



REPORT FOR ACTION

Toronto Parking Authority - 2024 Audited Financial Statements

Date: April 10, 2025

To: Audit and Risk Management Committee, 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, 2024.

TPA is North America's largest municipal operator of public parking with over 25 million transactions in 2024. In addition to its parking operations, TPA also operates Bike Share Toronto, North America's third largest Bike Share program. In 2024, Bike Share Toronto attracted over 40,000 members (+5,000 v 2023) and achieved ridership of 6.9 million (+1.2 m v 2023) marking a nearly 300 percent increase in ridership since 2019. TPA's electric vehicle (EV) charging network, which now comprises over 450 chargers, places TPA as the operator of the largest municipally owned EV charging network in Canada. This network attracted over 20,000 unique customers and generated over \$1.1 M in revenue. A summary of key accomplishments achieved in 2024 will be presented at the May 15, 2025, Board meeting through TPA's 2024 Annual Report.

KPMG LLP has completed their audit of TPA's financial statements for the year ended December 31, 2024, and has delivered a clean audit opinion. 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 attend the 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, 2024, in Attachment 2.
2. The Board of Directors, Toronto Parking Authority recommend that City Council approve the 2024 Audited Financial Statements, in Attachment 2 of this report.

FINANCIAL IMPACT

There is no financial impact associated with the adoption of the recommendations in this report.

DECISION HISTORY

At its meeting of July 24 and 25, 2024, City Council adopted 2024.AU5.3 and received both the 2023 Financial Statements and Independent Auditor's Report and 2023 Audit Findings Report – Toronto Parking Authority.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.AU5.3>

At its meeting of May 28, 2024, the Board of Directors of Toronto Parking Authority approved the Toronto Parking Authority's Audited Financial Statements for the year ended December 31, 2023, in Attachment 2 to the report (April 11, 2024) from the President, Toronto Parking Authority.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PA9.1>

At its meeting of June 29 and 30, 2020, City Council adopted the recommendations included in AU5.7 and in so doing appointed KPMG LLP as the auditor licensed under the Public Accounting Act, 2004 who is responsible for annually auditing the accounts and transactions of the City and certain of its local boards, including Toronto Parking Authority, and expressing an opinion on the financial statements of these bodies. KPMG LLP has been retained to perform the annual financial statement audits for the years 2020 to 2024.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.AU5.7>

COMMENTS

The audited financial statements for TPA 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.

Under the City of Toronto Municipal Code Chapter 179, Parking Authority, the City's external auditor shall be the auditor of the TPA, and all books, documents, transactions, minutes and accounts of TPA shall always be open to inspection.

Summary of 2024 Financial Results

TPA's net income for the year ended December 31, 2024, was \$44.8 million; an increase of \$6.7 million or 17.7 percent over the prior year.

Total revenue was \$164.6 million; +\$18.6 million or 12.8 percent versus prior year as parking revenues reached 97.2 percent of pre-pandemic levels (2019) as businesses continue to adapt to a hybrid work model.

Total operating costs was \$124.5 million; +\$10.7 million or 9.4 percent versus prior year mainly due to higher volume related costs and higher amortization of property and equipment due to investments State of Good Repair, Bike Share and Electric Vehicle Charging infrastructure.

TPA's annual distribution to the City of Toronto for the 2024 financial year is \$32.8 million compared to plan of \$23.9 million (Better by \$8.9 million).

Table 1: 2024 Financial Results

| \$000's | 2024 Actual | 2023 Actual | Change | |
|--|------------------------|------------------------|-----------------|--------------|
| Off-street revenue | 86,768 | 82,582 | 4,186 | 5.1% |
| On-Street revenue | 63,249 | 50,586 | 12,663 | 25.0% |
| Bike Share revenue | 13,272 | 10,432 | 2,840 | 27.2% |
| Total parking and user revenue | 163,289 | 143,600 | 19,689 | 13.7% |
| Other revenue | 1,307 | 2,348 | (1,041) | -44.3% |
| Total revenue | 164,596 | 145,948 | 18,648 | 12.8% |
| Direct expenses - operating | (65,840) | (60,216) | (5,624) | -9.3% |
| Administration | (22,612) | (19,290) | (3,322) | -17.2% |
| Municipal property tax | (21,708) | (24,332) | 2,624 | 10.8% |
| Amortization of property and equipment | (14,352) | (10,020) | (4,332) | -43.2% |
| Total operating expenses | (124,512) | (113,858) | (10,654) | -9.4% |
| Operating income | 40,084 | 32,090 | 7,994 | 24.9% |
| Finance income | 4,669 | 5,938 | (1,269) | -21.4% |
| Net income | 44,753 | 38,028 | 6,725 | 17.7% |

CONTACT

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SIGNATURE

W. Scott Collier, President
Toronto Parking Authority

ATTACHMENTS

Attachment 1 - TPA Audit Findings Report for the Year Ended December 31, 2024

Attachment 2 - TPA Draft 2024 Audited Financial Statements