REPORT FOR ACTION

# Toronto Parking Authority – 2025 May 31 Year-to-Date Financial Performance (First Five Months Results)

**Date:** June 11, 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 five months ending May 31, 2025, was $18.1 million, +$2.4 million versus plan.

Total revenue reached $69.2 million, -$1.0 million versus plan; +$4.3 million or 7% higher than 2024. Parking transactions totaled 10.0 million; 674 thousand fewer than the prior year. The snow event in February drove about 371 thousand fewer transactions due to the closure of 47% of our on-street inventory for snow removal. Excluding the February event, transactions were down by 260 thousand, or 3%, compared to 2024.

Total operating costs were $46.3 million, -$2.4 million lower than plan, driven mainly by lower salaries and benefits, municipal taxes, volume-related costs and management of discretionary expenses.

Finance income was $1.4 million, comparable to plan, while amortization of assets was $1.1 million lower due to the timing of capital delivery.

As of May 31, 2025, TPA has invested $5.6 million in capital projects, with over 70% of annual plan already committed. The organization remains on track to execute its full-year capital plan of $55.6 million, bolstered by $25.8 million in direct funding from the City of Toronto for Bike Share and Electric Vehicle (EV) initiatives. This positions TPA to achieve a rolling three-year capital spend rate exceeding 80% and 2025 on track to exceed 90%.

Management is forecasting delivery of full-year 2025 financial performance targets, with projected net income between $44 million to $47 million, exceeding plan by $2 million to $5 million.

## 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 May Year to Date (YTD) Results*

| For the Five Months Ending May 2025<br>$000's | 2025 Actual | 2025 Budget | 2024 Actuals | 2025 Actual vs 2025 Budget | | 2025 Actual vs 2024 Actuals | |
|---|---|---|---|---|---|---|---|
| Off-Street revenue | 36,496 | 37,448 | 34,895 | (951) | -3% | 1,601 | 5% |
| On-Street revenue | 28,041 | 27,781 | 25,541 | 261 | 1% | 2,500 | 10% |
| Bike Share revenue | 4,299 | 4,520 | 3,951 | (221) | -5% | 348 | 9% |
| **Total parking & user revenue** | **68,837** | **69,748** | **64,387** | **(912)** | **-1%** | **4,450** | **7%** |
| Other Revenue | 372 | 488 | 495 | (117) | -24% | (123) | -25% |
| **Total Revenue** | **69,208** | **70,237** | **64,882** | **(1,028)** | **-1%** | **4,327** | **7%** |
| [1] Direct expenses - operating | (27,132) | (28,640) | (25,887) | 1,508 | 5% | (1,245) | -5% |
| **Contribution Margin** | **42,076** | **41,597** | **38,995** | **480** | **1%** | **3,082** | **8%** |
| Contribution Margin % | 60.8% | 59.2% | 60.1% | 1.6% | | 0.7% | 1% |
| [2] Municipal property tax | (9,697) | (10,378) | (9,213) | 681 | 7% | (484) | -5% |
| [3] Indirect Expenses | (9,435) | (9,605) | (8,684) | 170 | 2% | (752) | -9% |
| **EBITDA** | **22,945** | **21,613** | **21,098** | **1,331** | **6%** | **1,847** | **9%** |
| EBITDA % | 33.2% | 30.8% | 32.5% | 2.4% | | 0.6% | 2% |
| Finance Income | 1,441 | 1,490 | 2,045 | (48) | -3% | (604) | -30% |
| Amortization of property & equipment | (6,274) | (7,380) | (5,735) | 1,105 | 15% | (539) | -9% |
| **Net income** | **18,112** | **15,723** | **17,408** | **2,389** | **15%** | **704** | **4%** |

## Highlights:

### Net Income

Net income at $18.1 million, +$2.4 million versus plan due to:

### Revenue

Total revenue reached $69.2 million, -$1.0 million versus plan; +$4.3 million or 7% higher than 2024. Parking transactions totaled 10.0 million; 674 thousand fewer than the prior year. The snow event in February drove about 371 thousand fewer transactions due to the closure of 47% of the on-street inventory located along snow routes where a parking ban was in effect between February 12th and March 5th. Excluding the February event, transactions declined by 260 thousand, or 3%, compared to 2024.

### Expenses

Total operating costs (1+2+3) were $46.3 million, $2.4 million favourable to plan driven mainly by lower salaries and benefits, municipal taxes, volume-related costs and management of discretionary expenses.

### Finance Income

Finance income was $1.4 million and comparable versus plan.

### Amortization of Property and Equipment

Amortization of property and equipment was $6.3 million, -$1.1 million lower than plan due to timing of capital delivery.

### Table 2: *May YTD 2025 Off-Street Results*

**For the Five Months Ending May 2025**

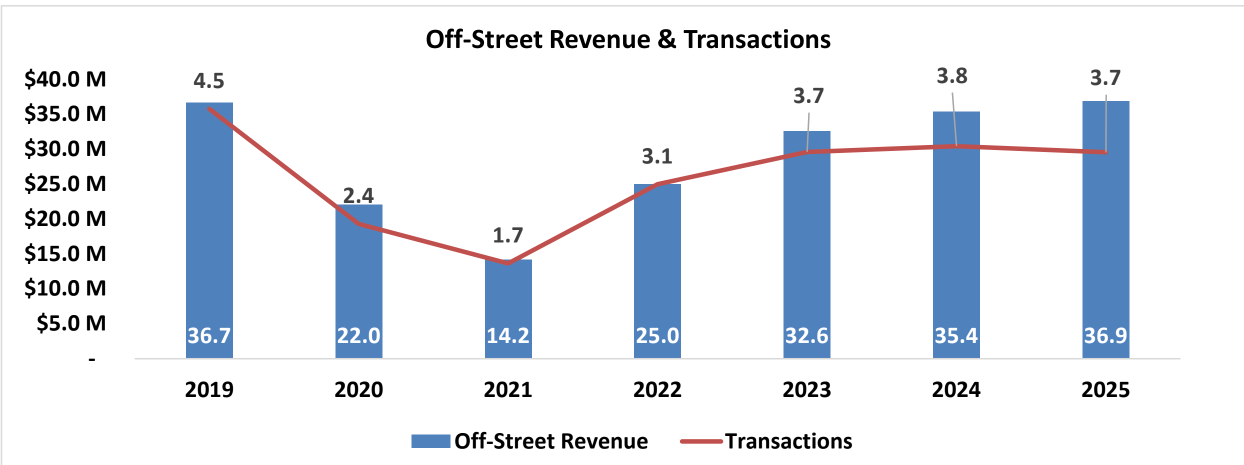
| $000's | 2025 Actual | 2025 Budget | 2024 Actuals | 2025 Actual vs 2025 Budget | | 2025 Actual vs 2024 Actuals | |
|---|---|---|---|---|---|---|---|
| Off-Street parking revenue | 36,496 | 37,448 | 34,895 | (951) | -3% | 1,601 | 5% |
| Other Revenue | 372 | 488 | 495 | (117) | -24% | (124) | -25% |
| **Total Revenue** | **36,868** | **37,936** | **35,391** | **(1,068)** | **-3%** | **1,477** | **4%** |
| Direct expenses - operating | (15,418) | (15,805) | (14,909) | 387 | 2% | (509) | -3% |
| **Contribution Margin** | **21,450** | **22,131** | **20,482** | **(681)** | **-3%** | **968** | **5%** |
| Contribution Margin % | 58.2% | 58.3% | 57.9% | -0.2% | | 0.3% | |

Off-street revenue was $36.9 million, -$1.0 million (-3%) versus plan. This shortfall is attributed to $3.2 million decrease in transaction volume primarily driven by colder-than-expected weather and the snow event in February, which negatively impacted weekday transaction volumes—particularly under the Monday-to-Friday hybrid work model. This is offset by $2.2 million from rate changes implemented earlier than plan.

Total transaction volume was 3.7 million; 111 thousand fewer transactions compared to the same period in 2024. The snow event in February accounted for 35 thousand of the decrease. Despite these challenges, revenue performance remained resilient, supported by proactive pricing strategies and a favourable mix of gated lot activities.

Two recently acquired gated car parks, Car Park 72 (St. Lawrence Market North) and Car Park 221 (Simcoe) are on the path to exceed planned expectations demonstrating our digitization and modernization investments are resonating with customers.

Direct operating expenses were $15.4 million, +$0.4 million favourable to plan, driven by lower volume-related costs and timing of facility costs.




### Table 3: *May YTD 2025 On-Street Results*

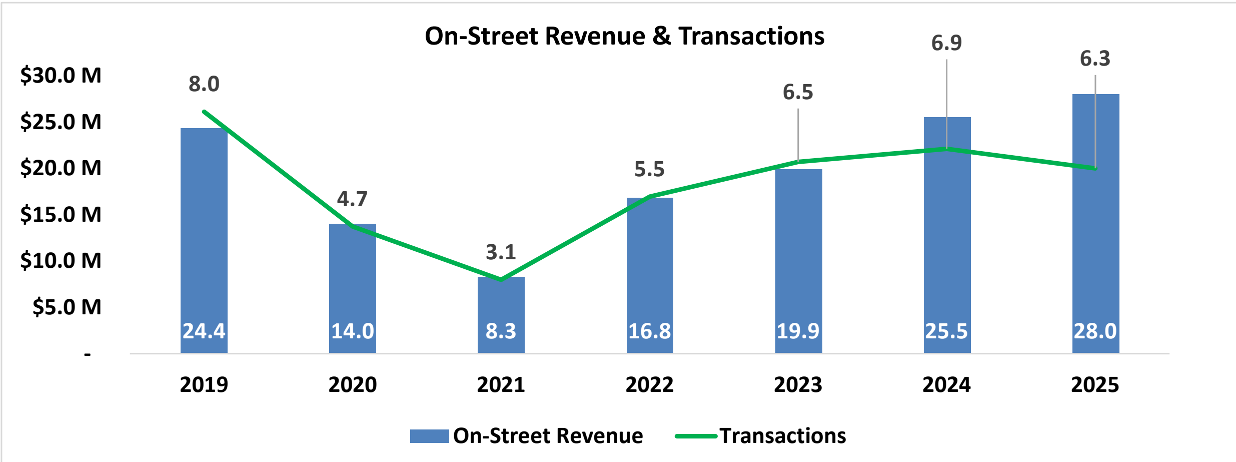
**For the Five Months Ending May 2025**

| $000's | 2025 Actual | 2025 Budget | 2024 Actuals | 2025 Actual vs 2025 Budget | | 2025 Actual vs 2024 Actuals | |
|---|---|---|---|---|---|---|---|
| **On-Street parking revenue** | **28,041** | **27,781** | **25,541** | **261** | **1%** | **2,500** | **10%** |
| Direct expenses - operating | (5,025) | (5,424) | (5,059) | 399 | 7% | 34 | 1% |
| **Contribution Margin** | **23,016** | **22,357** | **20,482** | **660** | **3%** | **2,534** | **12%** |
| Contribution Margin % | 82.1% | 80.5% | 80.2% | 1.6% | | 1.9% | |

On-Street parking revenue totaled $28.0 million, exceeding plan by $0.3 million. This was driven by $1.5 million in meter recovery remittances, $1.3 million from rate changes implemented earlier than plan, partially offset by a $2.5 million shortfall due to lower transaction volumes.

Total transactions were 6.3 million; 563 thousand fewer transactions compared to the same period in 2024. The snow event in February led to the loss of 47% of on-street parking inventory located along designated snow routes, where snowbanks obstructed access to parking spaces and charging infrastructure. The City of Toronto implemented street-level parking restrictions on these routes from February 12 to March 5 resulting in a loss of about 336 thousand transactions.

Direct operating expenses were $5.0 million, +$0.4 million favourable to plan due to lower volume-related costs and facilities cost.




## Table 4: *May YTD 2025 Electric Vehicle Charging Results*

**Combined EV P&L**
**For the Five Months Ending May 2025**

| $000's | Combined EV | 2025 Budget | 2025 Actual vs 2025 Budget | | Off-Street | On-Street | On-Street Paid Parking | On-Street Unpaid Parking |
|---|---|---|---|---|---|---|---|---|
| | | | | | | A=B+C | B | C |
| Charging Revenue | 341 | 337 | 4 | 1% | 230 | 110 | 26 | 84 |
| Associated Parking Revenue | 312 | 390 | (78) | -20% | 286 | 27 | 27 | - |
| **Total Revenue** | **653** | **727** | **(74)** | **-10%** | **516** | **137** | **53** | **84** |
| | | | | | | | | |
| **Direct expenses - operating** | **(406)** | **(445)** | **39** | **9%** | **(311)** | **(95)** | **(24)** | **(71)** |
| | - | | | | | | | |
| **Contribution** | **247** | **282** | **(35)** | **-12%** | **205** | **42** | **29** | **14** |
| Contribution Margin % | 37.8% | 38.8% | -1.0% | | 39.7% | 30.7% | 54.1% | 16.2% |

Note: Right hand chart is five months ending May 2025 actuals

Electric Vehicle (EV) revenue was $0.7 million, -$74 thousand (-10%) versus plan due to softer market conditions and promotional activities. However, this still represents a 94% increase year-over-year, highlighting the value proposition of our charging offerings. EV charging continues to attract new users, signaling the growing adoption of EVs across the City of Toronto. Over 4,000 new customers joined the network, bringing the total to more than 35,000. The “Charge Free with GreenP” campaign, held from April 21–25, successfully boosted awareness and customer trial.

Usage metrics are as follows:

- 60 thousand combined sessions, increase of 82% versus the same time last year.
    - Off-street 43 thousand, -7.2 thousand versus Plan
    - On-street 17 thousand, +2.0 thousand versus Plan

Operating expenses were $406 thousand; +$39 thousand versus plan mainly due to savings in maintenance costs.

## Table 5: *May YTD 2025 Bike Share Results*

**For the Five Months Ending May 2025**

| $000's | 2025 Actual | 2025 Budget | 2024 Actuals | 2025 Actual vs 2025 Budget | | 2025 Actual vs 2024 Actuals | |
|---|---|---|---|---|---|---|---|
| **Total Revenue** | **4,299** | **4,520** | **3,951** | **(221)** | **-5%** | **348** | **9%** |
| Direct expenses - operating | (6,689) | (7,411) | (5,919) | 722 | 10% | (770) | -13% |
| **Contribution Margin** | **(2,390)** | **(2,891)** | **(1,968)** | **501** | **17%** | **(421)** | **-21%** |
| Contribution Margin % | -55.6% | -64.0% | -49.8% | 8.4% | | -5.8% | |

Bike Share Toronto operates as a year-round micro-mobility service; however, ridership during the first five months was significantly affected by adverse winter weather, and a cooler spring compared to last year. These seasonal fluctuations have a direct impact on user revenue, trips and trip duration. To mitigate the financial impact, management activated cost containment measures to offset revenue shortfalls and minimize the required operating subsidy.

Five-month highlights are as follows:

- Year-to-date ridership reached 1.8 million rides during non-peak periods, falling short of plan. The February winter storm saw a reduction of at least 136 thousand rides.
- E-bike usage hit a record 320 thousand rides year-to-date, exceeding plan by 92 thousand rides. Casual users accounted for 29%, which is 12.5 percentage points above plan.
- Centre Island bike stations opened for the first time on Friday, May 16, generating 11 thousand incremental trips; with a 91.7% casual ridership mix which drives favourable margin growth.
- The "Bike for Free" sponsored event, originally scheduled for May 2025, has been rescheduled to June 14.

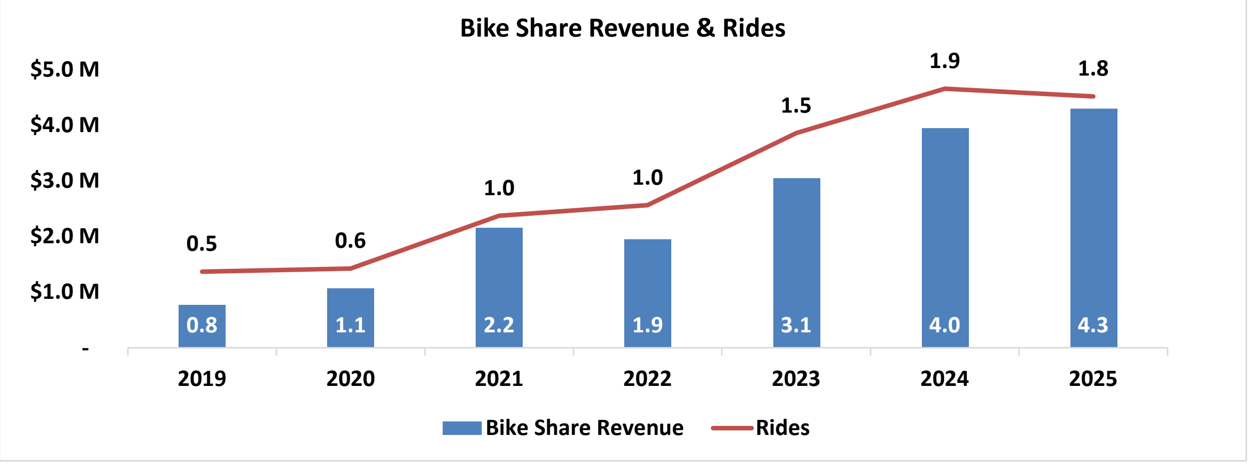


**Table 6:** ***2025 May YTD Capital Spend Results***

**For The Five Months Ending May 31, 2025**

| $000's | 2025 Annual Plan | May YTD Actuals | PO commitments | Spent and Commited | % Spent & Committed |
|---|---|---|---|---|---|
| **TPA Led** | **54,481** | **5,480** | **32,608** | **38,088** | **70%** |
| Bike Share Toronto | 12,122 | 1,051 | 9,796 | 10,847 | 89% |
| EV Off-Street | 8,100 | 501 | 8,013 | 8,514 | 105% |
| Health & Safety Strategy and Generators | 198 | - | - | - | 0% |
| Service Improvement and Growth | 20,321 | 1,309 | 4,848 | 6,157 | 30% |
| SOGR Garage Repairs and modernization | 13,740 | 2,619 | 9,951 | 12,570 | 91% |
| **City Led** | **1,150** | **116** | **339** | **455** | **40%** |
| EV On-Street | 250 | 116 | 237 | 353 | 141% |
| Health and Safety - Security CCTV | 900 | - | 102 | 102 | 11% |
| **Gross Capital Expenditures** | **55,631** | **5,596** | **32,947** | **38,543** | **69%** |

Capital expenditures totaled $5.6 million at the end of the quarter, with 69% of our annual capital plan spent or committed. Spending is aligned with the approved Annual Operating Plan and remains within projected cash flow parameters, indicating strong capital planning discipline and execution.

Key deliverables in the first five months included:

- $1.1 million; Bike Share expansion underway with the anticipated committed. Key objective is to complete the four-year expansion to all 25 wards.
- $1.3 million in service improvements on equipment modernization.
- $2.6 million in SOGR; Car Park 43 (Church St.), Car Park 58 (Bedford), and Car Park 68 (Kensington Market).
- $0.5 million for EV Off-Street charging infrastructure; adding 60 of L2 and 15 of L3 chargers by end of year.

## CONTACT

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## SIGNATURE

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