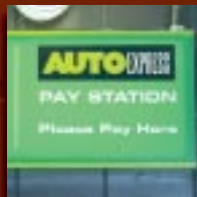


2002 ANNUAL REPORT

The Toronto Parking Authority exists to provide safe, attractive, self-sustaining, conveniently located and competitively priced off-street and on-street public parking as an integral component of Toronto's transportation system.



The Toronto Parking Authority

The Toronto Parking Authority Board of Directors



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CHAIR



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VICE CHAIR



MICHAEL FELDMAN
COUNCILLOR



KYLE RAE
COUNCILLOR



MAURICE J. ANDERSON
PRESIDENT



STAN KUMOREK



JOHN W. MALETICH



MICHAEL TEDESCO



The Toronto Parking Authority

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Mayor Mel Lastman

City Councillors

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Brian Ashton	Peter Li Preti
Maria Augimeri	George Mammoliti
Bas Balkissoon	Pam McConnell
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Mike Feldman	Case Ootes
John Filion	Joe Pantalone
Joanne Flint	Jane Pitfield
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Suzan Hall	Sherene Shaw
Douglas Holyday	David Shiner
Anne Johnston	Mario Silva
Irene Jones	David Soknacki
Norman Kelly	Paul Sutherland
Chris Korwin-Kuczynski	Michael Tziretas
Jack Layton	Michael Walker

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Gerard C. Daigle <i>Director of Finance and Administration</i>	Lorne Persiko <i>Director of Real Estate and Development</i>
Ian Maher <i>Director of Planning</i>	Sam Roussos <i>Director of Operations</i>
Barry E. Martin <i>Director of Human Resources</i>	Gwyn Thomas <i>Manager, Operational Planning & Customer Service</i>

Chairman's Message



The year 2002 was our 50th of providing parking services and revenues to the City of Toronto and another very successful year for the Toronto Parking Authority.

As in every year since the six former municipalities became the new City of Toronto in 1998, parking revenues have increased again for 2002. Net income rose 10% to a record high of \$38.5 million, with \$28.7 million going to the City of Toronto. This equates to a 3 to 4% savings for taxpayers on their City of Toronto property taxes. The primary reason for the increase in revenues continues to be the benefits gained from new technologies, especially the further expansion of pay-and-display machines as a replacement for conventional parking meters.



DAVE ROBERTS,
CHAIR

term parking in supporting retail and other local business, especially on the traditional, urban “main streets” of the City where parking is often scarce. It also recognizes that commuter parking needs are well met by the private sector in many areas and that commuters usually have a transit alternative, the promotion of which is consistent with City objectives.

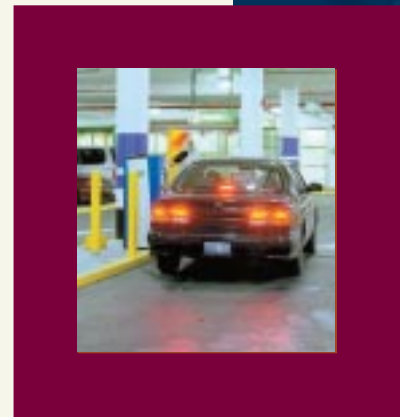


The past and present successes of the Parking Authority can also be attributed to its excellent “arm’s length” relationship with the City. By the nature of its business, the Authority operates in a market-driven environment and requires considerable autonomy in order to compete for customers and work with private-sector partners in joint developments. The current structure of the Authority and the ability of the Board of Directors to set appropriate policies allow us to respond quickly to issues and opportunities to maximize efficiencies. We continue to report to the City on budgets and property issues and to ensure that our policies are compatible with those of the City.

Currently, the TPA is working with the City of Toronto’s ABC (Agencies, Boards and Commissions) Ad Hoc Committee to review and enhance our working relationship with the City. This process is intended to confirm and refine, where necessary, the principles of governance and the objectives and expectations the City requires the Authority to meet in carrying out its business. We welcome these discussions and look forward to any opportunities to improve our effectiveness and overall value to the City.



Providing revenues to the City is only part of the TPA’s mandate. Through its policies and practices, the Authority also plays a major role in helping the City of Toronto meet its broader transportation objectives. For example, our rate structure historically has been oriented to making short-term parking the first priority. This recognizes the important role of affordable short-



Chairman's Message

Increased Revenues Support the City and Save Taxpayer Dollars

For the fifth consecutive year, the Toronto Parking Authority's net revenues increased substantially over the previous year to establish new record highs. Net income rose to \$38.5 million, an increase of \$3.9 million over 2001 results. The City of Toronto share

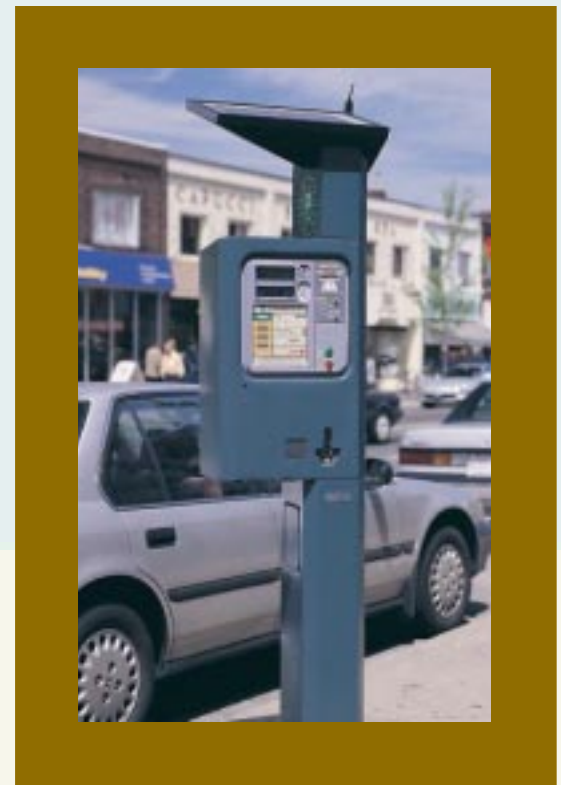
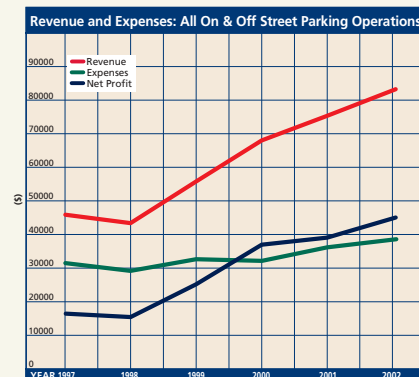
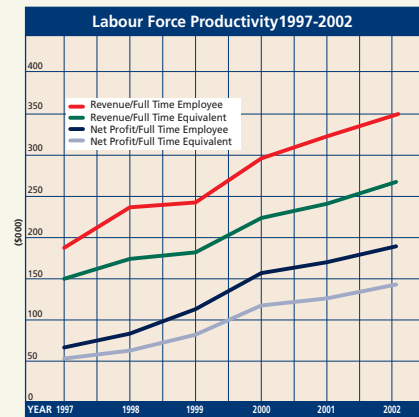
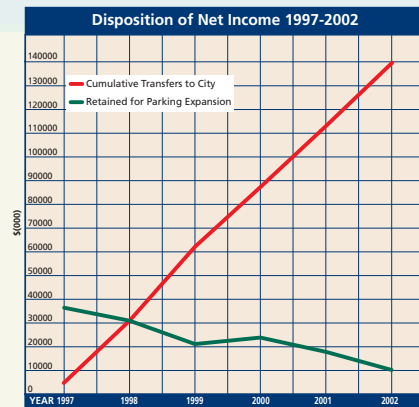
of income increased to \$28.7 million, \$2.8 million more than last year.

Similar significant increases were also achieved in gross revenues for both on- and off-street operations. Total gross revenue increased by \$8.5 million, which includes \$4.9 million from the off-street parking program and \$3.6 million from the on-street program.

The expanding use of new technology continues to be the most important reason for the record revenue increases, in particular, pay-and-display machines. In 2002, they replaced meters in several areas on the periphery of downtown and other commercial districts. Other contributing factors include the opening of new off-street lots, selective rate increases in high-demand categories such as long-term (commuter) rates, and generally favorable economic conditions throughout the City.

Continued Growth in On-Street Parking

As part of the TPA's on-street parking expansion program, a further 230 new on-street parking locations have been added throughout the city in areas where the need for more paid parking was identified. These new spaces increase accessibility to businesses and services in the downtown core and other commercial locations.



We also installed 290 new pay-and-display machines in some of Toronto's busier areas, replacing 1,670 parking meters. This is part of the TPA's expansion program and a specific strategy to replace meters with pay-and-display machines to the greatest degree possible in areas with sufficient parking volume. We now have 17,959 on-street parking spaces controlled by 8,314 on-street meters and 1,403 pay-and-display machines.

In 2003, 350 more pay-and-display machines will be added, reducing the number of parking spaces controlled by conventional parking meters to approximately 5,500. We continue to review new parking opportunities and the usage of our current space inventory to ensure that they meet customers' needs, thereby optimizing revenues.





Chairman's Message

New Off-Street Lots Support Local Businesses

At the end of 2002, the Toronto Parking Authority's off-street parking inventory was 201 carparks providing 35,573 spaces across the city. The continuing growth in our off-street parking program helps to ensure that short-term parking needs with respect to the city's main streets and other commercial areas are satisfied so that local businesses can prosper.

The opening of the TPA's new multi-level parking garage under Dundas Square in 2001 was followed in late 2002 by a new, 235-space garage at Yonge and Delisle, north of St. Clair. This particular facility is connected to the Delisle Court development and will provide much needed additional spaces to this busy commercial area. As in all our facilities opened since 1995, these parking garages feature automated "pay-on-foot" technology where customers can pre-pay their parking charges at conveniently located machines before departing the carpark.

In addition, eight new parking lots were opened at:

- *Eglinton West, near Oakwood*
- *Mount Pleasant, south of Eglinton*
- *Adelaide West, near Spadina*
- *McCaul and Baldwin*
- *Yorkville Avenue, in the heart of the Yorkville commercial area*
- *Yonge between Price and Rowanwood, over the TTC subway south of Summerhill*
- *Dundas West and Ossington*
- *Markham Road and Milner in Scarborough*

These again are intended to help adjacent commercial neighborhoods to prosper. We continue to receive requests from local businesses to review their specific parking needs, and respond with additional spaces if warranted.

Land was acquired in 2002 that will be transformed into off-street parking facilities in 2003. Some of these locations are Bathurst at St. Clair, Dundas West near Keele (Malta Village) and Richmond East near Church.

Joint Developments Contribute to Neighbourhood Improvements

In neighbourhoods where parking deficiencies have been identified, we continue to acquire new sites to satisfy those needs. Where we have surface parking lots, joint ventures are pursued with private developers that typically provide more public parking underground and housing, offices and street-level retail above. The public parking is owned by the City but is part of the overall development. One property is thus used for two purposes, resulting in a less expensive project for each party. This strategy also achieves better-integrated land use and an improved urban fabric for the neighbourhood.

Among the facilities opening this year, the Yonge and Delisle (St. Clair) garage and the 54-space underground development on Mount Pleasant south of Eglinton are examples of joint venture developments. In Yorkville a surface parking lot acquired in partnership with a private developer will result in an underground parking facility containing approximately 200 parking spaces with development above.



Chairman's Message

Toronto Showcases its Parking Advances to the World

The Toronto Parking Authority's numerous successes in the past few years, especially in the area of technology, are attracting the parking world to Toronto. Recent

achievements in both on- and off-street parking have not only made Toronto a world leader but generated immense interest from other parking organizations around the world.

In June of 2002, the TPA hosted the International Parking Institute's Annual Conference bringing 2,700 delegates to Toronto, most from the United States. In 2003, we will host the World Parking Symposium, which is expected to attract leaders in transportation and parking

management from around the world. In addition to these occasions, many parking professionals from other North American cities have visited the TPA to learn about what has been accomplished in Toronto.

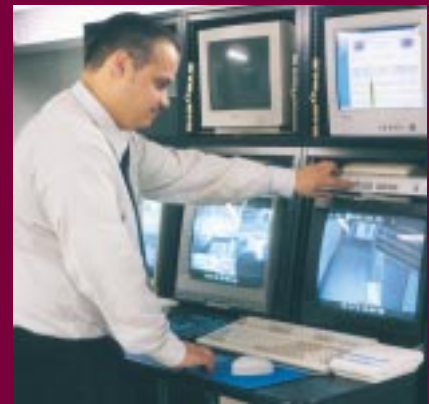
Our showcase technology achievement continues to be the widespread and expanding use of solar-powered pay-and-display machines to replace conventional on-street parking meters. Until recently, Toronto was the only city in the world where a customer could pay with a credit card on-street. All attended TPA facilities in the city and most of our unattended off-street lots have also been upgraded to accept credit card payment for parking services.

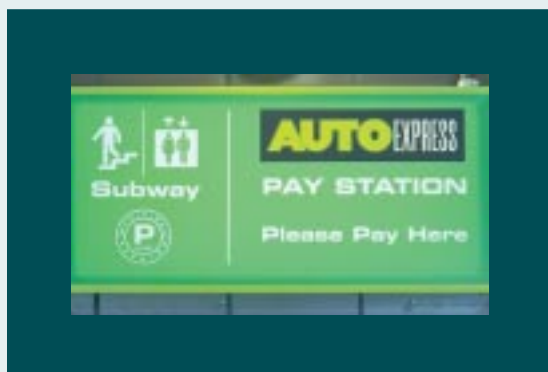
The increased convenience of credit card payment and the reliability of the new equipment represent the two major factors contributing to the increase in revenue and the overall reduction of costs. Small rate increases have created additional revenue and turnover in parking spaces, ensuring that, as intended, on-street parking is available and convenient for short-term customers. Overall, our customers have embraced the new technology, as evidenced by the few complaints we have received compared to the number requesting expansion of this program and the replacement of more old, conventional on-street parking meters.



The pay-and-display machines are also more reliable and less susceptible to vandalism than parking meters. All on-street and off-street pay-and-display machines are linked via a radio communications network to one central location. This allows real time monitoring, which reduces down time and provides significant usage data to ensure that revenues are being optimized. The reduction in staff time needed to physically inspect machines and then respond to malfunctions has reduced costs. In the end, the service provided to customers has improved and the system has become more efficient overall.

In addition to pay-and-display, the TPA has been installing equipment in its major parking facilities that makes it more convenient for customers to pay. In 1995 ours was the first organization in North America to utilize "pay-on-foot" technology. As these systems improved over the years, older systems have been upgraded to incorporate the new technologies developed.





More Technology Advances Coming to Make Parking Easier

In mid-2003 the TPA will introduce another first. The Parking Authority has developed a convenience card for businesses whose employees use off-street and on-street parking facilities while on the move throughout the city. This will allow the employee to charge all their parking time conveniently on a single card. An invoice sent directly to the company will permit payment for all employee parking to be made with one transaction. We believe this service will be very attractive for businesses that have employees and vehicles across the city. It should also generate more revenue for the TPA and City of Toronto.

The Authority is a member of the Integrative Mobility Systems (IMS) Consortium, a cross-Canada group of agencies and organizations working to implement a form of integrated mobility card (Smart Card). It is envisioned this card will be used in the future to pay for various modes of transportation, including transit, parking and highway tolls, as well as community services and possibly commercial enterprises. The consortium was initiated by the City of Toronto's "Moving the Economy" program and includes other agencies such as the TTC, Go-Transit and the Ministry of Transportation.



Working with the TTC to Increase Use of Park-and-Ride

On January 1, 2002, the Toronto Parking Authority assumed operation of the Toronto Transit Commission park-and-ride facilities under an agreement with the TTC. There are 24 such facilities containing approximately 12,900 parking spaces. Over the next few years, hopefully we will provide encouragement for commuters who drive downtown each day to use public transit. An upgrade of these facilities is planned for the near future to provide a better park-and-ride alternative for commuters. With better signage and the introduction of more payment options for customers, it is anticipated that more people will switch from downtown commuting to public transit and revenues will increase. New revenues generated could provide some of the necessary funds to increase the supply of parking in TTC commuter parking facilities on the outskirts of the city.

For many years, the Toronto Parking Authority has provided commuter parking in the periphery of the downtown core in areas that also serve non-commuter uses. Various neighbourhoods around the city and close to commuter subway stations are now being surveyed to identify additional on-street opportunities. This alternative is much less expensive than purchasing land and building parking garages. More spaces will make it easier for commuters to choose TTC park-and-ride facilities, thus reducing downtown traffic.

In another partnership arrangement with the City of Toronto Parks and Recreation Department, the TPA has assumed the management and operation of all paid parking in lakefront parks during the summer season. The decision to charge for parking in these areas was made by City Council. Over the next few years, this program may be expanded.



Chairman's Message

Supporting Sustainable Transportation – Green "P" Gets Greener

Cars are not the only mode of transportation that needs parking. Many people use motorcycles, bicycles and car-sharing organizations for their personal transportation needs, and a multi-faceted parking system can support all these modes.

We continue our support for the Auto-Share car-sharing organization. Auto-Share uses our parking lots, instead of on-street spaces, to park cars that are shared by their members. These spaces are strategically located across the city and satisfy the needs of Auto-Share's members. Similar arrangements with other organizations looking to provide these types of services are also under discussion.

Several years ago, we initiated a plan developed by the City's Transportation Committee to accommodate the parking of motorcycles on-street. The City has a pilot project underway and is currently studying the use of these spaces. If they are found to be well used, it is anticipated that more spaces will be provided and the program expanded. Motorcycles require smaller parking spaces than cars and these smaller designated spaces will free up more parking spaces to accommodate full-sized vehicles.

The removal of thousands of parking meters in the city to accommodate pay-and-display parking affords opportunities to transform the former meter posts into bicycle parking. The Authority provided \$125,000 in 2002 (\$250,000 in the previous two years), to re-equip some of these posts with proper bicycle parking rings. To identify this need, we worked closely with the

City's Cycling Committee and are represented on the City's coordinating committee for the Toronto Bike Plan.

In 2002 the TPA again sponsored the City of Toronto "Bike Week" program and the Toronto Area Business Improvement Associations' Annual City-wide Promotional Initiatives. Both events promote alternative forms of transportation and local neighbourhood activities. For the past three years, we have also been a



supporter of the City's Tree Advocacy Program, working with the program's experts to enhance tree planting and landscaping at our parking facilities and providing direct financial support.



Ongoing Reviews of Policies and Internal Controls

One of the successful features of the Authority's operation is the use of "Courtesy Envelopes" as a more focused and less punitive means of encouraging compliance while treating our customers fairly. The courtesy envelopes give customers a means to pay for inadvertently staying beyond the time allowed or previously pre-paid. Those who abuse this policy, however, are tracked and issued infraction notices with fines. For the most part, our customers pay the proper fees and appreciate the flexible policy. This policy also has the support of the business associations who benefit from the parking facilities.

In mid 2002, we reviewed our policies on courtesy envelopes and increased the courtesy envelope amounts to better reflect recent parking rate increases. We now issue parking infraction notices if a single previous courtesy envelope arrears is outstanding. The intent of the change was to increase voluntary compliance above the current 80% level, with corresponding increases in revenues, while still keeping the system fair to the vast majority of our customers who do comply. These changes are being monitored to ensure that they are achieving objectives.

Currently, our enforcement activities apply only to our off-street facilities. We continue to believe that a more customer-oriented and less punitive approach to parking enforcement is needed for on-street parking meters and pay-and-display machines. The Parking Authority could reduce costs and realize economies of scale by combining enforcement of paid parking on-street with our current operations. The success of our



approach to enforcing regulations at off-street parking lots is evidenced by the 80% voluntary compliance rate in these facilities, compared to the 55% on-street rate. Our concerns and recommendations were earlier communicated to the City in our “Parking Management – Completing the Circle” report, but City Council decided the responsibility for on-street enforcement would remain with the Toronto Police Services.

Earlier this year, one local Toronto newspaper published several articles questioning certain policies and practices of the Authority. The Chairman and President met with the Editorial Board of the newspaper to discuss the articles and the criticisms. As a result of that meeting, the Authority’s positions were clarified and we believe the editors gained a better understanding of the TPA’s practices and the reasons behind them.

In a further response to the criticisms in this newspaper, the Authority also requested an audit of its policies and practices by the City of Toronto’s auditor. In general, the audit determined that the Authority’s policies and practices were appropriate, although a few minor improvements were suggested and have since been implemented. Procedural audits such as this are beneficial, in that a review directed from outside of the organization can often bring to light areas for improvement that might otherwise be difficult to readily identify from within.

Toward the end of the year, the Authority reviewed its benefit package for all administrative and office personnel, and the benefits program was updated to conform with the City’s program for similar staff. Changes were also made to streamline the organizational structure at the senior management level, resulting in a reduction of the number of positions reporting directly to the President.

One final issue that remains of concern to the Toronto Parking Authority is property taxes, our largest single expense. Our mandate is to be self-sustaining and we must ensure that our expenses are reasonable. Since Market Value Assessment was introduced, the Authority’s property taxes have increased significantly. All assessments have been appealed and we are working with tax assessors to arrive at a fair and reasonable assessment. Increased property taxes must be recovered by increasing parking fees. In some cases, the result is that we are unable financially to justify providing parking facilities in certain parts of the City, to the detriment of businesses in those areas.

Conclusion

The Parking Authority is entering its 51st year of operation confident that the potential exists for many more advances. Building on the successes of 2002, we intend to stay abreast of new technologies and implement cost savings measures that meet the objective of making our operations more streamlined and profitable.

I extend my thanks to the dedicated and hard-working TPA staff for all their excellent efforts once more this year, and to the Board of Directors for their leadership and valuable contributions. We look forward to greater successes in the future, as we make every effort to ensure and enhance our value to the City of Toronto and its citizens.

A handwritten signature in blue ink, reading 'D. Roberts'.

Dave Roberts, Chair



Financial Statements

Auditors' Report

To the Board of Directors of Toronto Parking Authority

We have audited the balance sheet of Toronto Parking Authority as at December 31, 2002 and the statements of operations and equity and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Canada,
March 14, 2003.

Ernst + Young LLP
Chartered Accountants

Balance Sheet

As at December 31

ASSETS	2002	2001
	\$	\$
Current		
Cash	7,071,256	5,597,072
Short-term investments [note 3] [market value - \$5,817,894; 2001 - nil]	5,800,368	—
Accounts receivable [note 4]	1,189,092	797,776
Inventories	717,023	554,769
Prepaid expenses	425,555	348,631
Total current assets	15,203,294	7,298,248
Long-term investments [note 3] [market value - \$19,305,000; 2001 - \$26,276,046]	18,435,201	26,163,112
Deferred charges [note 5]	1,065,058	1,161,632
Property, plant and equipment, net [note 6]	98,379,283	81,936,874
	133,082,836	116,559,866
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities [note 4]	23,695,979	16,928,990
Deferred revenue	305,184	299,177
Total current liabilities	24,001,163	17,228,167
Equity	109,081,673	99,331,699
	133,082,836	116,559,866

See accompanying notes

On behalf of the Board:


Chairman


President



Statement of Operations and Equity

Year ended December 31	2002		2001	
	On-street \$	Off-street \$	Total \$	Total \$
Revenue	29,562,146	53,690,373	83,252,519	74,770,535
Expenses				
Operating [schedule]	4,078,612	32,784,622	36,863,234	34,476,495
Administration	793,156	4,595,302	5,388,458	5,023,159
Amortization of capital assets	2,561,295	2,841,740	5,403,035	4,152,809
	7,433,063	40,221,664	47,654,727	43,652,463
Operating income	22,129,083	13,468,709	35,597,792	31,118,072
Other income				
Gain on sale of capital assets			–	4,600
Investment income			1,663,636	2,238,185
Net rental income [gross - \$1,130,836; 2001 - \$1,103,113]			1,032,687	947,607
Sundry			192,276	288,435
			2,888,599	3,478,827
Income before the following			38,486,391	34,596,899
City of Toronto's share of income [note 8]			(28,736,417)	(25,947,675)
Net income for the year			9,749,974	8,649,224
Equity, beginning of year			99,331,699	90,682,475
Equity, end of year			109,081,673	99,331,699

See accompanying notes

Statement of Cash Flows

Year ended December 31	2002	2001
	\$	\$
OPERATING ACTIVITIES		
Net income for the year	9,749,974	8,649,224
Add (deduct) non-cash items		
Gain on sale of capital assets	–	(4,600)
Amortization of capital assets	5,403,035	4,152,809
Amortization of deferred charges	96,574	96,574
	15,249,583	12,894,007
Changes in non-cash working capital balances related to operations		
Accounts receivable	(391,316)	774,705
Inventories	(162,254)	31,505
Prepaid expenses	(76,924)	26,737
Accounts payable and accrued liabilities	6,766,990	(6,818,837)
Deferred revenue	6,007	20,656
Cash provided by operating activities	21,392,086	6,928,773
INVESTING AND FINANCING ACTIVITIES		
Net decrease in investments	1,927,543	5,699,979
Proceeds from sale of capital assets	–	4,600
Purchase of capital assets	(23,177,067)	(20,596,296)
Funding from City of Toronto's reserve funds for capital assets	1,331,622	2,104,487
Cash used in investing and financing activities	(19,917,902)	(12,787,230)
Net increase (decrease) in cash during the year	1,474,184	(5,858,457)
Cash, beginning of year	5,597,072	11,455,529
Cash, end of year	7,071,256	5,597,072

See accompanying notes



Notes to Financial Statements

Schedule of Operating Expenses

As at December 31

ASSETS			2002	2001
	On-street \$	Off-street \$	Total \$	Total \$
OPERATING				
Salaries, wages and benefits	1,419,039	8,973,039	10,392,078	9,968,623
Municipal taxes	–	13,720,293	13,720,293	12,849,677
Maintenance	725,683	2,306,174	3,031,857	3,965,570
Utilities	–	2,365,752	2,365,752	1,773,192
Rent	–	2,183,599	2,183,599	1,635,400
Snow clearing	–	918,176	918,176	887,848
Tickets	825,019	406,551	1,231,570	813,649
Security and monitoring	–	438,234	438,234	418,968
Insurance	47,030	526,734	573,764	456,999
Pay and display network communication	587,853	–	587,853	416,876
Outside coin counting fees	311,605	–	311,605	173,119
Sundry	162,383	946,070	1,108,453	1,116,574
	4,078,612	32,784,622	36,863,234	34,476,495

See accompanying notes

Notes to Financial Statements

1 OPERATIONS AND RELATIONSHIP WITH THE CITY OF TORONTO

Toronto Parking Authority [the “Authority”] is a local board of the City of Toronto [the “City”], established under the City of Toronto Act (1997), whose mandate is to operate, manage and maintain municipal parking facilities and on-street meter operations on behalf of the City in support of local business areas. In its relationship with the City, the Authority has an agreement [note 8] on income sharing with the City.

The Authority is not subject to income taxes under section 149(1) of the Income Tax Act (Canada).

These financial statements reflect the financial position and results of operations of the Authority’s off-street parking facilities and on-street parking meters. They do not include the operations of the retail stores and offices on Cumberland, Queen, Charles or St. Andrew Streets; or payments received by the City from developers under agreements in lieu of providing parking facilities. The results of these activities are recorded by the City in reserve fund accounts which are available for the exclusive use of the Authority to fund on-going capital projects and improvements [note 4].

2 SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for profit oriented organizations, unless otherwise directed to specific accounting recommendations of the Public Sector Accounting Board.

Revenue recognition

Revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes measurable and expenses when they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Investments

Investments are recorded at cost. Premiums and discounts on bonds are amortized over the term of the bond. Investment income includes interest and gains or losses on the sale of investments.

Inventories

Inventories of supplies are recorded at lower of cost or market value.

Property, plant and equipment

Purchased property, plant and equipment are recorded at cost less any amounts being funded from the City reserve funds [note 4]. Amortization is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

- Parking garages and surface car parks 25 years
- Equipment and furnishings 5 to 10 years

Employee related costs

The Authority’s contributions to a multi-employer defined benefit pension plan are expensed when contributions are due.



3 INVESTMENTS

Investments consist of Government of Canada bonds, bankers' acceptances and Province of Ontario debentures with a weighted average yield to maturity

of 5.0% and an average duration to maturity of 4.6 years [2001 - 6.2% and an average duration to maturity of 7.4 years].

4 RELATED PARTY TRANSACTIONS

The Authority operates 47 parking facilities on properties owned by other City departments and agencies. These parking facilities are operated under separately negotiated agreements on behalf of the City department agency with the Authority receiving

compensation in the form of either a share of net income earned or a cost recovery plus fixed fee basis. Amounts owing from (to) the Authority under these agreements are included within accounts receivable or accounts payable on the balance sheet.

Included in accounts receivable of \$1,189,092 is \$338,856 due from related parties. Included in accounts payable and accrued liabilities of \$23,695,979 is \$10,270,475 due to related parties. The net amount

of \$9,931,619 [\$10,270,475 less \$338,856] due to related parties at December 31, 2002 is summarized as follows:

	2002	2001
	\$	\$
Due from the Toronto Economic Development Corporation	-	5,661
Due from the Toronto Transit Commission	375,780	-
Due to the City of Toronto	(10,307,399)	(7,887,428)
	(9,931,619)	(7,881,767)

As referred to in note 1, the City holds reserve funds for use by the Authority in funding capital projects. Net income generated by retail leasing operations which are developed and operated by the Authority are paid annually into the "Malls and Rental Properties" fund. The balance in this fund as at December 31, 2002 is approximately \$380,000. During 2002, approximately \$943,000 of these funds were used to fund capital additions.

Payments received by the City from developers under agreements in lieu of providing parking facilities are paid into the "Off-Street Parking Fund". The balance in this fund as at December 31, 2002 was approximately \$6.5 million. During 2002, approximately \$388,000 of these funds were used to fund capital asset additions.

5 DEFERRED CHARGES

Included in deferred charges is \$994,150 [2001 - \$1,070,724] related to leased property under various long-term lease agreements for periods up to 2039. The total rent for these leases was \$2,220,168. These payments were made in advance and are being amortized over the terms of the individual leases.

Also included in deferred charges are expenditures

of \$70,908 [2001 - \$90,908] incurred by the former Parking Authority of North York in respect of a specific management agreement. These expenditures were deferred and are being amortized against revenue from operations over the term of the agreement.



Notes to Financial Statements

6 PROPERTY, PLANT, AND EQUIPMENT

	2002		2001	
	Cost	Accumulated amortization	Cost	Accumulated amortization
	\$	\$	\$	\$
Land	46,870,983	–	36,340,623	–
Parking garages	51,893,101	26,695,940	48,931,517	24,723,500
Surface car parks	6,653,920	1,408,605	2,728,880	1,167,753
Car parks and projects not completed	23,236	–	362,772	–
Equipment and furnishings	34,775,308	13,732,720	30,004,245	10,539,910
	140,216,548	41,837,265	118,368,037	36,431,163
Less accumulated amortization	41,837,265		36,431,163	
Net book value	98,379,283		81,936,874	

7 PENSION OBLIGATIONS

The Authority makes contributions to the Ontario Municipal Employees Retirement Fund [“OMERS”], which is a multi-employer plan, on behalf of substantially all of its employees. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees

based on the length of service and rates of pay.

As a result of a contribution holiday, which extended to December 31, 2002, no contributions to the pension plan were required in 2002 or 2001. Contributions resumed in January 2003.

8 CITY OF TORONTO'S SHARE OF INCOME

In 2001, the City and Authority renewed an income sharing arrangement for a three-year period ending December 31, 2003. Under the arrangement, the Authority is to pay annual rent equal to the greater of 75% of its net income for the year or \$18,000,000, whichever is greater.

Under the Municipal Act, any earnings retained by the Authority are to be applied as follows:

- Debenture charges relating to debentures issued to finance the cost of parking facilities;
- The cost of additional parking facilities required as part of the Authority's mandate to provide parking in support of business areas in the City; and
- Other purposes as may be approved by City Council.

9 LEASE COMMITMENTS

Future minimum annual lease payments under leasing agreements for use of land and equipment are as follows:

	\$
2003	421,965
2004	402,135
2005	390,241
2006	257,697
2007	120,000
2008 and thereafter	1,260,000
	2,852,038

Off-Street Parking Facilities

No.	Location	Capacity
DOWNTOWN		
26	Queen-Victoria Garage	645
32	Bay St - Lakeshore Blvd. W	525
34	Dundas Square Garage	265
36	Nathan Phillips Square Garage	2087
43	St. Lawrence Garage	2008
52	University Ave Garage	323
108	Esplanade, w of Jarvis	34
125	Richmond-Sherbourne Garage	258
177	York/Lakeshore	40
201	Victoria Street, Dundas Sq.	21
215	Yorkville Ave	175
216	McCaul Street	38
TOTAL:		6419

No.	Location	Capacity
DOWNTOWN FRINGE		
1	Hayden St e of Yonge	430
3	Isabella St e of Yonge	33
5	Wellesley St e of Yonge	135
15	Yorkville-Cumberland Garage	1036
51	Lippincott St s of Bloor W	146
58	Bloor-Bedford Garage	399
68	Kensington Garage	450
71	Bellevue Ave s of Nassau St	91
79	Sherbourne St n of Carlton St	112
96	Portland Garage	37
106	Augusta Ave n of Queen W	120
109	Aberdeen Ave w of Parliament St	35
150	Larch St Garage	357
163	Dragon City Garage	129
205	465 Huron St	20
212	363 Adelaide St W	23
TOTAL:		3553

No.	Location	Capacity
MIDTOWN		
11	Rosehill Garage	565
12	Alvin Ave n of St. Clair E	188
13	Delisle Ave w of Yonge	238
29	Holly-Dunfield Garage	460
39	Castlefield Ave w of Yonge	163
47	Castleknock Rd n of Eglinton W	175
49	Roehampton Ave e of Yonge	126
55	Bedford Park Ave w of Yonge	42
107	MacPherson Ave-Rathnelly Ave	40
131	Eglinton W-Hilltop Road	28
139	Sherwood Ave e of Yonge	46
152	Glenforest Rd e of Yonge	26
155	Eglinton W-Glen Cedar Road	33
157	Bayview/Millwood Garage (lower)	20
161	St. Clair-Yonge Garage	173
164	Thelma Ave-Spadina Road	43
171	Mt. Pleasant Rd s of Eglinton E	53
178	Hillsdale at Mt. Pleasant	39
195	15 Price St.	71
655	China House	43
TOTAL:		2572

No.	Location	Capacity
CENTRAL EAST		
17	Pape Ave n of Danforth	85
20	Cedarvale Ave n of Danforth	37
21	Amroth Ave s of Danforth	54
28	Pape Ave s of Danforth	76
45	Broadview Ave n of Queen E	92
48	Lee Ave s of Queen E	68
78	Erindale Ave e of Broadview Ave	93
87	Chester Ave n of Danforth	83

No.	Location	Capacity
88	e/s Ferrier Ave n of Danforth	47
89	Lipton Ave e of Pape Ave	70
90	Eaton Ave n of Danforth	30
110	Danforth Ave e of Coxwell Ave	25
126	Parliament St s of Front E	84
137	Gough Ave n of Danforth	17
142	Langford Ave n of Danforth	27
146	Gerrard St E w of Broadview Ave	43
149	Woodycrest Ave n of Danforth	35
156	w/s Ferrier Ave n of Danforth	23
170	Hammersmith Ave n of Queen E	30
173	Rhodes Ave s of Danforth	24
174	Hiawatha and Gerrard	50
179	Gerrard St e/Broadview	25
180	Gerrard St e/Rhodes	41
184	Boardwalk, s of Queen E	24
185	Joseph Duggan Rd, s of Queen E	24
186	Sarah Ashbridge Ave, s of Queen E	24
200	1167 Eastern Ave	66
202	1141 Eastern Ave	18
600	Civic Centre	20
TOTAL:		1335

No.	Location	Capacity
CENTRAL WEST		
18	Keele St s of Dundas W	77
19	Pacific Ave s of Dundas W	71
41	Norton Ave w of Dufferin	64
42	Via Italia s of St. Clair W	169
44	Fuller Ave n of Queen W	53
53	Richmond St West - Walnut Ave	49
62	Queen St W - Abell St	29
64	Durie St n of Bloor W	155
80	Keele St n of Dundas W	54
81	Lansdowne Ave n of Bloor W	40
82	Margueretta St n of Bloor W	56
84	Salem Ave n of Bloor W	35
85	Palmerston Ave n of Bloor W	58
91	Armada Ave n of Bloor W	144
93	Euclid Ave n of Bloor W	52
104	Ossington Ave n of Bloor W	40
111	College-Clinton Garage	79
116	Kennedy Ave n of Bloor W	56
130	Bartlett Ave n of Bloor W	38
141	Greenlaw Ave s of St. Clair W	53
143	Windermere Ave n of Bloor w	88
144	Clinton St n of Bloor W	33
158	Queen St W w of Cowan Ave	32
167	Ossington Ave n of Queen W	20
168	Harrison St e of Dovercourt Road	47
181	Lampport Stadium	329
188	Beatrice Street, s of College St	18
204	1117 Dundas St W	37
651	Locust St	47
652	Scott Rd	14
653	E side Riverview Gardens	113
654	W side Riverview Gardens	100
656	Mould Ave	7
658	Dufferin St	94
659	Oakwood Library	22
660	Oakwood Ave	21
661	Rogers Rd	24
663	Shortt St	130
664	Eglinton/Oakwood	40
665	Douglas Saunders	23
667	1531 Eglinton Ave	23
TOTAL:		2634

No.	Location	Capacity
SUBURBAN NORTH		
400	10 Kingsdale Ave	48
401	246 Brooke Avenue	97
402	10 Empress Ave	29
403	10 Harlandale Ave	112
404	Beecroft Garage	394
406	City Hall (former North York)	556
408	William Carson	39
410	Beecroft West	173
411	Roe Ave (1880 Avenue Rd)	32
412	11 Finch Ave West	62
413	Warner Bros	17
414	Jolly Miller	262
415	5151 Yonge St	32
417	Pemberton	10
418	68 Sheppard Avenue West	34
650	John St	158
TOTAL:		2055

No.	Location	Capacity
SUBURBAN EAST		
700	Bushby	377
701	Fallingbrook	38
706	284 Milner Ave	98
TOTAL:		513

No.	Location	Capacity
SUBURBAN WEST		
500	Grenview Ave n of Bloor	55
501	Wendover Rd n of Bloor	80
502	Prince Edward Drive n of Bloor	44
503	Willingdon Ave n of Bloor	79
504	Jackson Ave n of Bloor	116
505	Bloor/Cliveden Ave s of Bloor	11
506	Fifth/Sixth St n of Lake Shore Blvd W	53
507	Third St s of Lake Shore Blvd W	24
508	Eighth/Ninth St n of Lake Shore Blvd W	45
509	Fourth St s of Lake Shore Blvd W	22
510	Twenty-Third St s of Lake Shore Blvd W	22
511	Seventh St s of Lake Shore Blvd W	54
512	Central Park	57
513	Queensway n of Royal York Rd	28
514	Seventh St Lane n of Lake Shore Blvd W	11
515	Thirteenth St s of Lake Shore Blvd W	10
516	Woolgar Laneway n of The Queensway	49
517	Superior Ave n of Lake Shore Blvd W	15
518	Town Hall s of Birmingham	27
519	Dayton Lane s of The Queensway	15
520	Royal Avon n of Dundas St W	65
521	Monkton Ave, s of Bloor St W	25
657	Scarlett Rd	11
662	Emmett Ave	78
TOTAL:		996

TOTAL:	20,077	
SPECIAL FACILITIES		
Commuter Carparks	12,905	
Seasonal Parks	2,591	
GRAND TOTAL:	35,573	



The Toronto Parking Authority



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