

2023 Operating Plan and Budget

Date: October 4, 2022

To: Board of Management of the Toronto Zoo

From: Controller

Wards: All

SUMMARY

This report submits the Toronto Zoo 2023 Operating Plan and Budget for approval. The Policy & Finance Committee reviewed the 2023 Operating Plan and Budget on 2022-10-03 and recommended it for approval by the Board.

RECOMMENDATIONS

The Controller recommends that:

1. The Board of Management of the Toronto Zoo approves the 2023 Operating Plan and Budget as attached in Attachment 1.

FINANCIAL IMPACT

Approval of the 2023 Operating Plan and Budget will require net expenditure funding from the City of Toronto in the amount of \$14.7 million, consisting of gross expenditures of \$58.7 million and revenues and recoveries in the amount of \$44.0 million.

DECISION HISTORY

Your Toronto Zoo is committed to living our mission of connecting people, animals and conservation science to fight extinction. While the past years have been challenging, your Toronto Zoo has remained committed to evolving and growing, challenging our past status quo elements and making improvements in the areas of guest experience, partnerships, wildlife care, conservation, education, and research. We have also reviewed and increased our attention and commitment to conservation science and

meeting AZA accreditation requirements. This is critical to our organizations long term success and requires investments in staff and infrastructure.

Base attendance estimation for 2023 is at 1.220 thousand guests, representing an increase of 61.5 thousand guests compared to 2022 budget levels. This is a realistic and conservative estimate based on the 2022 actual year-to-date attendance figures and return of guests to the Zoo (post-Covid). This estimate is referenced in the communication to the Financial Planning Division of the City.

COMMENTS

In consideration of the direction from the City's Financial Planning Division of a 0% base budget increase, the Toronto Zoo's Requested 2023 Operating Plan and Budget submission has a Net Operating Cost of \$14.7 million which represents a 15.8% decrease from the adjusted budget for 2022 Net Operating Costs. This decrease can be attributed to a significant reduction in COVID-19 related operating cost requirements.

Gross Program revenues of \$44.0 million have increased by 16.4%, driven by an increase in user fees, parking fees, retail per cap spends, ride fees, and food service revenues. A landscape scan of fees was completed and indicated several areas where our site has not maintained pace with other operations in our sector.

Program expenditures of \$58.7 million have increased by 6.2% over 2022 primarily due to the addition expenditures required to maintain and ensure the safety of animals, staff, and guests and ensure we are equipped to meet AZA accreditation standards. The budget also includes additional cost elements to support the modernization of the Zoo as outlined in the 2020 Strategic Plan. The 2023 Operating Budget submission to the Financial Planning Division of the City of Toronto will take place in accordance with prescribed deadlines.

In summary, the 2023 operating budget submission of the Toronto Zoo reflects a balance of serving our community, meeting the operational needs of the Toronto Zoo while mitigating financial pressures on the City. Approval by the Board will ensure the continued implementation of approved initiatives and strategies of the Board and Senior Management.

CONTACT

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SIGNATURE

Shaneela Jivraj
Controller

ATTACHMENTS

Attachment 1 - 2023 Operating Plan and Budget