budget	2024 Actuals	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actuals	
Off-Street parking revenue	20,512	21,103	19,781	(592)	-3%	731	4%
Other Revenue	356	415	275	(59)	-14%	81	30%
Total Revenue	**20,868**	**21,519**	**20,056**	**(651)**	**-3%**	**812**	**4%**
Direct expenses - operating	(8,849)	(9,333)	(8,869)	484	5%	20	0%
Contribution Margin	**12,019**	**12,185**	**11,187**	**(166)**	**-1%**	**832**	**7%**
Contribution Margin %	57.6%	56.6%	55.8%	1.0%		1.8%	

Total revenue for the quarter was $20.9 million, -$0.7 million (-3%) versus plan. The shortfall was primarily driven by colder-than-expected weather and multiple snow events in February, which negatively impacted weekday transaction volumes—particularly under the Monday-to-Friday hybrid work model. This resulted in a 5% year-over-year decline in overall transactions. The revenue impact was partially offset by the accelerated implementation of planned rate increases, which provided a buffer against lower volumes. Total transaction volume indexed at 81.7 relative to the 2019 baseline, reflecting a 4.2-point decline compared to the same period in 2024. Despite these headwinds, the revenue performance demonstrates resilience through proactive pricing strategies.

Direct operating expenses were $8.8 million; +$0.5 million favourable to plan mainly driven by lower volume related costs and timing of facility costs.

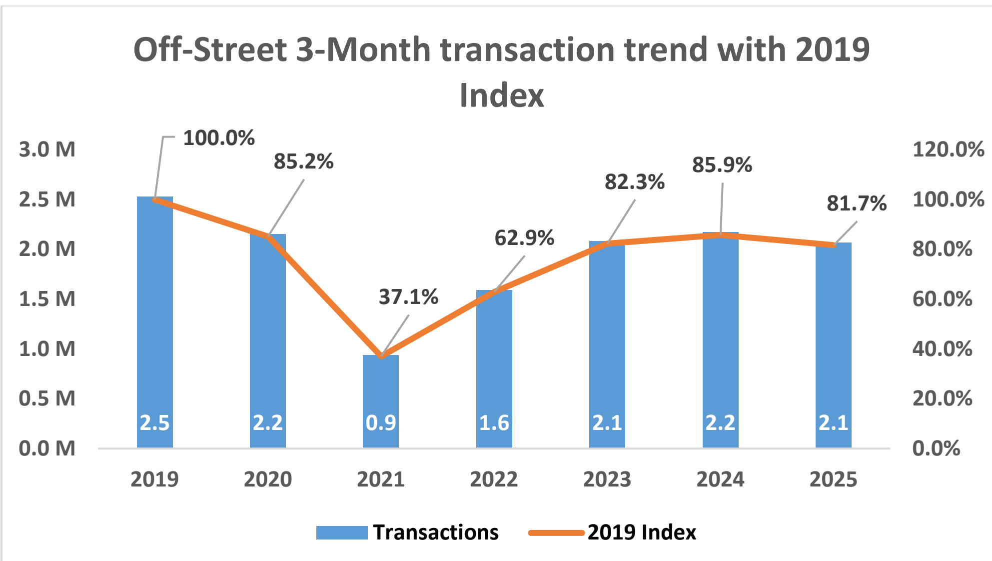

Table 3: *Q1 2025 On-Street Results*

For the Three Months Ending March 2025

$000's	2025 Actual	2025 Budget	2024 Actuals	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actuals	
On-Street parking revenue	**15,120**	**15,700**	**14,654**	**(580)**	**-4%**	**465**	**3%**
Direct expenses - operating	(2,690)	(3,400)	(3,192)	709	21%	502	16%
Contribution Margin	**12,429**	**12,300**	**11,462**	**129**	**1%**	**967**	**8%**
Contribution Margin %	82.2%	78.3%	78.2%	3.9%		4.0%	

On-Street parking revenues were $15.1 million, -$0.6 million higher than plan driven by lower transactions offset by rate changes delivered quicker than plan. Total transactions indexed at 79.9 versus 2019; -10.1 points versus 2024.

In February, a major snowstorm that resulted in loss of 47% of the On-street inventory located on snow routes where snowbanks blocked street parking and prevented access to charging equipment. The City of Toronto Street level parking restriction on snow routes was initiated on Feb 12th and ended March 5th.

Total Operating expenses of $2.7 million; +$0.7 million favourable to plan tracing to timing of costs related to the rate change program and lower volume related costs.

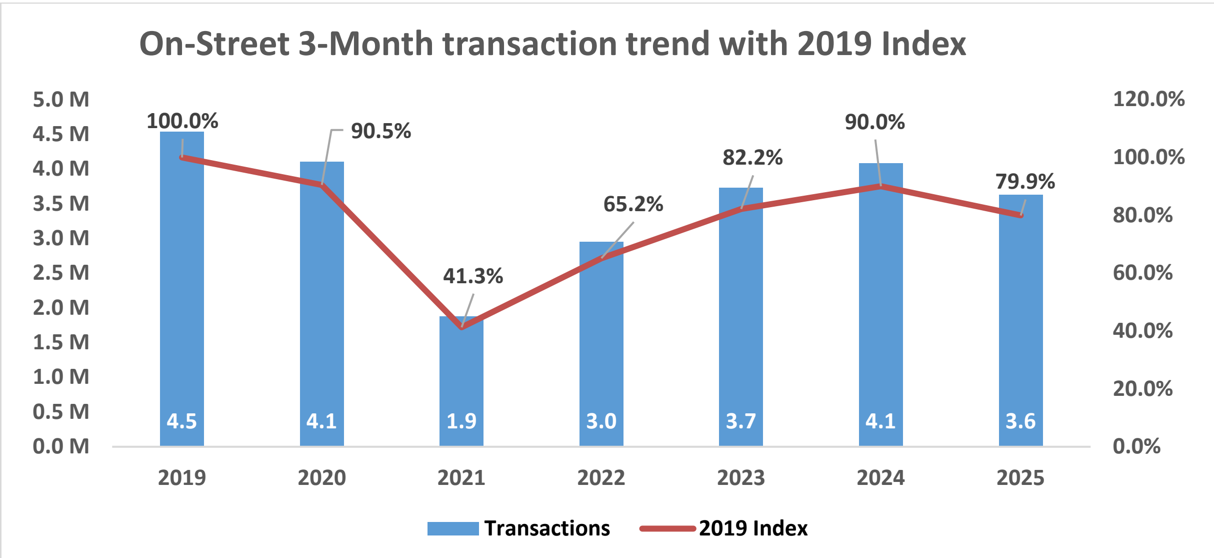

Table 4: *Q1 2025 Electric Vehicle Charging Results*

For the Three Months Ending March 2025						A=B+C	B	C
$000's	**Combined EV**	**2025 Budget**	**2025 Actual vs 2025 Budget**		**Off-Street**	**On-Street**	**On-Street Paid Parking**	**On-Street Unpaid Parking**
Charging Revenue	220	192	28	15%	149	70	19	51
Associated Parking Revenue	185	222	(36)	-16%	169	16	16	-
Total Revenue	**405**	**413**	**(8)**	**-2%**	**318**	**87**	**35**	**51**
Direct expenses - operating	**(239)**	**(258)**	**19**	**7%**	**(179)**	**(60)**	**(16)**	**(44)**
	-							
Contribution	**166**	**156**	**11**	**7%**	**140**	**27**	**19**	**8**
Contribution Margin %	41.1%	37.6%	3.4%		43.9%	30.8%	53.9%	15.0%

Note: right hand chart is three months ending March 2025 actuals

Electric Vehicle (EV) charging operations continues to attract new customers, highlighting the growing adoption of EV's in the City of Toronto. Revenue from these operations totaled $0.4 million, two percent lower than plan, mainly due to lower session counts impacted by the February weather event.

Three-month highlights are as follows:

- 36 thousand combined sessions
    - Off-Street 26 thousand; -2.5 thousand vs Plan
    - On-Street 10 thousand sessions; +2 thousand vs Plan

Operating expenses was 19 thousand lower than plan mainly due to savings in maintenance costs.

Table 5: ***Q1 2025 Bike Share Results***

For the Three Months Ending March 2025 $000's	2025 Actual	2025 Budget	2024 Actuals	2025 Actual vs 2025 Budget		2025 Actual vs 2024 Actuals	
Total Revenue	**1,763**	**1,825**	**1,692**	**(62)**	**-3%**	**71**	**4%**
Direct expenses - operating	(3,434)	(3,930)	(2,859)	496	13%	(575)	-20%
Contribution Margin	**(1,672)**	**(2,105)**	**(1,167)**	**433**	**21%**	**(504)**	**-43%**
Contribution Margin %	-94.9%	-115.4%	-69.0%	20.5%		-25.8%	

Bike Share Toronto operates as a year-round micro-mobility service; however, first quarter ridership was significantly affected by adverse winter weather, including several major snow events in February. These seasonal fluctuations have a direct impact on user revenue. To mitigate the financial impact, management activated cost containment measures to offset revenue shortfalls and minimize the required operating subsidy. Despite weather-related challenges, ridership performance in January and March remained aligned with planned targets, supporting overall program stability.

Three months highlights are as follows:

- Ridership was 640 thousand rides, which was lower than plan.
- Management is fully expecting to recover on annual ridership.

Ridership Trend (3 months trend)

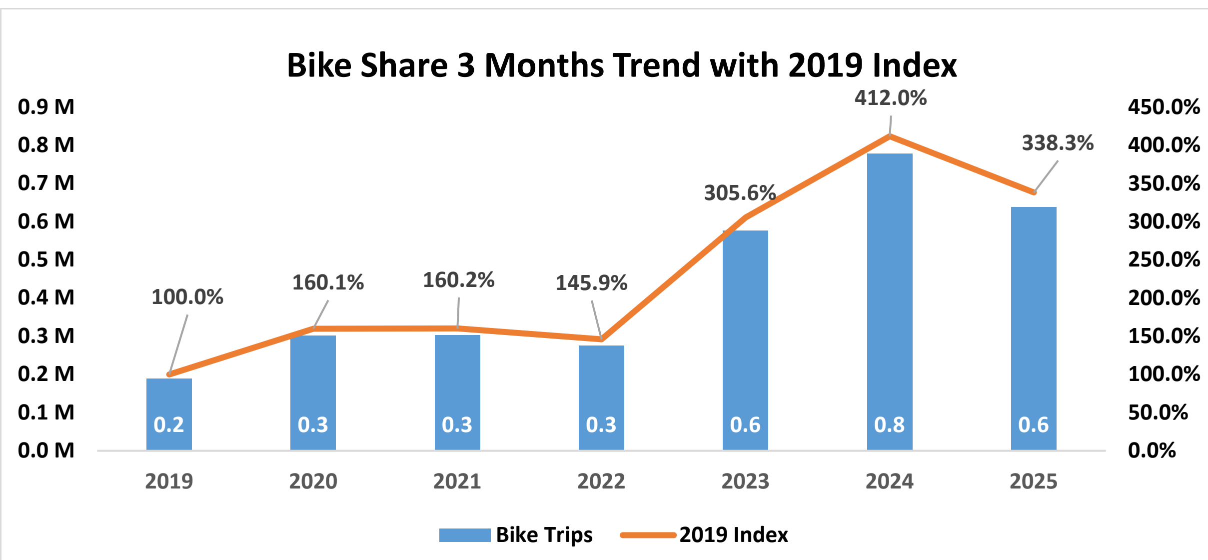

Table 6: ***2025 Q1 Capital Spend Results***

For The Three Months Ending March 31, 2025

$000's	2025 Annual Plan	March YTD Actuals	PO commitments	Spent and Commited	% Committed
TPA Led	**54,481**	**2,066**	**19,904**	**21,970**	**40%**
Bike Share Toronto	12,122	7	10,508	10,515	87%
EV Off-Street	8,100	387	4,697	5,084	63%
Health & Safety Strategy and Generators	198	263	1,421	1,685	851%
Service Improvement and Growth	20,321	719	1,069	1,787	9%
SOGR Garage Repairs and modernization	13,740	691	2,208	2,899	21%
City Led	**1,150**	**51**	**92**	**143**	**12%**
EV On-Street	250	51	92	143	57%
Health and Safety - Security CCTV	900	-	-	-	0%
Gross Capital Expenditures	**55,631**	**2,117**	**19,996**	**22,113**	**40%**

Capital expenditures totaled $2.1 million at the end of the quarter, representing 40% of the annual capital plan committed to date. Spending is aligned with the approved Annual Operating Plan and remains within projected cash flow parameters, indicating strong capital planning discipline and execution.

Key Q1 deliverables included:

- Bike Share expansion underway with the anticipated committed. Key objective is to complete the four-year expansion to all 25 wards.
- $0.7 million in service improvements on equipment modernization.
- $0.7 million in SOGR; prioritizing Car Park 43 (Church St.), Car Park 58 (Bedford), and Car Park 68 (Kensington Market).
- $0.4 million for EV Off-Street charging infrastructure; adding 60 of L2 and 15 of L3 by end of year.

CONTACT

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SIGNATURE

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