

To: Board of Management

From: Manager, Financial Services

Subject: **ATTENDANCE AND REVENUE REPORT – DECEMBER 2018**

Date: 2019-01-31

SUMMARY:

This report will update the Board of Management on the visitor statistics and revenue results for the year ended 2018-12-31. Included in this report is a dashboard highlighting some of the key metrics for 2018.

RECOMMENDATION:

It is recommended that the report be received for information.

BACKGROUND:

In accordance with Zoo By-law No. 2-2010, attendance and revenues are reported to the Board on a monthly basis. Budgeted monthly attendance targets are based upon rolling three-year averages by month and accumulated year-to-date. The targets also reflect any shifts in the calendar for statutory holidays and number of weekends each month.

For your information, the results for attendance and the primary revenue categories on a year-to-date basis are outlined in the tables and charts included in Schedule I (attached).

COMMENTS:

Revenue results in the main revenue categories for the year ending December 31, 2018 were below budget by 17%. Attendance of 1,115,819 visitors through the end of December 2018 was unfavourable to budget by 14%. In comparison to the same period in 2017, attendance results in 2018 were 5% ahead while revenues were 5% behind. For your information, the December 2018 results for attendance and the primary revenue categories are outlined in the tables and charts included in Schedule I.

The Zoo implemented significant efforts to drive attendance levels during the second half of 2018 including the Zoo Anniversary sale in August, a revised menu of weekly summer programming with some extending into the fall/winter season, opening of the Wild Rouge Zipline, animal births (Gorilla and Pygmy Hippo), the first ever bloom of a Corpse Flower in the GTA, as well as recurring programming (Boo at the Zoo, Senior Days, etc.). It should be

noted that those who attended the new summer programming, particularly Members, were pleased with the new initiatives and wanted to see similar programming year-round.

Unfortunately, there were been significant factors countering 2018 efforts to increase attendance, including poor weather on prime long weekends (a total of 16 extreme heat days and 20 extreme cold weather days), a delay in a key opening due to a change in exhibit standards (Amur Tiger), and delays in launching of new attractions (Wild Rouge). A further factor affecting admissions revenues was a shift in the attendance mix compared to historical expectations. Specifically, the actual experience in 2018 for General Admissions was lower than anticipated and created a larger than expected variance in revenues based on attendance numbers.

Zoo Members have been consistent in visiting the Zoo in 2018, with Member attendees of 269,151 accounting for 24% of total attendance through the year. Membership revenue results of \$3.352 million were slightly ahead of budgeted revenues of \$3.347 million and exceeded 2017 metrics by 4%.

In order to offset the revenue impacts associated with lower attendance, the Zoo implemented significant cost containment / holdback measures including reduced expenditures in supplies, equipment, and increased staff gapping through delayed new hires. In spite of these significant efforts, the Zoo projects a net shortfall in 2018.

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ATTACHMENTS:

Schedule I - Toronto Zoo Attendance & Revenue Dashboard



2018 ATTENDANCE & REVENUE DASHBOARD
December 2018

	2018 Actual		2018 Budget		YEAR TO DATE Variance		2017 Actual	Budget Variance %		Prior Year Variance %
		%		%						
ATTENDANCE										
Admissions	744,172	67%	903,771	70%	(159,599)		790,184	(46,012)	-18%	-6%
School Groups	102,496	9%	122,861	9%	(20,365)		53,630	48,866	-17%	91%
Members	269,151	24%	268,368	21%	783		214,808	54,343	0%	25%
TOTAL ATTENDANCE	1,115,819	100%	1,295,000	100%	(179,181)		1,058,622	57,197	-14%	5%
REVENUE										
Visitor & Group Admission	12,023,642	43%	15,683,360	46%	(3,659,718)		13,025,675	(1,002,033)	-23%	-8%
Parking	3,103,686	11%	3,571,479	11%	(467,794)		3,213,104	(109,418)	-13%	-3%
Retail Stores	2,416,192	9%	2,849,000	8%	(432,808)		2,827,627	(411,435)	-15%	-15%
Rides & Rentals	1,205,143	4%	1,319,252	4%	(114,108)		1,154,631	50,513	-9%	4%
Membership	3,352,041	12%	3,347,412	10%	4,629		3,235,301	116,740	0%	4%
Food Services	6,123,217	22%	7,213,150	21%	(1,089,933)		6,117,419	5,798	-15%	0%
TOTAL REVENUE	\$ 28,223,920	100%	\$ 33,983,653	100%	\$ (5,759,733)		\$ 29,573,757	\$ (1,349,836)	-17%	-5%
SPEND PER VISITOR (SPV)										
Visitor & Group Admission	14.20	55%	15.28	57%	(1.08)		15.44	(1.24)	-7%	-8%
Parking	2.78	11%	2.76	10%	0.02		3.04	(0.25)	1%	-8%
Zoomobile Tour	0.55	2%	0.63	2%	(0.08)		0.59	(0.05)	-13%	-8%
Retail Stores	2.17	8%	2.20	8%	(0.03)		2.67	(0.51)	-2%	-19%
Rides & Rentals	0.53	2%	0.39	1%	0.14		0.50	0.04	36%	7%
Food Services	5.49	21%	5.57	21%	(0.08)		5.78	(0.29)	-1%	-5%
AVERAGE SPV	\$ 25.72	100%	\$ 26.82	100%	\$ (1.11)		\$ 28.01	\$ (2.30)	-4%	-8%



