

2027 Operating Plan and Budget

Date: October 1, 2026

To: Board of Management of the Toronto Zoo

From: Chief Transformation Officer

Wards: All

SUMMARY

This report submits the Toronto Zoo 2027 Operating Plan and Budget for approval. The Policy and Finance Committee reviewed the 2027 Operating Plan and budget on 2026-09-24 and recommended it for approval by the Board.

RECOMMENDATIONS

The Chief Transformation Officer recommends that:

1. The Board of Management of the Toronto Zoo approve the 2027 Operating Plan and Budget as described in this report; and
2. The Board of Management of the Toronto Zoo direct the Chief Transformation Officer to submit the 2027 Operating Plan and Budget to the City Financial Planning Division as part of the 2027 Budget Process.

FINANCIAL IMPACT

Approval of the 2027 Operating Plan and Budget will require \$13.6 million in net expenditure funding from the City of Toronto. This represents a 1.5% increase from the 2026 budget and a -1.8% decrease from 2025 actuals. The total gross expenditure is projected at \$79.9 million, offset by \$66.3 million in revenues and recoveries.

OVERVIEW

In its 52nd year, Toronto Zoo continues to serve as a leading conservation-focused tourism destination. With over 3,000 animals across 280+ species, the Zoo welcomes approximately 1.3 million visitors annually. In addition to wildlife habitats, it delivers year-round educational programming, youth employment, and community initiatives.

The Zoo's mission - Connecting people, animals, conservation science, and traditional knowledge to fight extinction - drives the Guardians of Wild 2025–2027 Strategic Plan, which forms the basis of this budget. This plan prioritizes conservation leadership, scientific advancement, and exceptional guest experiences, while aligning financial resources with strategic objectives.

In partnership with the International Union for the Conservation of Nature (IUCN), the Association of Zoos and Aquariums (AZA), and other local and global organizations, the Zoo continues to advance biodiversity goals. Delivering measurable conservation impact is vital to long-term success and requires close integration of strategy and financial planning.

1) Performance and Trends

Attendance:

2026 attendance has been impacted by extreme weather experienced through much of the year and economic uncertainty that has affected consumer confidence. However, annual attendance is projected to approach the 1.39 million guest target subject to recovery during the fall period with the launch of the Glow in the Wild evening lantern festival, the completion of the Community Conservation Centre, introduction of the complimentary school trip program for Toronto students, and guest viewing opportunities for new additions to the Zoo family (e.g. pygmy hippo, camel, wombat).

2027 attendance is projected to reach 1.395 million, supported by:

- Initiation of classes in the Community Conservation Learning Centre hosted by the University of Toronto Scarborough (UTSc)
- Full year of the complimentary school trip program for Toronto students
- Continuation of Glow in the Wild evening lantern festival (Fall 2027)
- Renovated animal habitats offering new guest viewing opportunities (e.g. red panda, river otter, indoor orangutan).

Base attendance estimation for 2027 is 1.395 million guests, holding steady compared to 2026 budget levels, or 15.9% over last twelve months attendance through August 31, 2026. This projection is based on recent attendance trends and year-end forecasts and represents a reasonable and attainable target. It will be referenced in communications with the City of Toronto's Financial Planning Division as a basis for the Zoo's 2027 Operating Budget submission.

Revenue:

2026 admissions and several guest-driven discretionary spending revenue categories are facing pressuring, while memberships, and education programs remained steady or exceeded budget targets. 2027 guest and other revenues are projected to increase by 5.9% over 2026 budget to \$66.3 million, enabled through attendance recovery, user fee adjustments, continuation of the Glow in the Wild evening lantern festival in Fall 2027 and leveraging eligible donations and contributions through the Toronto Zoo Wildlife Conservancy.

2) 2027 Budget Summary

The Toronto Zoo's 2027 Operating Budget projects **revenues of \$66.3 million** and **gross expenditures of \$79.9 million**, resulting in a **net budget requirement of \$13.6 million** from the City of Toronto. This represents a **\$0.2 million (1.5%) net increase** compared to the 2026 approved budget. Total staff complement is projected to increase from **463.0 to 466.0 positions**, reflecting the addition of three full-time equivalents (FTEs).

The 2027 revenues and expenditures amount to a 5.9% and 5.1% increase over 2026 budgeted levels. Compared to 2026 projected actuals, however, the 2027 increases are more significant. This is the result of reduced attendance and guest revenues in 2026 due to extreme winter and summer weather and broader economic conditions. Corresponding expense reductions have been in place since Q1 2026 to preserve the approved net expenditure target.

Operating Budget								
\$ Thousands	2025 Actual	2026 Budget	2026 Projection*	2027 Budget	Chg from 2026 Budget		OUTLOOK	
					\$	%	2028	2029
Revenues	\$53,254	\$62,608	\$60,111	\$66,288.6	\$3,680	5.9%	\$67,764	\$69,314
Gross Expenditures	\$67,134	\$76,036	\$73,982	\$79,916.4	\$3,880	5.1%	\$81,847	\$83,852
Net Expenditures	\$13,880	\$13,428	\$13,870	\$13,627.7	\$200	1.5%	\$14,084	\$14,538
Approved Positions**	450.0	463.0	460.0	466.0	3.0	0.7%	469.0	472.0

*Projection based on 6 Month Variance

**YoY comparison based on approved positions

The 2027 Operating Budget submission of \$79.9M in total gross expenditures includes investment in two primary service areas:

Zoo Conservation & Wildlife (\$30.7M)

- Breeding and reintroduction programs
- Conservation science and reproductive services
- Biodiversity and climate-focused programming

Zoo Visitor Services (\$49.2M)

- Guest experiences and attractions
- Facility maintenance and improvements
- Events and experiences

3) 2027 Priority Actions

Consistent with the Guardians of Wild 2025-2027 Strategic Plan, the 2027 Operating Budget submission is guided by the Zoo's "**Four Cares**" (Animals, Team, Guests/Community, and Climate) frame its priorities:

1. Belonging

- Full year of complimentary field trips for all Toronto students following launch in Fall 2026.
- Continued complimentary access for Indigenous persons and participation in the Institute for Canadian Citizenship's Canoo program supporting new Canadians.

- Strengthening equity, diversity, inclusion, and accessibility programs, including expanding the Career Pathways Program to train and prepare highly skilled individuals for careers in the medical, pharmaceutical, biotechnology, climate action and related sectors.
- Partnering with Scarborough community organizations, Toronto school boards, Toronto Community Housing and Indigenous and Black Youth leadership programs.

2. Nature's Insurance Policy

- Supporting the protection of Canadian wildlife through the accreditation and expansion of Canada's National Cryobank at the Toronto Zoo.
- Continuing research and the breeding/release of Canadian species (e.g., Blanding's turtles, eight bat species, Vancouver Island marmots).
- Collaborating with Indigenous partners (Turtle Island Conservation Program), including an Artist in Residence program with the Toronto Arts council.
- Advancing TZNet0 energy retrofit projects to support net zero emissions, water consumption and waste over the next five years.

3. Wildlife Advocates

- Completing habitat upgrades and state-of-good-repair projects in preparation for AZA accreditation inspections to take place in 2027.
- Establishing and/or expanding partnerships with University of Toronto Scarborough, Scarborough Health Network and other community and conservation organizations.
- Using artificial intelligence and analytics to improve decisions in service of our animals, community and environment, with a focus on reproductive biology, conservation and animal wellbeing.

4. Wow for Good

- Continuing the Glow in the Wild evening lantern festival in the Fall 2027.
- Conducting a review of the long-term vision for the Zoo site with the development of a new Campus Plan, including opportunities for strengthening community integration, and improving overall site accessibility, sustainability and resilience
- Enhancing guest experiences through technology and personalized engagement.

4) 2027 Planned New and Key Initiatives

More specifically, the 2027 Operating Budget will enable advancement of key initiatives including:

1. Strategic investment in conservation science and research

The Zoo is making strategic investments into conservation science and research to advance Strategic Plan objectives aimed at enhancing biobanking capacity, conservation breeding and science-based education.

- Rationale: Targeted investments will further strengthen the Zoo's capacity as a leader in scientific research while supporting Canadian and global biodiversity and species protection goals, including ensuring viable reserve populations in

zoos.

- Impact: These efforts will enhance the Zoo's ability to support breeding and reintroduction programs, expand science engagement and learning opportunities, and establish the Zoo's Cryobank as a cornerstone of Canadian wildlife conservation.
- Budget: Additional investment of \$800,000 in conservation science and programming to advance Strategic Plan objectives including:
 - launching a Stem Cell program that will further strengthen Zoo leadership in cryobank-based reproductive biotechnologies;
 - upgrading and certifying existing reproductive science laboratory space to meet Level 2 biosafety standards, enabling the safe handling and analysis of samples from wildlife populations with zoonotic disease risk;
 - supporting Canada's biodiversity goals by expanding conservation breeding programs and playing a leadership role in uniting Canadian non-governmental organizations to showcase and advance Canadian conservation efforts at Reverse the Red's World Species Congress;
 - growing the application of machine learning to automate the curation and analysis of image and acoustic data for conservation and welfare decision-making; and
 - expanding science programming for adult audiences to foster lifelong learning and public engagement with science.

2. First full year of operation of the Complimentary School Field Trips (Equity in Education)

Further to City budget approval in 2026, the Zoo launched the Equity in Education program in Fall 2026 to provide all students from Toronto District School Board (TDSB) and Toronto Catholic District School Board (TCDSB) with access to complimentary field trips to the Zoo during the school year.

- Rationale: The program removes financial barriers for families, ensuring equitable access to environmental education at a City-owned agency.
- Impact: Builds ecological literacy, engages youth in conservation and climate awareness, and supports the City's Poverty Reduction Strategy.
- Budget: \$200,000 to ensure continued access while providing offset for delivery costs (e.g. supplies, cleaning, wear and tear impacts).

This initiative was successfully launched in Fall 2026 based on leveraging available capacity on the Zoo site weekdays during the school year. Ongoing base funding of \$400,000 is required to maintain the program on an annual basis. Operating costs and revenue impacts will be monitored over the first year of the program to assess the need for further funding support to continue the program annually. Expansion of the program to neighbouring jurisdictions may also be considered subject to funding availability.

3. First full year of operation of the Community Conservation Centre

The new Community Conservation Centre at the Zoo's front entrance will open in Fall 2026 providing a new hub for conservation education, partnerships, and visitor engagement.

- Rationale: The Community Conservation Centre provides a dedicated space for youth education, Indigenous-led programming, and collaborative community initiatives.
- Impact: Expands accessibility, strengthens Scarborough community ties, and positions the Zoo as a citywide leader in environmental learning.

- Features: Interactive learning spaces, event hosting capacity, and integration with Zoo-wide interpretive programs.
- Budget: The Conservation Center is projected to have an annual operating impact of approximately \$700,000 including the four FTEs approved in the 2026 operating budget. The annualized impact of the Community Conservation Centre on the 2027 operating budget is \$400,000. This will be partially offset per lease payments for the delivery of post-secondary programming beginning January 2027 (\$200,000) in addition to activation of event spaces (\$100,000).

4. Glow in the Wild Evening Lantern Festival (Fall 2027)

The Zoo successfully launched a new nighttime lantern festival to enhance seasonal programming and attract new audiences starting in September 2026 through January 2027.

- Rationale: Glow in the Wild has provided a distinctive cultural and artistic experience that extends Zoo attendance into the evening hours.
- Impact: Expected to continue to promote visitation during the fall shoulder season, driving revenue while deepening community connections.
- Strategic Role: Supports the “Wow for Good” priority by delivering personalized, memorable guest experiences and fostering awareness of conservation issues.
- Budget: The 2027 revenue projection includes a net contribution of \$1.3 million from the Lantern Festival. This figure is consistent with 2026 assumptions given that year-end attendance and revenue figures are unknown at the time of 2027 budget development, although gross totals have been adjusted to reflect 2026 actuals.

5. Innovation Investments

The Zoo has identified several innovation focused investments with a goal of advancing Strategic Plan objectives, growing revenue and realizing efficiencies.

- Rationale: To incentivize the Zoo team in advancing concepts and technologies that support the Zoo’s mission while bolstering its reputation as a leading centre for conservation science and sustainability.
- Impact: Various impacts including Strategic Plan commitments, expenditure efficiencies through reduced resource requirements and asset optimization, revenue growth and reputational enhancements.
- Budget: \$650,000 for multiple projects including:
 - ZooAI app development to scale and automate AI-enabled behavioural monitoring of animals;
 - Wildlife Health and Science Centre conservation science storytelling technology upgrades to improve audio and video communication of veterinary procedures;
 - Artist in Residence Pilot with the Toronto Arts Council;
 - Electronic research administration database to digitize workflows and reporting to regulatory bodies (e.g. CCAC, AZA, Province);
 - Automated animal enrichment mister program reducing staff operating requirements while supporting water conservation;
 - Reduction of single use plastics for animal meals;
 - Hay storage improvements to extend the life and nutritional quality of hay stock;

- Wildlife Science Wild Encounter/VIP Experience to expand guest engagement and learning opportunities;
- Autonomous vehicle and emerging technology demonstration program including certification as technology demonstration zone;
- Guest experience app and digital screen revenue optimization through strategic communication and marketing; and
- Retail vending machine pilot.

6. Modernization of Parking Operations

As construction of the Community Conservation Centre is completed in 2026 and the construction staging area in the main parking lot is returned to the Zoo, staff are reviewing options to upgrade parking operations to reduce exit queuing and increase vehicle throughput.

- Rationale: Upgrading parking lot technology will address a key pain point for guests during peak visitation days when long queues can result at exit gates in the main parking lot.
- Impact: Improves the guest experience while supporting more efficient operations and revenue enhancement opportunities through data informed operational improvements and potential premium offerings.
- Budget: \$200,000 to support design and adjustments to parking systems and operations. Additional capital investment requirements will be identified in the Zoo's Capital Budget and Plan.

5) 2027 Budget by Category

Total revenues are projected at \$66.3 million, up 5.9% from the 2026 budget and 10.3% from the 2026 projection, driven by increased user fees, higher membership revenue, expanded program offerings and continuation of Glow in the Wild lantern festival. Gross expenditures are budgeted at \$79.9 million, rising 5.1% from 2026 budget and 8.0% from 2026 projection, primarily due to salary adjustments, inflationary impacts on materials, supplies and utilities, operating costs for the new Community Conservation Center, contractual commitments, and planned equipment investments.

The table below summarizes compares key 2027 budgeted revenue and expenditure categories with recent actuals, budget and projected year end totals:

Category (In \$000s)	2025 Actual	2026 Budget	2026 Projection*	2027 Budget	2027 Change from 2026 Budget	
	\$	\$	\$	\$	\$	%
Restricted contributions and grants	2,000	2,802	2,802	3,420	618	22.1%
Admission	20,268	23,604	22,161	24,692	1,088	4.6%
Membership	5,562	5,913	5,913	5,947	34	0.6%
Food services	10,086	10,802	10,802	10,948	146	1.3%
Gift shop operations	3,083	3,399	3,399	3,435	36	1.1%
Parking	5,352	6,956	6,956	7,799	844	12.1%
Rides and rentals	2,470	2,967	2,967	2,841	(126)	(4.3%)
Education programs	1,690	1,601	1,601	1,893	292	18.2%
Other revenue and recoveries	2,522	4,564	3,510	5,313	749	16.4%
Development	220	0	0	0		
Total Revenues	53,254	62,608	60,111	66,289	3,680.4	5.9%
Salaries	33,587	35,325	35,310	37,312	1,986.7	5.6%
Benefits	8,131	8,691	8,688	8,463	(228.0)	(2.6%)
Materials & Supplies	6,515	7,125	6,755	7,079	(45.9)	(0.6%)
Equipment	1,372	1,854	1,463	1,942	87.8	4.7%
Purchases/Retail Cost of Goods	1,391	1,244	1,244	1,212	(32.5)	(2.6%)
Service and Rent	15,391	21,152	19,876	23,259	2,107.3	10.0%
Contribution To Reserves/Reserve Funds	746	645	645	650	5.0	0.8%
Total Gross Expenditures	67,134	76,036	73,982	79,916	3,880.4	5.1%
Net Expenditures	13,880	13,428	13,870	13,628	200.0	1.5%

*Projection based on 6 Month Variance

6) Key Cost Drivers

Key factors affecting the 2027 operating budget development include the following:

- **Attendance & Revenue Growth:** Maintaining recovery with steady visitation.
- **Base Pressures:** Implementation of new collective agreement and rising costs for feed, construction, and utilities.
- **Strategic Priorities:** Expanded investments in conservation science and animal care.

The table below summarizes the major 2027 budget changes from the 2026 totals:

(In \$000s)	2027				2028 Annualized Impact (Net)	Comments
	Revenues	Gross Expenditures	Net Expenditures	Positions**		
2026 Projection*	60,111.3	73,981.7	13,870.3	460.0		
2026 Budget	62,608.2	76,035.9	13,427.7	463.0		
Key Cost Drivers:						
Operating Impacts of Capital						
Community Conservation Centre (Welcome Area)		100.0	100.0			Annualized operating costs for the Community Conservation Centre (net of lease payment and rental revenue)
Salaries and Benefits						
Salary and Benefit Adjustments (COLA)		1,508.7	1,508.7			COLA/Salary/Benefit Adjustments
New positions		250.0	250.0	3.0		3 New FTE to support strategic priorities
Non-Salary Inflation						
Corporate Economic Factors		308.7	308.7			City specified net rate adjustments (fuel and utilities)
Other Base Changes						
Conservation, education and animal welfare		2,302.7	2,302.7			Investment in biobanking, conservation breeding and science-based education
Guest experience and health and safety		763.2	763.2			Retail and food service cost of goods, health and safety equipment
Administration, facilities and project delivery		733.0	733.0			AZA accreditation, parking enhancements, other corporate priorities
Revenue Changes						
Attendance forecast	0.0		0.0			Flat attendance target of 1.395 million guests
User fee adjustment - Admission and Lantern festival	2,988.2		(2,988.2)			Admission fee increase up to \$2.00, flat net revenue for Glow in the Wild
User fee adjustment - Parking, Membership and other	692.2		(692.2)			Various user fee adjustments for parking, membership, rides, education
Sub Total Key Cost Drivers	3,680.4	5,966.3	2,285.9	3.0		
Affordability Measures:						
Line by Line Reductions		(2,085.8)	(2,085.8)			Line by Line Reductions
Affordability Measures		(2,085.8)	(2,085.8)			
Total 2027 Base Budget	66,288.6	79,916.4	13,627.7	466.0		
2027 New/Enhanced						
2027 Budget	66,288.6	79,916.4	13,627.7	466.0		
Change from 2026 Budget (\$)	3,680.4	3,880.4	200.0	3.0		
Change from 2026 Budget (%)	5.9%	5.1%	1.5%	0.6%		

*Based on 6-Month Variance

**Year-over-year comparison based on approved positions

Key cost drivers increase net spending by \$3.8M, mainly due to:

- Salary and Benefits (\$1.8 million + 3 FTEs): Annual increases for permanent and exempt staff, including implementation of new collective agreement finalized in 2026.
- Non-Salary Inflation (\$0.3 million): City-specified adjustments (e.g., fuel and utilities), increased cost of goods sold in food services and retail.
- Conservation, Education, and Animal Welfare (\$2.3 million): Expanded conservation research, breeding and biobanking capacity, and interpretive programs.
- Guest Experience, Health, and Safety (\$0.7 million): Increased cost of goods for retail and food services, health and safety contractual commitments and equipment costs.
- Administration, Facilities, and Project Delivery (\$0.7 million): Increasing facility maintenance requirements including Community Conservation Centre, funding for AZA inspections, parking lot upgrades.

Revenue adjustments partially offset pressures:

- Net increase in admission fees (\$3.0 million from Admission and Lantern festival): up to \$2.00 increase on admission fees, flat net assumptions on Glow in the Wild revenue
- Net increase in other user fee increases (\$0.7 million from Parking, Membership, Rides, Education): \$2.00 increase on parking fees, 6% to 7% in membership revenue categories, 3% increase in fees for rides, and 5% to 9% increase in Zoo camps and education programs.
- Community Conservation Offset (\$0.3 million): offset on annualized impact of \$400,00 in operating expenditures for the Community Conservation Centre including lease payments (\$200,00) and event space rentals (\$100,000).

Affordability measures save (-\$2.1 million) via zero-based budgeting and line by line reviews.

The savings from line by line reviews were mainly contributed from reduction of non-permanent salary expenses, contracted services, equipment and other discretionary expenses.

Overall, the 2027 budget balances inflationary and strategic investments with savings, resulting in modest growth: revenues and gross expenditures +5%, net funding +1.5%.

7) Conclusion

The 2027 operating budget balances financial pressures with strategic growth. It emphasizes conservation leadership, expanded educational access (notably free school visits), climate action, and enhanced guest experiences, all while maintaining fiscal responsibility through savings and alternative funding.

The 2027 Operating Budget submission to the Financial Planning Division of the City of Toronto will take place in accordance with prescribed deadlines. Approval by the Board will ensure the continued implementation of approved initiatives and strategies of the Board and senior management.

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