



Toronto Parking Authority

2003 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.

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Chairman's Message



DAVE ROBERTS
CHAIR

2003 was a challenging year for the City of Toronto and its agencies, including the Toronto Parking Authority. The outbreak of S.A.R.S. and the extended summer power blackout had major impacts on tourism, businesses, residents and the overall economy of the City. The reduced activity at hotels, restaurants and entertainment venues meant that fewer people were coming to Toronto and, similarly, fewer people were using TPA parking facilities.

In spite of the difficult economic environment, the Toronto Parking Authority (TPA) managed to realize its sixth consecutive increase in net income, growing 1.5 percent to a record high of \$39.1 million.

The main reason for the increase in revenue continues to be the ongoing implementation and expansion of new technology, particularly the pay-and-display machines as a replacement for conventional parking meters in many more commercial districts on the periphery of downtown and elsewhere. Other contributing factors to the revenue increases include the opening of new off-street lots and selective rate increases in high-demand areas, especially long-term (commuter) rates. Also, the overall economic climate in the City and surrounding areas remains relatively positive in spite of the temporary setbacks of S.A.R.S. and the power blackout.

As always, the City of Toronto receives the major share of the TPA's net income. In 2003 the City's share was \$29.3 million, a record high amount. Because of S.A.R.S. and the power blackout, this was less than what was budgeted, but the Authority managed to meet its budget commitment to the City through a one-time "top-up" in 2004 of \$2 million from its capital fund. This not only helped the City's finances in a difficult budget year, but the total payment to the City was the equivalent to a 3% savings for

taxpayers on what they would otherwise have to pay for their City of Toronto property taxes.

A major undertaking in 2003 was a series of intensive discussions with the City of Toronto regarding the relationship of the City with its Agencies, Boards and Commissions (ABC's). Commendations are due to both TPA management and City staff for the considerable effort put forth to find solutions, work out differences, and agree on issues and policy wordings acceptable to both parties. These discussions were critical in assuring the TPA could execute its mandate in the most efficient manner possible while still aligning with overall City policies.

The intent throughout these discussions was to maximize the TPA's value to the City while retaining the level of "arm's length" independence believed to be essential to carry out our mandate in the most efficient and businesslike manner. In addition, we believe the TPA can be even more effective and profitable if it were structured as a corporation within the City. Further discussions with the City on this topic are planned for the near future.

The Toronto Parking Authority's total payment to the City was the equivalent to a 3% tax savings for taxpayers in the City of Toronto.

Chairman's Message

One of the core functions of the Authority is to regularly review parking rates of both on-street and off-street TPA facilities.

REVENUES REACH NEW HIGHS AND SAVE TAXPAYER DOLLARS

Despite the negative financial impact derived from S.A.R.S. and the power blackout, the TPA once again showed considerable growth and improved financial results. Gross revenues grew 3.6% to a record high of \$86.2 million. Net income increased to \$39.1 million, 1.5% over 2002 results.



Increases were realized both from the off-street garages and surface lot facilities and from our on-street pay-and-display and meter operations. Gross revenue from on-street facilities was \$31.9 million, an increase of 8% over the previous year. Off-street revenue grew by 1% to \$54.3 million. Both these amounts represent record highs for the organization.

Overall expenses increased by 4.3%. Higher rents, maintenance costs, insurance, communications and credit card processing charges were the main reasons for the increase.

RATE REVIEWS HELP ENSURE MANY OBJECTIVES ARE ACHIEVED

One of the core functions of the Authority is to regularly review parking rates of both on-street and off-street TPA facilities. Long ago, the Board established a Rate Review Committee involving both Board members and senior TPA staff to carry out these reviews. In addition to maximizing revenue to the extent that is reasonable and realistic, this process ensures that the rate structure meets Authority policies and overall City objectives for parking and transportation. This includes the desire to favour short-term parking over long-term parking, both to support businesses and help promote transit and other more sustainable modes for commuting. Many significant changes have been made to the rate structures over the last several years, especially at off-street facilities, to bring us closer to these objectives.

In 2003, several reviews were carried out but only minimal changes were made to parking rates. The most significant changes were minor increases to daily maximums and monthly pass rates, where competitor rates had increased or where longer-term demand was reducing the availability of short-term spaces.

Increased revenues were realized from off-street garages such as the award winning parking garage at Charles and Hayden. The unique and innovative design are contributing factors in the TPA's continued growth and success.





NEW OFF-STREET LOTS SUPPORT LOCAL BUSINESS

In 2003, the extensive network of off-street parking facilities continued to grow where parking shortfalls were identified. This further helped to ensure that short-term parking needs on the City's main streets and other commercial areas were satisfied and that local businesses continue to prosper.



New parking lots opened this year at the following locations:

- Dundas east of Runnymede (Malta Village)
- St. Clair west of Christie (Hillcrest Village)
- St. Patrick south of Dundas
- Richmond east of Church
- Yonge north of St. Clair (adjacent to larger carpark at Alvin and Heath)
- Dundas east of Kipling (in the former Etobicoke)

In addition, a new facility was opened on the south side of the SkyDome, primarily as a bus parking facility for Blue Jays games and other major events at the SkyDome, although it is used for car parking at other times. The bus parking operation is the first of its kind for the Authority and is being done as a pilot project on lands owned by the Stadium Corporation of Ontario.

These additions bring the total TPA off-street parking facility inventory to 22 garages, 141 surface lots and 19,559 parking spaces. The TPA also operated 27 carparks with 13,003 parking spaces for the T.T.C. and 16 seasonal facilities containing 2,591 spaces for the Parks and Recreation department.

Official openings were held for several new garages and surface lots opened in late 2002 and early 2003. These functions included local Councillors and representatives of businesses and neighbourhood groups that were involved and helped in the development of the new carparks. Openings are also planned for 2004 for several of the above new facilities.

More new facilities are currently under development and are anticipated to be opened in 2004. These include:

- Bathurst south of St. Clair
- Bayview at Millwood
- St. Clair west of Vaughan

For the future, over 43 new facilities in the next 5 years are included in the TPA 5-year capital plan, which was reviewed and updated in 2003 as it has been in other years. These facilities are planned to be developed with the net revenues that the TPA retains each year once the annual contribution to the City of Toronto is made. Maintaining a capital fund is critically important to the Authority so that future needs can be met without having to draw on the City's taxpayers' dollars.

The need for off-street parking, especially in non-downtown commercial areas, is essential for small businesses located in these areas. Providing parking for this need will continue to be a prime objective of the TPA. Continual assessment and identification of parking deficiencies in these areas is an ongoing process as well as responding to requests from local businesses to review their specific parking needs.

The Toronto Parking Authority remains on the leading edge of new systems and technology allowing the on-street and off-street facilities to operate very efficiently and with increased profitability.



Chairman's Message

The Toronto Parking Authority has been pursuing joint venture developments with private developers to incorporate improved or expanded municipal parking into new developments.

MUTUAL BENEFITS ACCRUE FROM PARTNERSHIPS AND JOINT DEVELOPMENTS

In certain neighbourhoods where the TPA has existing surface parking lots, we have been pursuing joint venture developments with private developers to incorporate improved or expanded municipal parking into new developments. Facilities that are currently planned and will be under development in the near future include Spadina Road and Thelma in Forest Hill Village and Yorkville Avenue west of Bay.

This approach to development has been very successful historically for the TPA and the adjacent neighbourhoods. It has typically provided more public parking underground with housing, offices and street-level retail above. The public parking is owned by the City but is part of the overall development. This effectively utilizes the one piece of land for two purposes resulting in a less expensive project for each party. Most importantly, it also creates better-integrated land use and an improved urban fabric for the neighbourhood compared to the former surface lot.

Additional ventures are being pursued in partnership with the Toronto Transit

Commission. The TPA is planning to move its surface lot on Yonge Street north of Finch to an adjacent location so that the TTC will have an additional access and egress option to and from Yonge Street for its bus terminal at the Finch subway station. This is intended to relieve the current bus congestion now experienced at Yonge at Bishop.

Another partnership activity involves the TTC, the City of Toronto and a private landowner. A series of land exchanges is being negotiated to free up the "First Parliament" site at Front and Parliament for development as a historical site. The transactions would see a TTC streetcar loop relocated to a portion of the TPA's parking facility on Broadview north of Queen and new TPA carpark(s) established in the Queen and Broadview commercial area.

The Authority has also been negotiating an arrangement with the Chinese Chamber of Commerce and the City of Toronto for the erection of two lion statues on the corner of the TPA surface carpark on Gerrard just west of Broadview. The statues were donated by the Chinese government and will be part of the Zhong Hua Men Gateway at the west end of the Chinese commercial precinct in the Gerrard and Broadview area.

The 265 space parking garage at Yonge and Dundas streets is a good example of a mutually beneficial joint venture project between the City of Toronto and the Toronto Parking Authority.





ON-STREET PAY-AND-DISPLAY PROGRAM CONTINUES TO GROW

In 2003 the TPA added 448 new pay-and-display machines in busy commercial areas. These machines replaced 2,700 existing parking meters and created 530 new on-street parking locations. These new spaces improved the accessibility to businesses and services on the City's main streets and other commercial areas. It also expanded the very successful pay-and-display technology. It was part of our specific strategy to replace meters with pay-and-display machines in areas with sufficient parking volumes both to increase revenue and improve



service to our customers. This expansion resulted in 18,129 on-street parking spaces now controlled by 1,858 pay-and-display machines, and 5,389 spaces controlled by conventional parking meters.

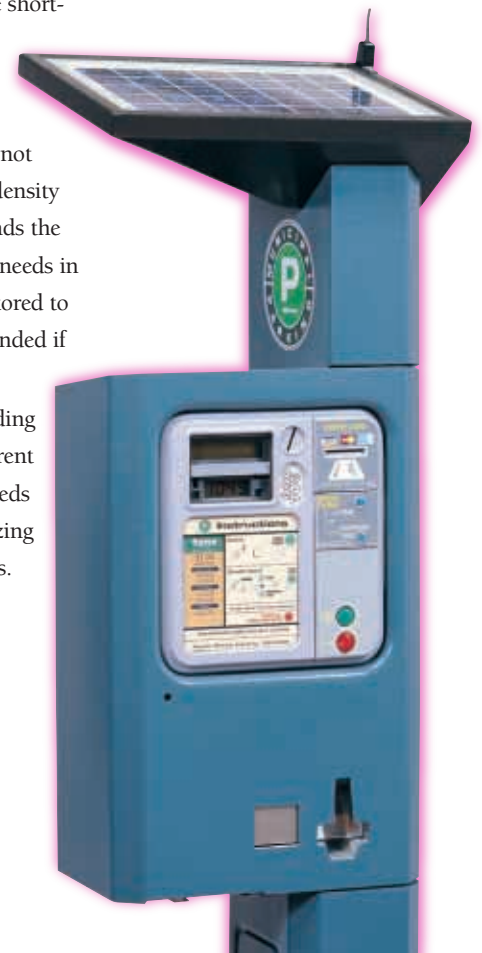
In 2004 we plan to add an additional 200 pay-and-display machines reducing the number of parking spaces controlled by parking meters to approximately 3,000. We are also finding that the expansion of pay-and-display on-street parking is addressing parking shortfalls in some areas and lessening the need to develop off-street facilities, thus saving potential capital costs.



Expansion of on-street pay-and-display parking also supports a new program of extended stay on-street parking. On-street parking is typically limited to a maximum of 2 hours to maximize turnover and ensure short-term parking availability. In some areas, we have found that the demand for short-term parking is minimal but longer stay parking needs are currently not being met, especially in certain higher-density residential areas. This new policy extends the stay on-street to 10 hours to satisfy the needs in these areas. The program will be monitored to assess its effectiveness and may be expanded if successful.

We are continuing to review outstanding parking needs and the usage of our current inventory in order to meet customer needs and optimize revenues thereby maximizing the cost effectiveness of our investments.

The expansion of solar powered pay-and-display machines for on-street parking is addressing parking shortfalls in some areas and lessening the need to develop off-street facilities, thus saving potential capital costs.



Chairman's Message

The Toronto Parking Authority's new website provides general information and shows locations of TPA facilities and areas they serve.

TPA GOES "ON-LINE" AT WWW.GREENP.COM

Early in 2003, the Toronto Parking Authority's new website was launched and made available to citizens and visitors of the City of Toronto. In addition to providing general information on the Authority and its activities, the website also shows the locations of TPA facilities and the areas they serve. Further development is in progress to add an interactive TPA facility locator service that can be used on-line. Also, in keeping with the City of Toronto's new policy on public access for the City's Agencies, Boards and Commissions, we will be adding schedules of Board meetings, agendas, minutes and staff reports in the near future.

In another technology initiative, the TPA began a one-year pilot for a Corporate



Convenience Card for parking late in the year. The intent of this program was to market and sell parking to corporations that have employees who spend considerable time

traveling throughout the city and frequently need to utilize our off-street and on-street

parking facilities. This card allows the employee to charge all parking time on a convenient single fare medium. An invoice is sent directly to the company who is able to pay for all their employees' parking with a single transaction. The result is improved services and additional revenue to the Authority.

The Authority has also remained involved with the Integrated Mobility Systems (IMS) Consortium. The IMS is a Canada-wide group of agencies and organizations working to implement a form of integrated mobility card (Smart Card). It is envisioned that this card will be able to be used in the future to pay for various modes of transportation including transit, parking and highway tolls, along with community services and possibly commercial purchases. 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.

The TPA began a one-year pilot for a Corporate Convenience Card to sell parking to corporations that have employees who spend considerable time traveling throughout the city and frequently need to utilize our off-street and on-street parking facilities.





TPA SUPPORTS OTHER CITY PROGRAMS

The TPA continues to support other programs and activities in the City, especially those with similar mandates and where mutual benefits can be achieved. In 2003, the Authority renewed its agreement with Autoshare, a car sharing organization, to provide partial subsidies for parking spaces for shared vehicles at TPA facilities. We also made similar arrangements with Green Fleet, another car-sharing company that has started up more recently.

The TPA supported several civic programs in 2003, including the Toronto Association of Business Improvement Areas Citywide Campaign, the City of Toronto Tree Advocacy Program, the City of Toronto's "Bike Week" program and the Mel Lastman 2003 Charity Golf Tournament in support of the Hospital for Sick Children and two other charities related to research into childhood diseases. The Toronto Parking Authority also held its own 2nd Annual Charity Golf Tournament, which raised over \$18,000 for the Multiple Sclerosis Society of Canada.

STRENGTHENING OUR RELATIONSHIP WITH THE CITY OF TORONTO

During 2003, the Authority was involved in several activities related to the City of Toronto's review of its relationships with its Agencies, Boards and Commissions ("ABC's"). These included reviewing and providing input to the "Statement of Expectations of the City of Toronto of the Board of Directors of the Toronto Parking Authority", the City's draft "Remuneration and Expense Policy for City of Toronto's Agencies Boards and Commissions", the City's policy on "Public Access and Involvement for the City of Toronto's Agencies, Boards and Commissions", along with attendance by the Chair and



President at the ABC Ad Hoc Committee Relationship Building workshop. The TPA also clarified with the City its policy on disposition of lands by sale or lease ensuring that we receive or pay fair market value for surplus lands, in keeping with what we originally paid for them, to ensure that we are able to make property and development decisions in a businesslike manner. Late in the year, the Board also established a Committee to review all of the current TPA policies, the first time in many years that a full review was carried out. This was completed in early 2004.

THANKS TO A HARD-WORKING STAFF AND A HANDS-ON BOARD

Primary credit for our continued success again must go to the dedicated and hard-working TPA staff. I also extend my appreciation to the Board of Directors for their leadership and valuable "hands on" efforts, both at the board level and the various committee activities. Further congratulations are also due to President Maurice Anderson, who was recently named a Director of the U.S.-based International Parking Institute. Involvement in this organization will not only provide us with greater exposure to industry accomplishments elsewhere, but will also showcase Toronto's leadership and accomplishments in the parking industry.

For 2003, the Toronto Parking Authority has delivered another very successful year of service to the citizens of Toronto. As we enter our 52nd year of operation, we feel that there is still potential for many more advancements. We will continue to stay abreast of new technologies and implement any cost savings measures that will enhance our operation making it more streamlined, profitable and effective in meeting the City's parking and transportation objectives. We look forward to augmenting our success in the future and will make all efforts to continue and enhance our value to the City of Toronto and its citizens.

The Toronto Parking Authority has delivered another very successful year of service to the citizens of Toronto. We will continue to stay abreast of new technologies and implement any cost savings measures that will enhance our operation making it more streamlined, profitable and effective in meeting the City's parking and transportation objectives.

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, 2003 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, 2003 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 19, 2004.

Ernst & Young LLP
Chartered Accountants

BALANCE SHEET

As at December 31

ASSETS	2003	2002
	\$	\$
Current		
Cash	7,000,039	7,071,256
Short-term investments [note 3]		
[market value - \$2,552,000; 2002 - \$5,817,894]	2,538,329	5,800,368
Accounts receivable [note 4]	523,117	1,189,092
Inventories	249,959	717,023
Prepaid expenses	303,275	425,555
Total current assets	10,614,719	15,203,294
Long-term investments [note 3]		
[market value - \$18,888,888; 2002 - \$19,305,000]	18,080,000	18,435,201
Deferred charges [note 5]	968,483	1,065,058
Property, plant and equipment, net [note 6]	107,756,768	98,379,283
	137,419,970	133,082,836
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities [note 4]	18,229,090	23,695,979
Deferred revenue	308,598	305,184
Total current liabilities	18,537,688	24,001,163
Equity	118,882,282	109,081,673
	137,419,970	133,082,836

See accompanying notes

On behalf of the Board:

D. E. Holm
Chairman

K. J. ...
President

STATEMENT OF OPERATIONS AND EQUITY

Year ended December 31

			2003	2002
	On-street	Off-street	Total	Total
	\$	\$	\$	\$
Revenue	31,939,541	54,280,304	86,219,845	83,252,519
Expenses				
Operating [schedule]	5,453,325	33,179,988	38,633,313	36,863,234
Administration	618,156	5,011,591	5,629,747	5,388,458
Amortization of property and equipment	2,889,984	2,557,193	5,447,177	5,403,035
	8,961,465	40,748,772	49,710,237	47,654,727
Operating income	22,978,076	13,531,532	36,509,608	35,597,792
Other income				
Gain on sale of property and equipment			126,745	-
Investment income			1,212,371	1,663,636
Net rental income [gross - \$1,024,519; 2002 - \$1,130,836]			920,400	1,032,687
Sundry			286,999	192,276
			2,546,515	2,888,599
Income before the following			39,056,123	38,486,391
City of Toronto's share of income [note 8]			(29,255,514)	(28,736,417)
Net income for the year			9,800,609	9,749,974
Equity, beginning of year			109,081,673	99,331,699
Equity, end of year			118,882,282	109,081,673

See accompanying notes

STATEMENT OF CASH FLOWS

Year ended December 31

	2003	2002
	\$	\$
OPERATING ACTIVITIES		
Net income for the year	9,800,609	9,749,974
Add (deduct) non-cash items		
Gain on sale of property and equipment	(126,745)	-
Amortization of property and equipment	5,447,177	5,403,035
Amortization of deferred charges	96,575	96,574
	15,217,616	15,249,583
Changes in non-cash working capital balances related to operations		
Accounts receivable	665,975	(391,316)
Inventories	467,064	(162,254)
Prepaid expenses	122,280	(76,924)
Accounts payable and accrued liabilities	(5,466,889)	6,766,990
Deferred revenue	3,414	6,007
Cash provided by operating activities	11,009,460	21,392,086
INVESTING AND FINANCING ACTIVITIES		
Net decrease in investments	3,617,240	1,927,543
Proceeds from sale of property and equipment	532,879	-
Purchase of property and equipment	(15,883,615)	(23,177,067)
Funding from City of Toronto's reserve funds for property and equipment	652,819	1,331,622
Cash used in investing and financing activities	(11,080,677)	(19,917,902)
Net increase (decrease) in cash during the year	(71,217)	1,474,184
Cash, beginning of year	7,071,256	5,597,072
Cash, end of year	7,000,039	7,071,256

See accompanying notes

SCHEDULE OF OPERATING EXPENSES

Year ended December 31

			2003	2002
	On-street	Off-street	Total	Total
	\$	\$	\$	\$
OPERATING				
Salaries, wages and benefits	1,524,377	9,310,437	10,834,814	10,392,078
Municipal taxes	-	13,196,925	13,196,925	13,720,293
Maintenance	1,415,903	2,365,772	3,781,675	3,031,857
Utilities	-	1,654,201	1,654,201	2,365,752
Rent	-	3,022,517	3,022,517	2,183,599
Snow clearing	-	971,771	971,771	918,176
Tickets	902,434	301,017	1,203,451	1,231,570
Security and monitoring	1,467	488,946	490,413	438,234
Insurance	156,263	666,772	823,035	573,764
Pay and display network communications	715,360	-	715,360	587,853
Outside coin counting fees	352,179	-	352,179	311,605
Sundry	385,342	1,201,630	1,586,972	1,108,453
	5,453,325	33,179,988	38,633,313	36,863,234

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 on income sharing with the City [note 8].

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. The amount of investments classified as long-term represents those assets with maturity dates greater than one year from the date of these financial statements.

Inventories

Inventories of supplies are recorded at the 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's 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.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

3 INVESTMENTS

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

of 5.3% and an average duration to maturity of 3.21 years [2002 - 5.0 % and an average duration to maturity of 4.6 years].

4 RELATED PARTY TRANSACTIONS

The Authority operates 50 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 or agency with the Authority receiving compensation in the form of either a share of net income earned or a cost recovery plus a fixed fee basis. Amounts owing from or to the Authority under these agreements are included within accounts receivable or accounts payable on the balance sheet.

Included in accounts receivable of \$523,117 is \$157,294 due from related parties. Included in accounts payable and accrued liabilities of \$18,229,090 is \$13,060,317 due to related parties. The net amount of \$12,903,023 [\$13,060,317 less \$157,294] due to related parties at December 31, 2003 is summarized as follows:

	2003	2002
	\$	\$
Due from the Toronto Transit Commission	159,088	375,780
Due to the City of Toronto	(13,062,111)	(10,307,399)
	(12,903,023)	(9,931,619)

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, 2003 is approximately \$700,000. During the year, approximately \$37,000 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, 2003 was approximately \$5,000,000. During the year, approximately \$616,000 of these funds were used to fund capital asset additions.

5 DEFERRED CHARGES

Included in deferred charges is \$917,575 [2002 - \$994,150] 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 \$50,908 [2002 - \$70,908] 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.

6 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	2003		2002	
	Cost	Accumulated amortization	Cost	Accumulated amortization
	\$	\$	\$	\$
Land	52,484,414	-	46,870,983	-
Parking garages	52,698,701	28,331,594	51,893,101	26,695,940
Surface car parks	7,899,294	1,687,680	6,653,920	1,408,605
Carparks and projects not completed	86,577	-	23,236	-
Equipment and furnishings	41,872,225	17,265,169	34,775,308	13,732,720
	155,041,211	47,284,443	140,216,548	41,837,265
Less accumulated amortization	47,284,443		41,837,265	
Net book value	107,756,768		98,379,283	

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 that 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. During the year, total contribution made by The Authority was \$225,885 at reduced rates with full contribution rates resuming in January 2004.

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.

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:

	\$
2004	671,821
2005	664,617
2006	533,176
2007	396,626
2008	177,388
2009 and thereafter	1,601,795
	4,045,423

10 SUBSEQUENT EVENT

On February 23, 2004, the Authority made a one-time contribution to the City of Toronto of \$2,000,000. This contribution was funded from

equity that was surplus to the long-term capital funding requirements of the Authority.

Off - Street Parking Facilities

NO.	LOCATION	CAPACITY	NO.	LOCATION	CAPACITY	NO.	LOCATION	CAPACITY
DOWNTOWN						SUBURBAN NORTH		
26	Queen-Victoria Garage	645	88	e/s Ferrier Ave n of Danforth	47	400	10 Kingsdale Ave	48
32	Bay St - Lakeshore Blvd. W	525	89	Lipton Ave e of Pape Ave	70	401	246 Brooke Avenue	97
34	Dundas Square Garage	265	90	Eaton Ave n of Danforth	30	402	10 Empress Ave	29
36	Nathan Phillips Square Garage	2087	110	Danforth Ave e of Coxwell Ave	25	403	10 Harlandale Ave	112
43	St. Lawrence Garage	2008	126	Parliament St s of Front E	84	404	Beecroft Garage	394
52	University Ave Garage	323	137	Gough Ave n of Danforth	17	410	Beecroft West	173
108	Esplanade, w of Jarvis	34	142	Langford Ave n of Danforth	27	411	Roe Ave (1880 Avenue Rd)	32
125	Richmond-Sherbourne Garage	258	146	Gerrard St E w of Broadview Ave	43	412	11 Finch Ave West	62
177	York/Lakeshore	40	149	Woodycrest Ave n of Danforth	35	413	Warner Bros	17
215	Yorkville Ave	175	156	w/s Ferrier Ave n of Danforth	23	414	Jolly Miller	262
216	McCaul Street	38	170	Hammersmith Ave n of Queen E	30	415	5151 Yonge St	32
219	87 Richmond St. E	20	173	Rhodes Ave s of Danforth	24	417	Pemberton	10
TOTAL:	6418		174	Hiawatha and Gerrard	50	418	68 Sheppard Avenue West	34
			179	Gerrard St e/Broadview	25	650	John St	158
			180	Gerrard St e/Rhodes	41	TOTAL:	1460	
DOWNTOWN FRINGE			184	Boardwalk, s of Queen E	24	SUBURBAN EAST		
1	Hayden St e of Yonge	430	185	Joseph Duggan Rd, s of Queen E	24	700	Bushby	377
3	Isabella St e of Yonge	33	186	Sarah Ashbridge Ave, s of Queen E	24	701	Fallingbrook	38
5	Wellesley St e of Yonge	135	200	1167 Eastern Ave	66	706	284 Milner Ave	98
15	Yorkville-Cumberland Garage	1036	202	1141 Eastern Ave	18	707	1530 Markham Rd	24
51	Lippincott St s of Bloor W	146	600	Civic Centre	20	TOTAL:	537	
58	Bloor-Bedford Garage	399	TOTAL:	1335		SUBURBAN WEST		
68	Kensington Garage	450	CENTRAL WEST			500	Grenview Ave n of Bloor	55
71	Bellevue Ave s of Nassau St	91	18	Keele St s of Dundas W	77	501	Wendover Rd n of Bloor	80
79	Sherbourne St n of Carlton St	112	19	Pacific Ave s of Dundas W	71	502	Prince Edward Drive n of Bloor	44
96	Portland Garage	37	41	Norton Ave w of Dufferin	64	503	Willingdon Ave n of Bloor	79
106	Augusta Ave n of Queen W	120	42	Via Italia s of St. Clair W	169	504	Jackson Ave n of Bloor	116
109	Aberdeen Ave w of Parliament St	35	44	Fuller Ave n of Queen W	53	505	Bloor/Cliveden Ave s of Bloor	11
150	Larch St Garage	357	53	Richmond St West - Walnut Ave	49	506	Fifth/Sixth St n of Lake Shore Blvd W	53
163	Dragon City Garage	129	62	Queen St W - Abell St	29	507	Third St s of Lake Shore Blvd W	24
205	465 Huron St	20	64	Durie St n of Bloor W	155	508	Eighth/Ninth St n of Lake Shore Blvd W	45
212	363 Adelaide St W	23	80	Keele St n of Dundas W	54	509	Fourth St s of Lake Shore Blvd W	22
221	121 St. Patrick Street	36	81	Lansdowne Ave n of Bloor W	40	510	Twenty-Third St s of Lake Shore Blvd W	22
222	Skydome Bus Parking	40	82	Margueretta St n of Bloor W	56	511	Seventh St s of Lake Shore Blvd W	54
TOTAL:	3629		84	Salem Ave n of Bloor W	35	512	Central Park	57
			85	Palmerston Ave n of Bloor W	58	513	Queensway n of Royal York Rd	28
MIDTOWN			91	Armada Ave n of Bloor W	144	514	Seventh St Lane n of Lake Shore Blvd W	11
11	Rosehill Garage	565	93	Euclid Ave n of Bloor W	52	515	Thirteenth St s of Lake Shore Blvd W	10
12	Alvin Ave n of St. Clair E	188	104	Ossington Ave n of Bloor W	40	516	Woolgar Laneway n of The Queensway	49
13	Delisle Ave w of Yonge	238	111	College-Clinton Garage	79	517	Superior Ave n of Lake Shore Blvd W	15
29	Holly-Dunfield Garage	460	116	Kennedy Ave n of Bloor W	56	519	Dayton Lane s of The Queensway	15
39	Castlefield Ave w of Yonge	163	130	Bartlett Ave n of Bloor W	38	520	Royal Avon n of Dundas St W	62
47	Castleknock Rd n of Eglinton W	175	141	Greenlaw Ave s of St. Clair W	53	521	Monkton Ave, s of Bloor St W	25
49	Roehampton Ave e of Yonge	126	143	Windermere Ave n of Bloor w	88	657	Scarlett Rd	11
55	Bedford Park Ave w of Yonge	42	144	Clinton St n of Bloor W	33	662	Emmett Ave	78
107	MacPherson Ave-Rathnelly Ave	40	158	Queen St W w of Cowan Ave	32	TOTAL:	966	
131	Eglinton W-Hilltop Road	28	167	Ossington Ave n of Queen W	20			
139	Sherwood Ave e of Yonge	46	168	Harrison St e of Dovercourt Road	47	TOTAL:		
152	Glenforest Rd e of Yonge	26	181	Lampart Stadium	329			
155	Eglinton W-Glen Cedar Road	33	188	Beatrice Street, s of College St	18			
157	Bayview/Millwood Garage (lower)	20	204	1117 Dundas St W	37	SPECIAL FACILITIES		
161	St. Clair-Yonge Garage	173	218	3354 Dundas St. W	13	Commuter Carparks	13,003	
164	Thelma Ave-Spadina Road	43	220	789 St. Clair Ave. W	18	Seasonal/Parks	2,591	
171	Mt. Pleasant Rd s of Eglinton E	53	651	Locust St	47			
178	Hillsdale at Mt. Pleasant	39	652	Scott Rd	14			
195	15 Price St.	71	653	E side Riverview Gardens	113	GRAND TOTAL:		
655	China House	43	654	W side Riverview Gardens	100			
TOTAL:	2572		656	Mould Ave	7			
			658	Dufferin St	94			
CENTRAL EAST			659	Oakwood Library	22			
17	Pape Ave n of Danforth	85	660	Oakwood Ave	21			
20	Cedarvale Ave n of Danforth	37	661	Rogers Rd	24			
21	Amroth Ave s of Danforth	54	663	Shortt St	130			
28	Pape Ave s of Danforth	76	664	Eglinton/Oakwood	40			
45	Broadview Ave n of Queen E	92	667	1531 Eglinton Ave	23			
48	Lee Ave s of Queen E	68	TOTAL:	2642				
78	Erindale Ave e of Broadview Ave	93						
87	Chester Ave n of Danforth	83						



The Toronto Parking Authority