

Toronto 2017 BUDGET



CAPITAL BUDGET NOTES



Toronto Zoo

2017 – 2026 CAPITAL BUDGET AND PLAN OVERVIEW

The Toronto Zoo is one of the largest zoos in the world, housing and caring for 5,000 animals over 710 acres (41,000 square meters) with an asset value of \$330 million. The Zoo offers full year access to 7 zoogeographic regions with over 10 km of walking trails as well as gift shops, exhibits, rides, food services and guest services.

The Toronto Zoo's 10-Year Capital Plan focuses on improvements which will enhance visitor experiences and ensures continued compliance with zoological accreditation standards. To achieve this, the Zoo's 2017-2026 Preliminary Capital Budget and Plan of \$61.000 million include both state of good repair (SOGR) and service improvement projects such as the Orangutan Indoor & Outdoor Exhibits, and Education Centre.

A new Master Plan is being developed and will be presented to the Board in December 2016, which will inform future Capital Plan priorities and requirements to support ongoing animal care and visitor service enhancements.

toronto.ca/budget2017

CONTENTS

Overview

1: Preliminary 10-Year Capital Plan [5](#)

2: Issues for Discussion [15](#)

Appendices:

1. 2016 Performance [20](#)

2. Preliminary 10-Year Capital Plan Summary [21](#)

3. 2017 Preliminary Capital Budget; 2018-2026 Preliminary Capital Plan [22](#)

4. 2017 Cash Flow & Future Year Commitments [27](#)

5. 2017 Capital Projects with Financing Detail [31](#)

6. 2017 Reserve / Reserve Fund Review N/A

CONTACTS

Program:

John Tracogna

Chief Executive Officer

Tel: (416) 392-5909

Email: jtracogna@torontozoo.ca

Corporate:

Judy Skinner

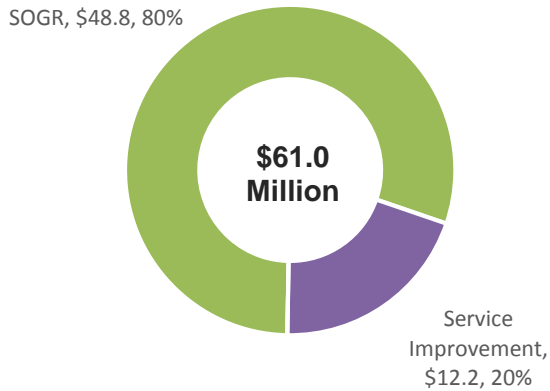
Manager, Financial Planning

Tel: (416) 397-4219

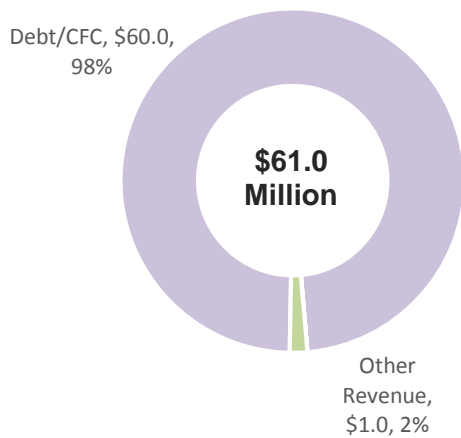
E-Mail: Judy.Skinner@toronto.ca

Capital Spending and Financing

**2017-2026 Capital Budget and Plan
By Project Category**



By Funding Source



Where the money goes:

The 2017–2026 Preliminary Capital Budget and Plan totalling \$61.000 million provides funding for:

- State of Good Repair (SOGR) projects, representing the largest portion of funding, which include the Orangutan II & III: Indoor/Outdoor Exhibits, Grounds and Visitors Improvements, and Hippo House and Exhibit Refurbishment.
- Service Improvements, which is comprised of the Educational Development / Learning Centre, Breeding/Holding Facility and Gorilla Outdoor Display.

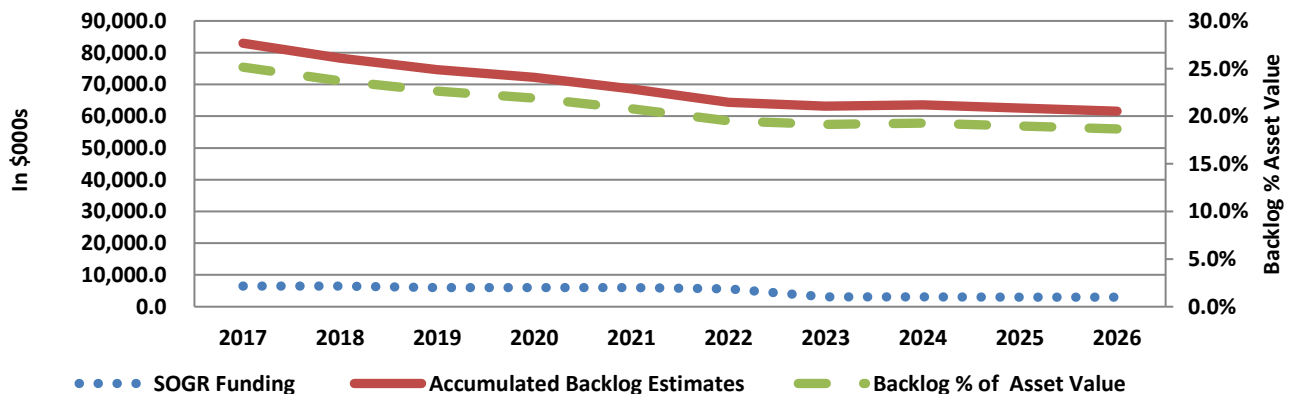
Where the money comes from:

The Preliminary 10-Year Capital Plan is funded by two funding sources:

- New debt funding which totals \$61.000 million representing 98.4%,
- Secured cash donations in the amount of \$1.000 million (1.6%) allocated to the years 2017 and 2018.

State of Good Repair Backlog

The Toronto Zoo's Preliminary 10-Year Capital Plan includes cash flow funding of \$48.436 million for State of Good Repair project to address the backlog. The SOGR backlog as a % of asset replacement value will decrease from 25.1% in 2017 to 18.7% in 2026.



Our Key Issues & Priority Actions

- **Finalizing the New Master Plan** in late 2016 will guide the Zoo's priorities and SOGR needs for Toronto Zoo in 2018 and beyond.
 - ✓ The new Master Plan will inform Toronto Zoo's 10-Year Capital Plan starting with the 2018 cycle on its capital improvement priorities and revised SOGR needs with an implementation plan to commence the capital work over 10 years.

- **Collaboration Agreement with the Rouge Urban National Park** may present opportunities for efficiencies and service expansions for both Toronto Zoo and Parks Canada.
 - ✓ Discussions are underway focussing on a shared Visitor Orientation Centre and Education Facility which would be cost shared between the City and Parks Canada. Feasibility studies are proceeding and are expected to provide input into the Toronto Zoo's new Master Plan.

- **Maximizing Fundraising Efforts for Capital Projects** will significantly improve visitor experiences at the Zoo and lessen the future debt pressures for the City.
 - ✓ As part of the Toronto Zoo's Strategic Plan (2015 – 2020), the Zoo is in the process of supporting the establishment of an independent third-party charitable organization which will manage and attract sponsorships and donations on behalf of Toronto Zoo and contribute to key capital priorities.



2017 Capital Budget Highlights

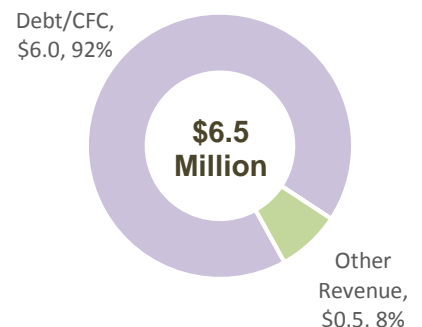
The 2017 Preliminary Capital Budget for Toronto Zoo of \$6.500 million, excluding carry forward funding, will:

- Complete the construction of the Wildlife Health Centre (\$2.500 million) by the first quarter of 2017.
- Continue the state of good repair work on exhibit refurbishments, building & services refurbishment, and information systems (\$2.450 million).
- Improve the Zoo's grounds and visitor experience through enhancements to irrigation, pavilion lighting, visitor amenities and site circulation (\$0.550 million).
- Continue work on the design phase of the Orangutan Outdoor Exhibit capital project (\$1.000 million).

2017 Capital Budget By Project Category



By Funding Source



Actions for Consideration

Approval of the 2017 Preliminary Capital Budget as presented in these notes requires that:

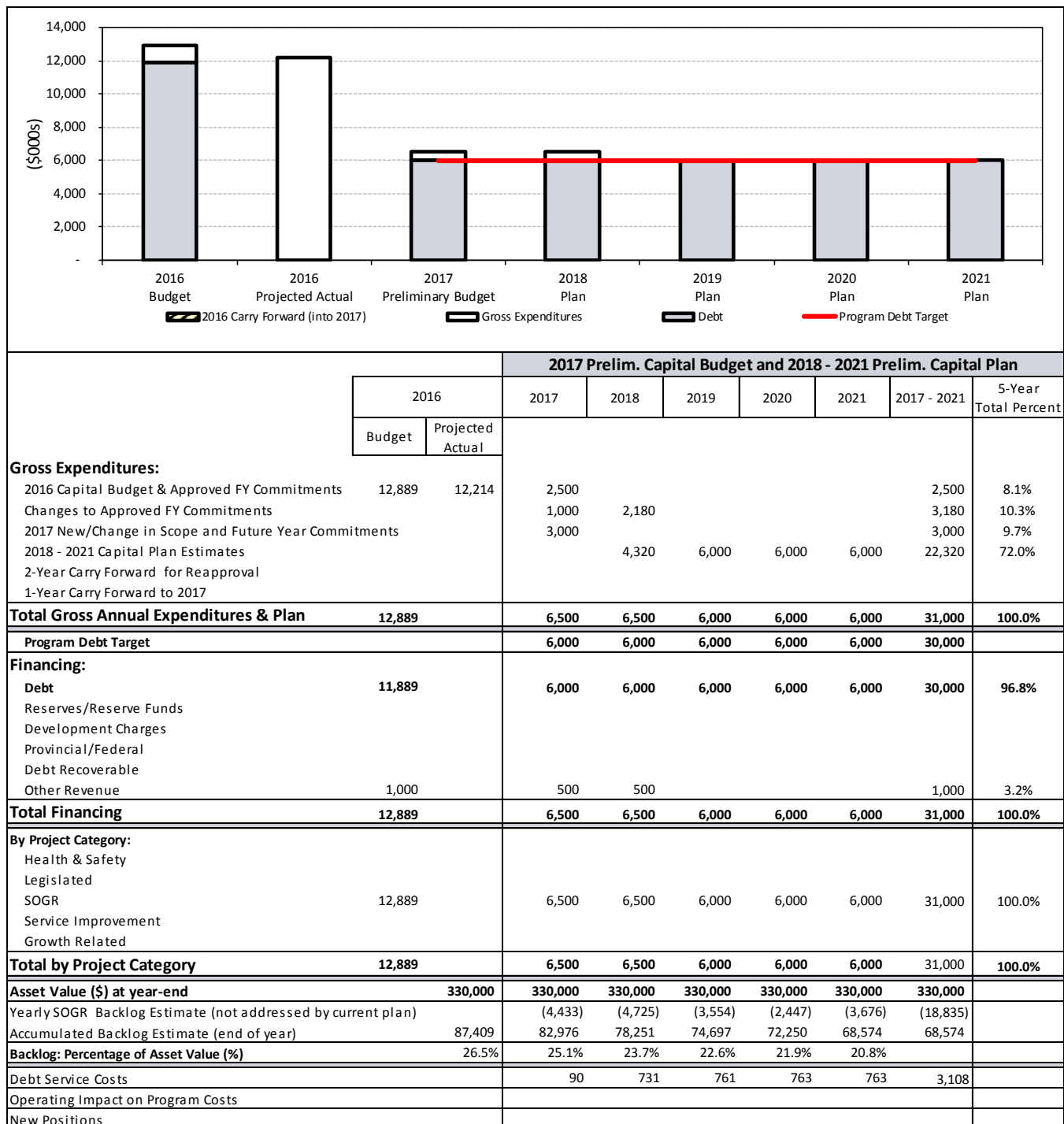
1. City Council approve the 2017 Preliminary Capital Budget for Toronto Zoo with a total project cost of \$3.000 million, and 2017 cash flow of \$6.500 million and future year commitments of \$2.180 million comprised of the following:
 - a) New Cash Flow Funds for:
 - i. 4 new / change in scope sub-projects with a 2017 total project cost of \$3.000 million that requires cash flow of \$3.000 million in 2017;
 - ii. 2 previously approved sub-projects with a 2017 cash flow of \$3.500 million; and future year cash flow commitments of \$2.180 million for 2018;
2. City Council approve the 2018 - 2026 Preliminary Capital Plan for Toronto Zoo totalling \$54.500 million in project estimates, comprised of \$6.500 million for 2018; \$6.000 million for 2019; \$6.000 million for 2020; \$6.000 million for 2021; \$6.000 million for 2022; \$6.000 million for 2023; \$6.000 million for 2024; \$6.000 million for 2025 and \$6.000 million in 2026.



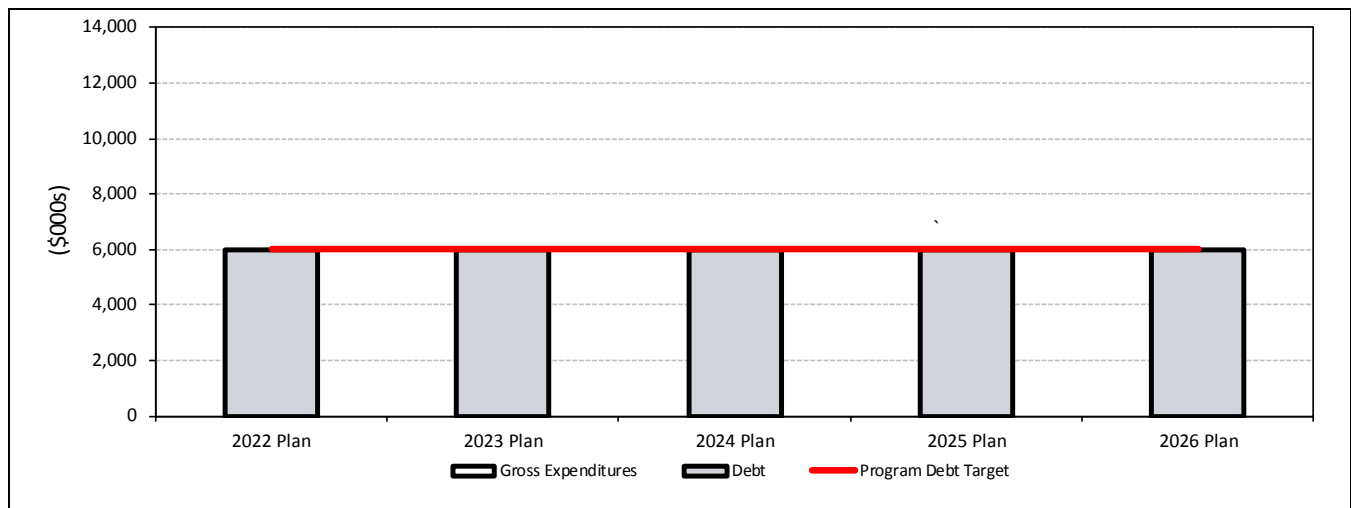
Part 1:

Preliminary 10-Year Capital Plan

**Figure 1a
10-Year Capital Plan
2017 Preliminary Capital Budget and 2018 - 2021 Preliminary Capital Plan**



**Table 1b
10-Year Capital Plan
2022 - 2026 Preliminary Capital Plan**

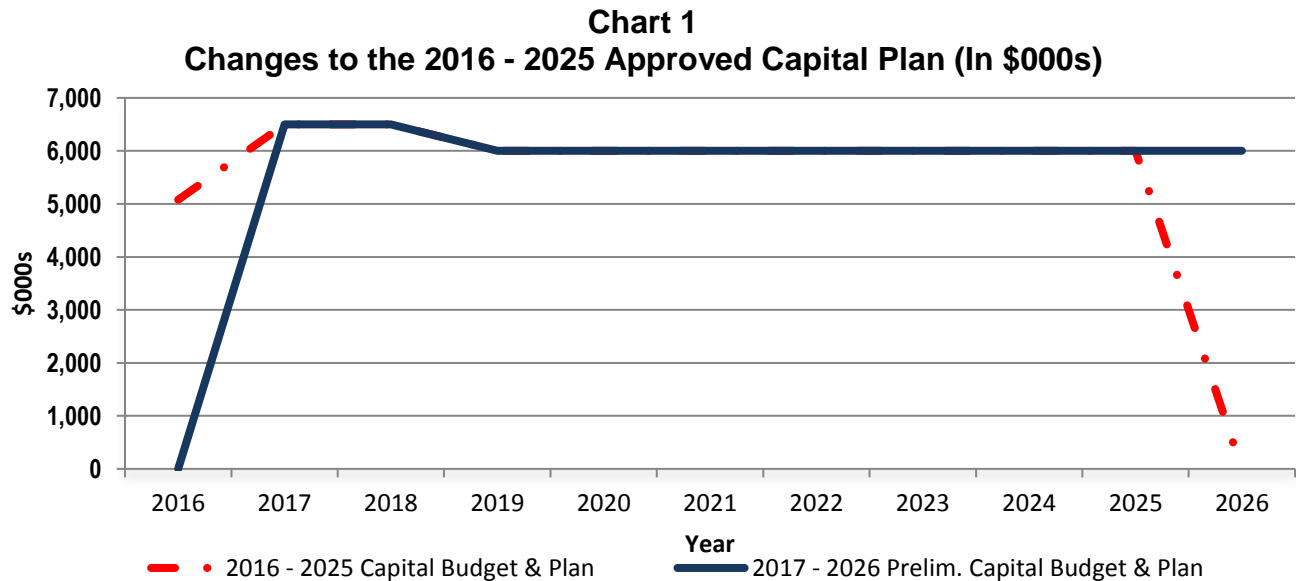


	2022 - 2026 Preliminary Capital Plan						10-Year Total Percent
	2022	2023	2024	2025	2026	2017 - 2026	
Gross Expenditures:							
2016 Capital Budget & Approved FY Commitments						2,500	4.1%
Changes to Approved FY Commitments						3,180	5.2%
2017 New/Change in Scope and Future Year Commitments						3,000	4.9%
2022 - 2026 Capital Plan Estimates	6,000	6,000	6,000	6,000	6,000	52,320	85.8%
2-Year Carry Forward for Reapproval							
Total Gross Annual Expenditures & Plan	6,000	6,000	6,000	6,000	6,000	61,000	100.0%
Program Debt Target	6,000	6,000	6,000	6,000	6,000	60,000	
Financing:							
Debt	6,000	6,000	6,000	6,000	6,000	60,000	98.4%
Reserves/Reserve Funds							
Development Charges							
Provincial/Federal							
Debt Recoverable							
Other Revenue						1,000	1.6%
Total Financing	6,000	6,000	6,000	6,000	6,000	61,000	100.0%
By Project Category:							
Health & Safety							
Legislated							
SOGR	5,650	3,071	3,065	3,000	3,000	48,786	80.0%
Service Improvement	350	2,929	2,935	3,000	3,000	12,214	20.0%
Growth Related							
Total by Project Category	6,000	6,000	6,000	6,000	6,000	61,000	100.0%
Asset Value(\$) at year-end	330,000	330,000	330,000	330,000	330,000	330,000	
Yearly SOGR Backlog Estimate (not addressed by current plan)	(4,163)	(1,210)	373	(1,000)	(1,000)	(25,835)	
Accumulated Backlog Estimate (end of year)	64,411	63,201	63,574	62,574	61,574	61,574	
Backlog: Percentage of Asset Value (%)	19.5%	19.2%	19.3%	19.0%	18.7%		
Debt Service Costs	763	763	763	763	763	6,924	
Operating Impact on Program Costs							
New Positions							

Key Changes to the 2016 - 2025 Approved Capital Plan

The 2017 Preliminary Capital Budget and the 2018 – 2026 Preliminary Capital Plan reflects an increase of \$0.920 million to its capital funding from the 2016 - 2025 Approved Capital Plan.

The chart and table below provide a breakdown of the \$0.920 million or 1.5% increase in the Capital Program on an annual basis from 2016 to 2026.



(\$000s)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	10-Year Total
2016 - 2025	5,080	6,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000		60,080
2017 - 2026		6,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	61,000
Change %		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		1.5%
Change \$		0	0	0	0	0	0	0	0	0		920

As made evident in the chart above, the \$0.920 million increase in the Capital Program is primarily driven by exhibit refurbishment, information systems, and grounds and visitor improvement work to be undertaken in 2017.

As reflected in Table 2 on the following page, there are no changes to the nine common years (2017 – 2025) of Toronto Zoo's 2016-2025 Approved Capital Plan. Toronto Zoo's new Master Plan is being finalized, and preliminary information on future capital work requirements are identified as "Unmet Needs" which are discussed in the Issues section on page 17. Further updates are anticipated to inform the 10-Year Plan by early 2017.

**Table 2
Summary of Project Changes (In \$000s)**

\$000s	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2017 - 2025 Total
2016 - 2025 Capital Budget & Plan	5,080	6,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	55,000
2017 - 2026 Prelim. Capital Budget & Plan		6,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	55,000
Capital Budget & Plan Changes (2017 - 2025)												

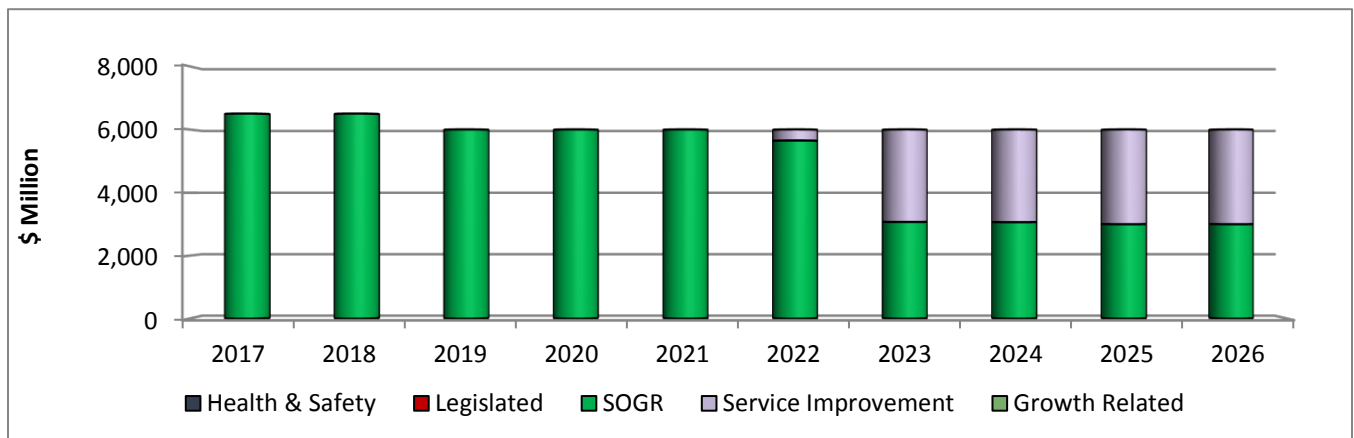
	Total Project Cost	2017	2018	2019	2020	2021	2022	2023	2024	2025	2017 - 2025	2026	Revised Total Project Cost
New													
Exhibit Refurbishment	5,000											600	5,600
Orangutan II & III: Indoor & Outdoor Exhibits	6,100												6,100
Information Systems	2,850											300	3,150
Grounds and Visitor Improvements	5,000											600	5,600
Building & Services Refurbishment	12,156											1,500	13,656
Hippo House and Exhibit Refurbishment	9,000												9,000
Gorilla II: Outdoor Display	3,000												3,000
Breeding/Holding Facility	3,214												3,214
Educational Development	3,000											3,000	6,000
Wildlife Health Centre	15,500												15,500
Total New	64,820											6,000	70,820
Total Changes	64,820											6,000	70,820

Significant Capital Project Changes in Toronto Zoo:

There are no changes to the 2016-2025 Approved Capital Plan.

2017 – 2026 Preliminary Capital Plan

**Chart 2
2017 – 2026 Preliminary Capital Plan by Project Category (In \$000s)**



As illustrated in the chart above, the Preliminary 10-Year Capital Plan for Toronto Zoo of \$61.000 million provides 80.0% funding for State of Good Repair (SOGR) projects as priorities and 20.0% for Service Improvement projects.

- The majority of cash flow funding has been dedicated to State of Good Repair projects to complete the final phase of the Wildlife Health Centre (\$2.500 million), for Building & Services Refurbishments (\$13.656 million), Exhibit Refurbishments (\$5.600 million), and the Orangutan II & III: Indoor & Outdoor Exhibits (\$9.280 million).
 - The timing of the future capital projects included in the Zoo's 2018-2026 Capital Plan may be impacted by the new Master Plan which will inform the 2018 budget process.
- Service Improvement projects include the Outdoor Display of its Gorilla II Exhibit (\$3.000 million), Educational Development and Learning Centre (\$6.000 million), and the Breeding/Holding Facility (\$3.214 million).

- These projects are planned to take place in the later 5 years of the Capital Plan's timeframe.

The following table details by category, the capital projects funded in the 2017 – 2026 Preliminary Capital Budget and Plan for Toronto Zoo:

Table 3
2017 - 2026 Capital Plan by Project Category (In \$000s)

	Total App'd Cash Flows to Date*	2017 Budget	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2017 - 2026 Total	Total Project Cost
Total Expenditures by Category													
State of Good Repair													
<i>Exhibit Refurbishment</i>	5,000	550	850	400	600	350	450	600	600	600	600	5,600	5,600
<i>Orangutan II & III: Indoor & Outdoor Exhibits</i>	6,100	1,000	3,180	2,900	2,200							9,280	6,100
<i>Wildlife Health Centre</i>	15,500	2,500										2,500	15,500
<i>Information Systems</i>	2,850	350	350	300	350	250	350	300	300	300	300	3,150	3,150
<i>Grounds and Visitor Improvements</i>	5,000	550	850	400	600	350	450	600	600	600	600	5,600	5,600
<i>Building & Services Refurbishment</i>	12,156	1,550	1,270	1,300	1,000	900	1,500	1,571	1,565	1,500	1,500	13,656	13,656
<i>Hippo House and Exhibit Refurbishment</i>	9,000			700	1,250	4,150	2,900					9,000	9,000
Sub-Total	55,606	6,500	6,500	6,000	6,000	6,000	5,650	3,071	3,065	3,000	3,000	48,786	58,606
Service Improvements													
<i>Gorilla II: Outdoor Display</i>	3,000						350	1,929	721			3,000	3,000
<i>Breeding/Holding Facility</i>	3,214							1,000	2,214			3,214	3,214
<i>Educational Development</i>	3,000									3,000	3,000	6,000	6,000
Sub-Total	9,214						350	2,929	2,935	3,000	3,000	12,214	12,214
Total Expenditures by Category (excluding carry forward)	64,820	6,500	6,500	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	61,000	70,820

*Life to Date approved cash flows are provided for multi-year capital projects with cash flow approvals prior to 2016, excluding ongoing capital projects (i.e. Civic Improvement projects)

2017 – 2026 Capital Projects

The Preliminary 10-Year Capital Plan supports Toronto Zoo's objectives of completing and commissioning the Animal Wildlife Health Centre in early 2017, finalizing the design and beginning construction work for its Orangutan Outdoor Exhibit, continued SOGR work for its exhibits, buildings and equipment at the Zoo, and service improvement initiatives such as the enhanced Gorilla Outdoor Display and Educational Development Centre.

State of Good Repair (SOGR)

- SOGR projects account for \$48.786 million or 80.0% of the total Preliminary 10-Year Capital Plan.
- The Preliminary 10-Year Capital Plan incorporates a new investment of \$48.786 million dedicated to the following new SOGR capital projects:
 - *Wildlife Health Centre (\$2.500 million)* – This project provides funding for the construction of a state of the art facility specifically designed for medical and surgical care of zoo species, and will provide specialized housing for hospitalized wildlife. The construction of the Wildlife Health Care System is a key state of good repair project that will resolve significant accreditation concerns of the zoo. The construction of the *Wildlife Health Centre* is expected to be completed in December 2016, and be fully commissioned for use in the first quarter of 2017.
 - *Building and Services Refurbishment (\$13.656 million)* – This on-going multi-year project supports the repair and replacement of building components requiring attention over the next 10+ years, in compliance with accreditation standards, and ensure the requirements of the Accessibility for Ontarians with Disabilities Act (AODA) are met. Examples include repair work of roofs and skylights at Pavilions, and Animal Holding Buildings. These are detailed in the Zoo's Building Audit completed in 2016.
 - *Orangutan II & III: Indoor & Outdoor Exhibits (\$9.280 million)* – The Orangutan Phase II is an exhibit improvement project to upgrade living conditions for the orangutans and will also support the Toronto Zoo's accreditation. A donation of \$1.000 million received previously will support the design work starting in 2017.

- *Hippo House Refurbishment (\$9.000 million)* – The Hippo House is one of the Zoo's original concrete structures built in 1973 and needs to be upgraded or replaced to acceptable standards for breeding, and animal management as well as meeting accreditation standards.
- *Exhibit Refurbishment (\$5.600 million)* – Exhibit Refurbishment is an ongoing program of major renovations to extend the useful life of old exhibits. In 2017, improvements will be made to the Jaguar, Flamingo, and Llama Exhibits to meet accreditation, animal welfare and state of good repair requirements.
- *Grounds and Visitor Improvements (\$5.600 million)* – This ongoing multi-year project addresses the needs of the public concerning visitor amenities, the appearance of indoor and outdoor areas, improvements to site circulation and visitor orientation.
- *Information Systems (\$3.150 million)* - This ongoing multi-year project supports various systems that are in need of replacement: point of sale (POS), data warehousing, biology and conservation records system, document management and imaging, telecommunications and financial system.

Service Improvements

- Service Improvement projects account for \$12.214 million or 20.0% and fund the following projects.
 - *Breeding/Holding Facility (\$3.214 million)* – Increased breeding and holding space is required if the Zoo is to meet its commitments to the various collaborative breeding programs for endangered species, (detailed design of the facility will be finalized in 2023 with construction to follow later in 2023- 2024).
 - *Gorilla II: Outdoor Display (\$3.000 million)* – This project will improve visibility for visitors and provide a larger, more enriched outdoor environment for the gorillas, (detailed design of the exhibit will occur in 2022 with construction to follow in 2023-2024).
 - *Educational Development (\$6.000 million)* – This project supports the development of interactive programs and learning strategies, provides professional training and to position the Zoo as a leader in development, evaluation, research and dissemination of formal and informal education programs. The educational centre will include office and programming space, auditorium, laboratories, resource room, and displays.

2017 Preliminary Capital Budget and Future Year Commitments

Included as a sub-set of the 10-Year Capital Plan is the 2017 Preliminary Capital Budget and Future Year Commitments, that consists of 2017 and future year cash flow for projects previously approved by Council; adjustments (Scope Change) to those previously approved projects; as well as new projects that collectively require Council approval to begin, continue or complete capital work.

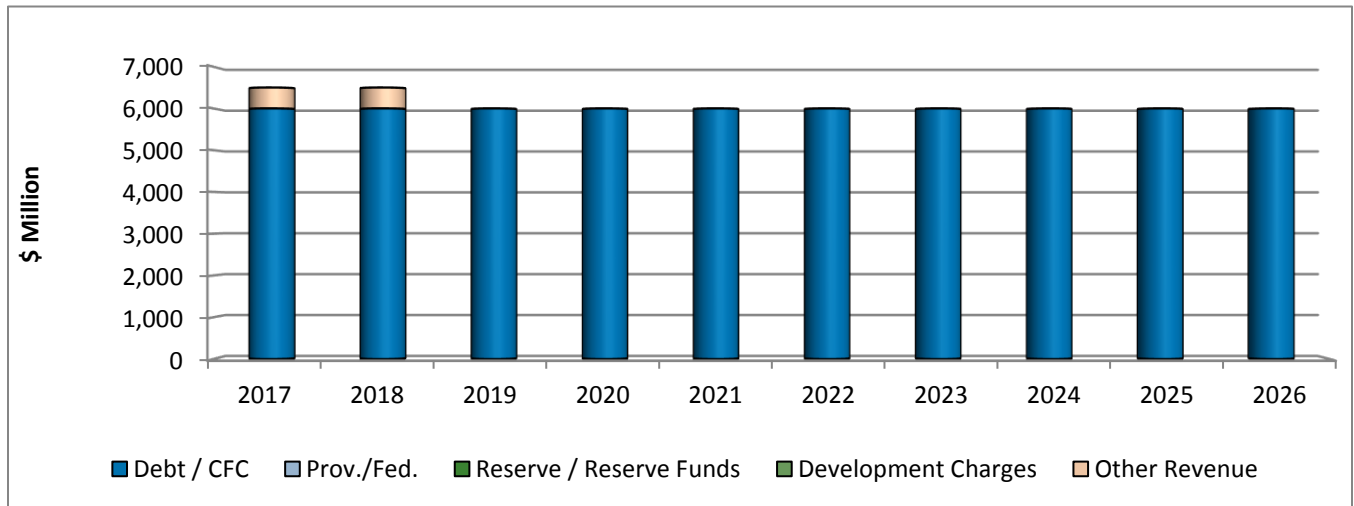
- Table 3a below lists the 2017 Preliminary Capital Budget and Future Year Commitments for Toronto Zoo:

Table 3a
2017 Cash Flow & Future Year Commitments (In \$000s)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total 2017 Cash Flow & FY Commits
Expenditures:											
Previously Approved											
Orangutan II & III: Indoor & Outdoor Exhibits	1,000	2,180									3,180
Wildlife Health Centre	2,500										2,500
Subtotal	3,500	2,180									5,680
New w/Future Year											
Exhibit Refurbishment	550										550
Information Systems	350										350
Grounds and Visitor Improvements	550										550
<i>Building & Services Refurbishment</i>	1,550										1,550
Subtotal	3,000										3,000
Total Expenditure	6,500	2,180									8,680
Financing:											
Debt/CFC	6,000	1,680									7,680
Debt Recoverable											
Other	500	500									1,000
Reserves/Res Funds											
Development Charges											
Provincial/Federal											
Total Financing	6,500	2,180									8,680

- Approval of the 2017 Preliminary Capital Budget of \$6.500 million will result in the future year funding commitment of \$2.180 million in 2018 for the Orangutan II & III Indoor & Outdoor Exhibits project.

Chart 3
2017 – 2026 Preliminary Capital Plan by Funding Source (In \$000s)

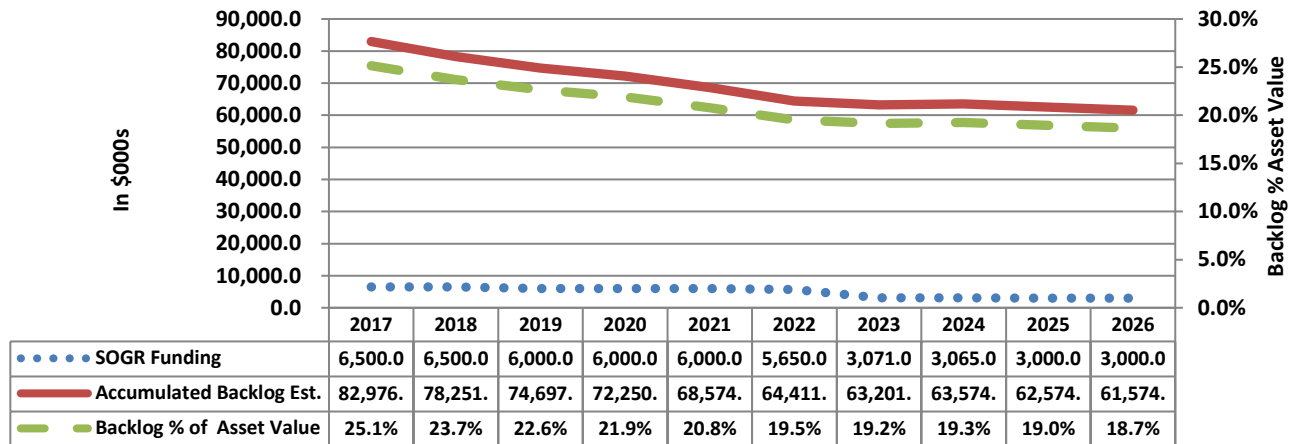


The Preliminary 10-Year Capital Plan of \$61.000 million will be financed by the following sources:

- Debt accounts for \$60.000 million or 98.4% of the financing over the 10-year period.
 - The debt funding meets the 10-year debt affordability target of \$60.000 million allocated to Toronto Zoo, dedicated to SOGR and Service Improvement projects:
- Other sources of funding, which account for \$1.000 million or 1.6% will be utilized for The Orangutan II Outdoor Exhibit project:
 - Secured cash donations which will support the completion of its design work in 2017 and allow construction work to commence at the end of 2018.

State of Good Repair (SOGR) Backlog

**Chart 4
SOGR Funding & Backlog (In \$000s)**



- The replacement value of the Toronto Zoo's assets is estimated at \$330.000 million.
- At the end of 2016, Toronto Zoo is estimating a SOGR backlog of \$87.409 million, representing 26.5% of the asset replacement value.
- Toronto Zoo's Preliminary 10-Year Capital Budget and Plan will reduce its accumulated backlog estimate from \$82.976 million in 2017 to \$61.574 million representing a 24.9% reduction.
- The Toronto Zoo's SOGR backlog and asset replacement value will be revisited upon the completion of the new Master Plan and Condition Audit of current facilities.

10-Year Capital Plan: Net Operating Budget Impact

There are no net operating budget impacts or temporary capital project delivery positions arising from the Toronto Zoo's 2017 – 2026 Preliminary Capital Budget and Plan.

Toronto Zoo currently accommodates delivery of minor capital projects, as per the Zoo's policy, funded through the annual operating budgets.



Part 2:

Issues for Discussion

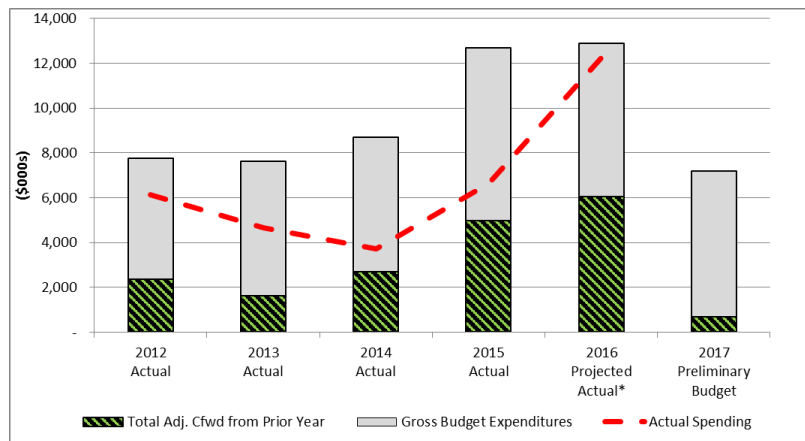
Issues Impacting the 2017 Capital Budget

Review of Capital Projects and Spending

- City Council, at its meeting of July 12, 2016 considered the report entitled "2017 Budget Process – Budget Directions and Schedule EX16.37" and directed staff to:
 - Submit their 2017 – 2026 Capital Budget and Plans requiring that annual cash flow funding estimates be examined to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe.
- Toronto Zoo's reported 5-year average spending rate of 68.8% is driven by lower spending rates in 2014 and 2015 at 42.6% and 52.3%, respectively. However, spending in 2016 is projected to significantly improve and the Zoo estimates spending 94.8% of its 2016 Approved Capital Budget by the year-end as detailed below:

Category	2012			2013			2014			2015			2016			Spending Rate 5 Year 2012-2016 Avg. %
	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Actual	Spending Rate %	Budget	Projected Actual *	Spending Rate %	
SOGR	7,408	6,507	87.8%	7,373	4,673	63.4%	8,700	3,708	42.6%	12,681	6,637	52.3%	12,889	12,214	94.8%	
Total	7,408	6,507	87.8%	7,373	4,673	63.4%	8,700	3,708	42.6%	12,681	6,637	52.3%	12,889	12,214	94.8%	

Note - 2016 Projection based on the 2016 Q3 Capital Variance Report



- Toronto Zoo is well-positioned to commit to its 2017 cash flows of \$6.500 million as discussed below:
 - The Zoo will carry forward \$0.675 million of unspent capital funds to 2017 which are comprised of smaller projects such as Information Systems and minor refurbishment projects which are expected to be completed by the first quarter of 2017.
 - Of the 2017 Preliminary Capital Budget's planned expenditures, \$2.500 million is allocated to the Wildlife Health Centre which is near completion and is expected to be fully operational by the first quarter of 2017.
 - There are no foreseeable delays with the refurbishment work (\$2.100 million), design work for the Orangutan II Outdoor Exhibit (\$1.000 million inclusive of secured donations of \$0.500 million), and the improvement work for the grounds and visitor services (\$0.550 million).
 - Toronto Zoo demonstrated its readiness to proceed with the planned capital projects in 2017 and anticipates high spending rates in future years based on high completion rate in 2016, and guided by its new Strategic Plan.

Issues Impacting the 10-Year Capital Plan

Unmet Needs

- The "Unmet Capital Needs" as identified in the table below, cannot be accommodated within the City's debt affordability targets given the limitations on debt servicing costs and are therefore not included in the 2017 Preliminary Capital Budget and 2018-2026 Capital Plan for Toronto Zoo. The projects will be included on the list of "Capital Priorities" considered for future funding in conjunction with the revenue options and tools identified in the report "*The City of Toronto's Immediate and Longer-term Revenue Strategy Direction*" from the City Manager and Deputy City Manager & CFO for the 2018 Budget process.
- Very preliminary project cost estimates were submitted to the 2017 budget process and are shown below. It is understood that these would change once the Zoo's new Master Plan could be completed and brought forward for consideration. Unfortunately, the timing of this process did not allow final estimates to be included in the City's Unmet Needs for consideration during the 2017 budget process.
 - Board of Management of the Toronto Zoo at its meeting on November 28, 2016, approved the 2016 Toronto Zoo Master Plan and the Plan will inform the requirements of the 2018 Capital Budget and 2019-2027 Plan during the 2018 budget process.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ZB11.3>

Unmet Needs – Strategic Initiatives defined prior to completion of the Master Plan

Project Description	Criteria*	Total Project Expenditure	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Canadian Otter Exhibit at Front Entrance	7	2,625.0		1,375.0	1,250.0							
Canadian Pavilion	8	7,500.0				750.0	3,375.0	3,375.0				
North Site Development - Wilderness North	7	24,550.0				3,774.0	9,454.0	11,322.0				
Food Services	7	19,890.0						1,950.0	4,484.0	4,486.0	4,485.0	4,485.0
Rouge National Urban Park - Education Centre	8	16,000.0						1,600.0	3,600.0	3,600.0	3,600.0	3,600.0
Total		70,565.0		1,375.0	1,250.0	4,524.0	12,829.0	18,247.0	8,084.0	8,086.0	8,085.0	8,085.0

7. SOGR projects that reduce backlog.

8. Capital projects to address a sustained service demand.

An update on these key strategic initiatives is detailed below:

- *Canadian Otter Exhibit at Front Entrance, \$2.625 million*
 - Visitor experience could be enhanced through the new otter exhibit at the front entrance of the Zoo as a greeting point.
- *Canadian Pavilion in Wilderness North, \$7.500 million*
 - The Canada Pavilion will draw attention to Canada's species at risk and highlight the many current and future conservation programs the Toronto Zoo is undertaking, with various strategic partners, to save these species.
- *North Site Development - Wilderness North (Canadian Wilderness), \$24.550 million*
 - The Wilderness North Experience will enable more visitors to experience the vast diversity of species in their habitats native to Canada. The northern portion of the Zoo will be renovated to accommodate the experience of all of the Canadian animals with a special subset that showcases comparative animals from the highlands of the Himalayas and Manchuria.

- Most of these animals will be supremely adapted to the Toronto climate and thus, the exhibits will be focused on the outdoors with warming structures to enable year-round use by visitors. These separate destinations will be redeveloped as a coherent immersive experience that focuses on Canadian animals and their vulnerable counterparts from comparable boreal and high latitude/altitude regions of the Northern Hemisphere.
- *Front Entrance and Food Services, \$19.890 million*
 - A study of the main visitor entrance to the Zoo determined it was deficient and outdated in a number of aspects such as:
 - Inefficient admissions process,
 - Inadequate visitor amenities,
 - Lack of orientation for first time visitors,
 - Insufficient orientation space inside the front entrance,
 - Unmemorable front entrance, indirect access to the Zoomobile,
 - Entrance/exit turnstiles are oriented opposite to the norm, and
 - The food facility is not directly accessible.
 - The renovations proposed for the front entrance are designed to:
 - Achieve improved ticketing,
 - Provide a memorable entrance/exit to the Zoo,
 - Locate retail and food opportunities directly in line with the visitors' path of movement to maximize retail opportunities, and
 - Provide an enlarged plaza and improve the overall level of services to the Zoo visitors
- *Rouge Urban National Park Shared Use Facility, \$16.000 million*
 - The best cost estimate is \$16.000 million which represents the City's contribution to the overall project cost. The total scope and cost of the project is still in discussion.
 - Rouge Valley lands surrounding the Toronto Zoo are slated to become the heart of the Rouge National Urban Park once transfers to Parks Canada are complete in the near future.
 - Both the Toronto Zoo and Parks Canada see potential efficiencies to be realized from future shared facilities and have entered into a Collaboration Agreement.
 - Discussions are now focusing on a shared Visitor Centre and Education Facility which would be cost shared with Parks Canada. Feasibility studies are proceeding with results to be included in the Toronto Zoo's 10-Year Capital Plan.



Appendices

Appendix 1

2016 Performance

2016 Key Accomplishments

In 2016, Toronto Zoo made significant progress and/or accomplished the following:

- ✓ Completed Construction of the Wildlife Health Centre
- ✓ Finalized new Master Plan
- ✓ Tendered and commenced construction on Indian Rhino exhibit and holding
- ✓ Commenced design of the Orangutan Outdoor Exhibit
- ✓ Continued work on SOGG project which address zoological accreditation standards

2016 Financial Performance

2016 Budget Variance Analysis (in \$000's)

2016 Budget	As of Sept. 30, 2016		Projected Actuals at Year-End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
12,889	8,616	66.8%	12,214	94.8%	675	5.2%

* Based on 2016 Third Quarter Capital Variance Report

- Toronto Zoo reported year-to-date spending of 66.8% or \$8.616 million of the 2016 Approved Capital Budget, and forecasts a year-end spending rate of 94.8% or \$12.214 million of the total budget.
- The planned expenditures for Toronto Zoo's Wildlife Health Centre reported year-to-date spending rate of 77.3% with an estimated full completion of the project by the end of 2016. This project accounts for \$10.004 million or 77.6% of the total 2016 Approved Capital Budget and significantly contributes to the overall spending rate projection of 94.8%.
- The remaining budget allocated to the Orangutan II Outdoor, Exhibit Refurbishment, Buildings & Services, Information Systems and Grounds & Visitor Improvements projects are estimating a year-end spending rate of 74.2%.

For additional information regarding the 2016 Q3 capital variances and year-end projections for Toronto Zoo, please refer to the attached link for the report entitled "*Capital Variance Report for the Nine-Month Period Ended September 30, 2016*" considered by City Council at its meeting on December 13, 2016.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.BU26.5>

Impact of the 2016 Capital Variance on the 2017 Preliminary Capital Budget

- There is no impact of the 2016 Capital Variance on the 2017 Preliminary Capital Budget.
- A detailed review of the 2017 – 2026 Preliminary Capital Budget and Plan has been conducted and cash flow adjustments are not necessary at this time.

Appendix 2

2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan (\$000s)

Project	Total Project Cost	2017	2018	2019	2020	2021	2017 - 2021	2022	2023	2024	2025	2026	2017 - 2026 Total
State of Good Repair:													
<i>Exhibit Refurbishment</i>	N/A	550	850	400	600	350	2,750	450	600	600	600	600	5,600
<i>Orangutan II & III: Indoor & Outdoor Exhibits</i>	N/A	1,000	3,180	2,900	2,200		9,280						9,280
<i>Animal Health Centre</i>	15,500	2,500					2,500						2,500
<i>Information Systems</i>	N/A	350	350	300	350	250	1,600	350	300	300	300	300	3,150
<i>Grounds and Visitor Improvements</i>	N/A	550	850	400	600	350	2,750	450	600	600	600	600	5,600
<i>Building & Services Refurbishment</i>	N/A	1,550	1,270	1,300	1,000	900	6,020	1,500	1,571	1,565	1,500	1,500	13,656
<i>Hippo House and Exhibit Refurbishment</i>	9,000			700	1,250	4,150	6,100	2,900					9,000
Sub-Total	24,500	6,500	6,500	6,000	6,000	6,000	31,000	5,650	3,071	3,065	3,000	3,000	48,786
Service Improvements:													
<i>Gorilla II: Outdoor Display</i>	3,000							350	1,929	721			3,000
<i>Breeding/Holding Facility</i>	3,214								1,000	2,214			3,214
<i>Educational Development</i>	6,000										3,000	3,000	6,000
Sub-Total	12,214							350	2,929	2,935	3,000	3,000	12,214
Total	36,714	6,500	6,500	6,000	6,000	6,000	31,000	6,000	6,000	6,000	6,000	6,000	61,000

Appendix 3

2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3 - 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan

Toronto Zoo

						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By													
Sub-Project No.	Project Name	Ward	Stat.	Cat.		2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other 2	Debt - Recoverable	Total Financing		
ZOO000003 Gorilla II: Outdoor Display																									
6	1	Gorilla II: Outdoor Display	CW	S6	04	0	0	0	0	0	0	3,000	3,000	0	0	0	0	0	0	0	0	3,000	0	3,000	
Sub-total						0	0	0	0	0	0	3,000	3,000	0	0	0	0	0	0	0	0	0	3,000	0	3,000
ZOO000012 Exhibit Refurbishment																									
1	17	Exhibit Refurbishment (2018-2026)	CW	S6	03	0	850	400	600	350	2,200	2,850	5,050	0	0	0	0	0	0	0	0	5,050	0	5,050	
0	23	Exhibit Refurbishment (2017)	CW	S4	03	550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	550	0	550	
Sub-total						550	850	400	600	350	2,750	2,850	5,600	0	0	0	0	0	0	0	0	0	5,600	0	5,600
ZOO000021 Orangutan II & III: Indoor & Outdoor Exhibits																									
4	1	Orangutan II & III: Indoor/Outdoor Exhibits	CW	S6	03	0	1,000	2,900	2,200	0	6,100	0	6,100	0	0	0	0	0	0	0	0	6,100	0	6,100	
0	3	Orangutan II Outdoor Exhibit (2016-2018)	CW	S2	03	1,000	2,180	0	0	0	3,180	0	3,180	0	0	0	0	0	0	0	1,000	2,180	0	3,180	
Sub-total						1,000	3,180	2,900	2,200	0	9,280	0	9,280	0	0	0	0	0	0	0	1,000	8,280	0	9,280	
ZOO000022 Animal Health Centre																									
2	3	Wildlife Health Centre	CW	S2	03	2,500	0	0	0	0	2,500	0	2,500	0	0	0	0	0	0	0	0	2,500	0	2,500	
Sub-total						2,500	0	0	0	0	2,500	0	2,500	0	0	0	0	0	0	0	0	0	2,500	0	2,500
ZOO000170 Breeding/Holding Facility																									
1	1	Breeding/Holding Facility	CW	S6	04	0	0	0	0	0	0	3,214	3,214	0	0	0	0	0	0	0	0	3,214	0	3,214	
Sub-total						0	0	0	0	0	0	3,214	3,214	0	0	0	0	0	0	0	0	0	3,214	0	3,214
ZOO000177 Information Systems																									
1	8	Information Systems (2018-2026)	CW	S6	03	0	350	300	350	250	1,250	1,550	2,800	0	0	0	0	0	0	0	0	2,800	0	2,800	
0	16	Information Systems (2017)	CW	S4	03	350	0	0	0	0	350	0	350	0	0	0	0	0	0	0	0	350	0	350	
Sub-total						350	350	300	350	250	1,600	1,550	3,150	0	0	0	0	0	0	0	0	0	3,150	0	3,150
ZOO11 Grounds and Visitor Improvements																									
1	13	Ground and Visitors Improvements (2018 to 2026)	CW	S6	03	0	850	400	600	350	2,200	2,850	5,050	0	0	0	0	0	0	0	0	5,050	0	5,050	
0	19	Grounds and Visitor Improvements (2017)	CW	S4	03	550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	550	0	550	
Sub-total						550	850	400	600	350	2,750	2,850	5,600	0	0	0	0	0	0	0	0	0	5,600	0	5,600
ZOO28 Building & Services Refurbishment																									
1	7	Building & Services Refurbishment (2018-2026)	CW	S6	03	0	1,270	1,300	1,000	900	4,470	7,636	12,106	0	0	0	0	0	0	0	0	12,106	0	12,106	

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3 - 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan

Toronto Zoo						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By												
<u>Sub- Project No.</u>	<u>Project Name</u>	<u>Ward</u>	<u>Stat.</u>	<u>Cat.</u>																					
Priority	SubProj No.	Sub-project Name				2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<u>ZOO28 Building & Services Refurbishment</u>																									
1	32	Building & Services Refurbishment (2017)	CW	S4	03	1,550	0	0	0	0	1,550	0	1,550	0	0	0	0	0	0	0	0	1,550	0	1,550	
Sub-total						1,550	1,270	1,300	1,000	900	6,020	7,636	13,656	0	0	0	0	0	0	0	0	0	13,656	0	13,656
<u>ZOO906205 Educational Development</u>																									
2	2	Education Centre	CW	S6	04	0	0	0	0	0	0	6,000	6,000	0	0	0	0	0	0	0	0	6,000	0	6,000	
Sub-total						0	0	0	0	0	0	6,000	6,000	0	0	0	0	0	0	0	0	0	6,000	0	6,000
<u>ZOO907666 Hippo House and Exhibit Refurbishment</u>																									
7	1	Hippo House and Exhibit Refurbishment	CW	S6	03	0	0	700	1,250	4,150	6,100	2,900	9,000	0	0	0	0	0	0	0	0	9,000	0	9,000	
Sub-total						0	0	700	1,250	4,150	6,100	2,900	9,000	0	0	0	0	0	0	0	0	0	9,000	0	9,000
Total Program Expenditure						6,500	6,500	6,000	6,000	6,000	31,000	30,000	61,000	0	0	0	0	0	0	0	0	1,000	60,000	0	61,000

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3 - 2017 Preliminary Capital Budget; 2018 to 2026 Preliminary Capital Plan

Toronto Zoo						Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By												
Sub-Project No.	Project Name	Ward	Stat.	Cat.		2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
Financed By:																								
Other2 (External)						500	500	0	0	0	1,000	0	1,000	0	0	0	0	0	0	0	1,000	0	0	1,000
Debt						6,000	6,000	6,000	6,000	6,000	30,000	30,000	60,000	0	0	0	0	0	0	0	0	60,000	0	60,000
Total Program Financing						6,500	6,500	6,000	6,000	6,000	31,000	30,000	61,000	0	0	0	0	0	0	0	1,000	60,000	0	61,000

- Status Code Description**
 S2 S2 Prior Year (With 2017 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2017 and/or Future Year Cost(Cashflow)
 S4 S4 New - Stand-Alone Project (Current Year Only)
 S5 S5 New (On-going or Phased Projects)
 S6 S6 New - Future Year (Commencing in 2018 & Beyond)
- Category Code Description**
 01 Health and Safety C01
 02 Legislated C02
 03 State of Good Repair C03
 04 Service Improvement and Enhancement C04
 05 Growth Related C05
 06 Reserved Category 1 C06
 07 Reserved Category 2 C07

(Page intentionally left blank)

Appendix 4

2017 Cash Flow and Future Year Commitments

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4 - 2017 Cash Flow and Future Year Commitments

Toronto Zoo

						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By												
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.	2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
<u>ZOO000012 Exhibit Refurbishment</u>																									
0	23	Exhibit Refurbishment (2017)	CW	S4	03	550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	550	0	550	
Sub-total						550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	0	550	0	550
<u>ZOO000021 Oranqutan II & III: Indoor & Outdoor Exhibits</u>																									
0	3	Orangutan II Outdoor Exhibit (2016-2018)	CW	S2	03	1,000	2,180	0	0	0	3,180	0	3,180	0	0	0	0	0	0	0	1,000	2,180	0	3,180	
Sub-total						1,000	2,180	0	0	0	3,180	0	3,180	0	0	0	0	0	0	0	1,000	2,180	0	3,180	
<u>ZOO000022 Animal Health Centre</u>																									
2	3	Wildlife Health Centre	CW	S2	03	2,500	0	0	0	0	2,500	0	2,500	0	0	0	0	0	0	0	0	2,500	0	2,500	
Sub-total						2,500	0	0	0	0	2,500	0	2,500	0	0	0	0	0	0	0	0	0	2,500	0	2,500
<u>ZOO000177 Information Systems</u>																									
0	16	Information Systems (2017)	CW	S4	03	350	0	0	0	0	350	0	350	0	0	0	0	0	0	0	0	350	0	350	
Sub-total						350	0	0	0	0	350	0	350	0	0	0	0	0	0	0	0	0	350	0	350
<u>ZOO11 Grounds and Visitor Improvements</u>																									
0	19	Grounds and Visitor Improvements (2017)	CW	S4	03	550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	550	0	550	
Sub-total						550	0	0	0	0	550	0	550	0	0	0	0	0	0	0	0	0	550	0	550
<u>ZOO28 Building & Services Refurbishment</u>																									
1	32	Building & Services Refurbishment (2017)	CW	S4	03	1,550	0	0	0	0	1,550	0	1,550	0	0	0	0	0	0	0	0	1,550	0	1,550	
Sub-total						1,550	0	0	0	0	1,550	0	1,550	0	0	0	0	0	0	0	0	0	1,550	0	1,550
Total Program Expenditure						6,500	2,180	0	0	0	8,680	0	8,680	0	0	0	0	0	0	0	0	1,000	7,680	0	8,680

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4 - 2017 Cash Flow and Future Year Commitments

Toronto Zoo

Sub- Project No. Project Name Priority SubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments and Estimates						Current and Future Year Cash Flow Commitments and Estimates Financed By										
						2017	2018	2019	2020	2021	Total 2017-2021	Total 2022-2026	Total 2017-2026	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt
Financed By:																						
Other2 (External)						500	500	0	0	0	1,000	0	1,000	0	0	0	0	0	1,000	0	0	1,000
Debt						6,000	1,680	0	0	0	7,680	0	7,680	0	0	0	0	7,680	0	0	7,680	
Total Program Financing						6,500	2,180	0	0	0	8,680	0	8,680	0	0	0	0	1,000	7,680	0	8,680	

- Status Code Description**
 S2 S2 Prior Year (With 2017 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2017 and/or Future Year Cost(Cashflow)
 S4 S4 New - Stand-Alone Project (Current Year Only)
 S5 S5 New (On-going or Phased Projects)

- Category Code Description**
 01 Health and Safety C01
 02 Legislated C02
 03 State of Good Repair C03
 04 Service Improvement and Enhancement C04
 05 Growth Related C05
 06 Reserved Category 1 C06
 07 Reserved Category 2 C07

(Page intentionally left blank)

Appendix 5

2017 Preliminary Capital Budget with Financing Detail

(Phase 2) 21-Toronto Zoo Sub-Project Category: 01,02,03,04,05,06,07 Type: B Sub-Project Status: S2 Type: C Sub-Project Status: S2,S3,S4,S5



CITY OF TORONTO

**Appendix 5 - 2017 Preliminary Capital Budget with Financing Detail
Toronto Zoo
Sub-Project Summary**

Project/Financing Priority Project	Project Name	Start Date	Completion Date	2017	Financing									
				Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
1	<u>ZOO28</u>	<u>Building & Services Refurbishment</u>												
1	32 Building & Services Refurbishment (2017)	01/01/2017	12/31/2017	1,550	0	0	0	0	0	0	0	0	1,550	0
	Project Sub-total:			1,550	0	0	0	0	0	0	0	0	1,550	0
2	<u>ZOO000177</u>	<u>Information Systems</u>												
0	16 Information Systems (2017)	01/01/2017	12/31/2017	350	0	0	0	0	0	0	0	0	350	0
	Project Sub-total:			350	0	0	0	0	0	0	0	0	350	0
3	<u>ZOO000012</u>	<u>Exhibit Refurbishment</u>												
0	23 Exhibit Refurbishment (2017)	06/20/2016	06/20/2016	550	0	0	0	0	0	0	0	0	550	0
	Project Sub-total:			550	0	0	0	0	0	0	0	0	550	0
7	<u>ZOO11</u>	<u>Grounds and Visitor Improvements</u>												
0	19 Grounds and Visitor Improvements (2017)	01/01/2017	12/31/2017	550	0	0	0	0	0	0	0	0	550	0
	Project Sub-total:			550	0	0	0	0	0	0	0	0	550	0
8	<u>ZOO000022</u>	<u>Animal Health Centre</u>												
2	3 Wildlife Health Centre	01/01/2014	12/31/2017	2,500	0	0	0	0	0	0	0	0	2,500	0
	Project Sub-total:			2,500	0	0	0	0	0	0	0	0	2,500	0
14	<u>ZOO000021</u>	<u>Orangutan II & III: Indoor & Outdoor Exhibits</u>												
0	3 Orangutan II Outdoor Exhibit (2016-2018)	01/01/2016	12/31/2018	1,000	0	0	0	0	0	0	0	500	500	0
	Project Sub-total:			1,000	0	0	0	0	0	0	0	500	500	0
Program Total:				6,500	0	0	0	0	0	0	0	500	6,000	0

Status Code Description
 S2 S2 Prior Year (With 2017 and/or Future Year Cashflow)
 S3 S3 Prior Year - Change of Scope 2017 and/or Future Year Cost(Cashflow)
 S4 S4 New - Stand-Alone Project (Current Year Only)
 S5 S5 New (On-going or Phased Projects)

Category Code Description
 01 Health and Safety C01
 02 Legislated C02
 03 State of Good Repair C03
 04 Service Improvement and Enhancement C04
 05 Growth Related C05
 06 Reserved Category 1 C06
 07 Reserved Category 2 C07