

CIVIC PARTNER 2019 ANNUAL REPORT SNAPSHOT- THE CALGARY ZOOLOGICAL SOCIETY

CALGARY ZOOLOGICAL SOCIETY (CALGARY ZOO)

Vision: Canada’s leader in wildlife conservation.

Mission: Take and inspire action to sustain wildlife and wild places.

Registered Charity

One Calgary Line of Service: Economic Development and Tourism

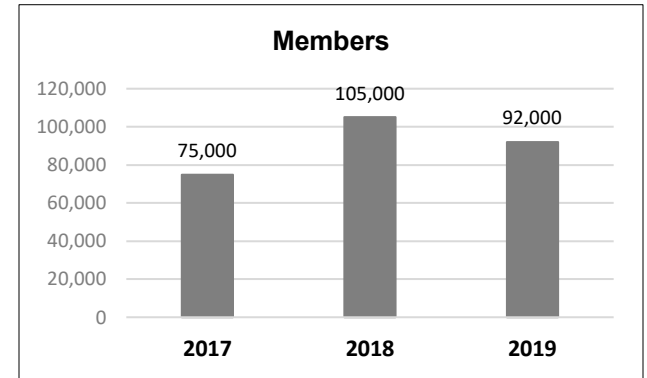
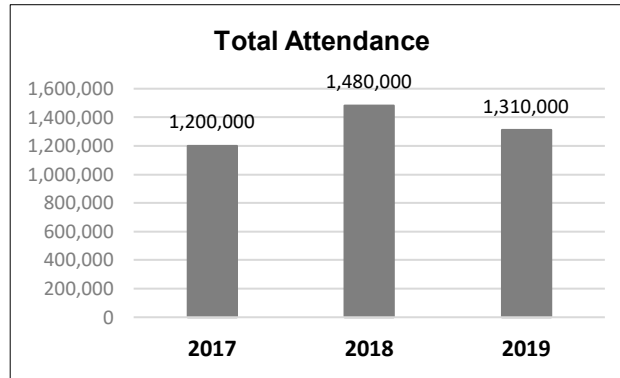
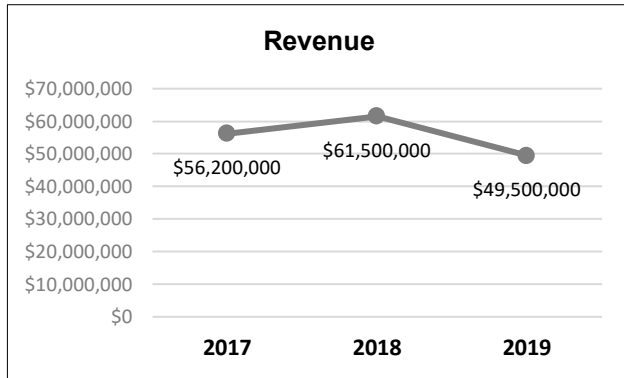
2019 City Investment

Operating Grant: \$8,022,184

Capital Grant: \$1,389,104

City owned asset? Yes

2019 Results



The story behind the numbers

- Revenues in 2019 were stronger than budgeted despite lower attendance. Had projected that the second year of Giant Panda exhibit would experience a decline in visitation, and adapted operation to ensure responsible stewardship.
- The Zoo continued to be one of the top tourist attractions in the Calgary and Alberta.
- The Calgary Zoo continued to enjoy significant support from our community who felt that a membership represents a value to them and their family.

Current state 2020: COVID-19 impact

- Closed from March 16 until May 23 when it reopened on a limited, COVID safe basis.
- In March, 70 per cent of Zoo revenues stopped with facility closure, but still required to care for and protect animals at the Zoo.
- Re-opened in May with measure in place including staff wearing facemasks, sanitizing high touch areas, one way pedestrian traffic, physical distancing prompts, and higher staff to guest ratios.
- 2020 attendance projected at 55 per cent of what was budgeted.

Service impact: Severe

Current demand for service: Demand has decreased notably



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Organizational Structure: Independent External Organization

Fiscal Year: December 31, 2019

Related Subsidiaries or Foundations: Calgary Zoo Foundation

Manage/Operate City Owned Asset: Calgary Zoo

City 2019 Operating Grant: \$8,022,184

City 2019 Capital Grant: \$1,389,104

STRUCTURE

1. **Vision:** Canada's Leader in Wildlife Conservation
2. **Mission:** Take and inspire action to sustain wildlife and wild places
3. **Mandate:** The Calgary Zoological Society, operating under the title "Calgary Zoo", develops, operates and promotes an integrated Zoological, botanical, prehistoric park and conservation centre for the combined purposes of conservation, education, recreation and scientific study. The Society is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta on January 9, 1929, and is a registered charity under the Income Tax Act of Canada.

2019 RESULTS

1. What key results did your organization achieve in 2019 that contributed to one or more of the One Calgary Citizen Priorities?

A Prosperous City

- Attracted 1.31 million visits
- Open to the public 364 days
- Employed 305 Full Time Equivalent staff and paid \$17.8 million in employee wages and benefits
- Spent \$24.3 million for products and services
- Worked with Calgary Tourism, other Civic Partners and other tourism organizations in our community to expand tourism in Calgary

A City of Safe & Inspiring Neighbourhoods

- Surveys and online reviews showed Calgarians feel the Calgary Zoo is a safe and favoured destination for them and their families
- Initiated construction of new insect-themed Bugtopia Nature Play area in the Canadian Wilds to engage guests in the importance of insects to our ecosystems starting in June 2020
- Flood mitigation infrastructure installed by the City performed well during spring high water
- Guests enjoyed over 7 km of park pathways, many picnic areas and many activity options
- Zoo continued to be frequently visited by people with disabilities
- Zooshare subsidy enabled 19,601 low income Calgarians to experience the Zoo
- Over 92,000 Calgarians were paid members of the Zoo in 2019, the second highest year ever

A Healthy and Green City

- Calgary Zoo cares for large section of Calgary's urban forest with over 10,000 trees and shrubs



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- Expanded diversion of waste from landfill through Zoo-wide composting and recycling has reduced the Zoo's waste to landfill footprint by over 85% in just five years
- Developed new working relationship with Nature Conservancy of Canada that has facilitated our sage grouse release program and opened doors for our conservation work
- Encouraged planting of pollinator-friendly gardens by Zoo visitors and continued to grow relationships with national and international sustainability organizations such as the Rainforest Alliance
- Interpretive, school and summer camp programs helped many learn about conservation
- Hosted our second annual Conservation Champions Day
- A million visitors participated in interactions with staff and volunteer interpreters around conservation and species at risk

A Well Run City

- Recruited a highly experienced Chief Financial Officer from the private sector
- The Society continued its practice of responsible financial management that ensures its ability to sustain unexpected financial issues while continuing to build for the future
- Year-round, proactive interaction with members and other Calgarians through social media, media releases, email, etc. keep Calgarians informed of Calgary Zoo activities and our impact on wildlife conservation
- Continued rollout of new employee compensation models adopted in 2018 with a strong pay equity focus
- Certificate of Recognition(COR) external audit completed with final score of 98%
- No significant health and safety incidents reportable to OHS or Alberta Environment
- Employee to volunteer ratio continues at 1:1 and volunteers contributed 52,650 hours
- 55% of permanent staff have achieved long service of 6 or more years
- Position vacancy rate continued at less than 2% with a flat headcount

2. What quality improvement changes did you make, or operational efficiencies did you find in 2019?

We created significant improvements in Health and Safety programs, engaging the entire team in becoming more aware of opportunities to keep the Calgary Zoo a safe place to work and visit.

We continued to improve our waste management and sustainable practices, replacing many single use plastic products with recyclable or compostable products such as paper straws.

We expected that the second year of Giant Pandas would experience a decline in visitation so adapted our operation to ensure that we maintained our practice of responsible stewardship, putting funds aside for future projects and more difficult times (having no idea that we would be hit by COVID).

3. What program, service or initiative was most successful in 2019? What lessons learned from this experience can inform future work?

The improvements made in Health and Safety and the engagement of the entire staff will prove to be a lasting advantage in our ability to provide a safe environment for our staff and visitors. This was particularly helpful when we were hit with the requirements of COVID. We adapted quickly and



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

effectively because the systems were in place, and modifications, while not simple, were very achievable because we were prepared.

4. What is one success story from 2019 that demonstrates how you worked in partnership with other community, private or public organizations to achieve shared results for Calgary and Calgarians?

There are many examples of success stories, but if one is required we would have to look at the work that our Outreach Education Department is doing with children throughout the City. We have a number of very successful programs that teach children about wildlife conservation and the important role that wildlife and wild places play in our lives. These programs are as successful as they are because of the many partnerships that we work with, including schools, the Boards of Education, teachers and parents.

RESOURCES

5. Please estimate how The City’s operating funding was allocated in 2019. Mark all areas that apply by approximate percentage. For example, 45% allocated to staffing costs, 10% to evaluation or research, etc.

| | |
|---|--|
| % | Advertising and promotion |
| % | Programs or services (ZooShare) |
| % | Office supplies and expenses |
| % | Professional and consulting fees |
| % | Staff compensation, development and training |
| % | Fund development |
| % | Purchased supplies and assets |
| % | Facility maintenance |
| % | Evaluation or Research |
| % | <i>Other, please name:</i> |

The \$8M operating fund provided by the City is combined with our other sources of revenue and used to pay our \$47M in operating expenditures, including facilities maintenance, staff compensation and various programs and services.

6. Did volunteers support your operations in 2019? If yes:

| | |
|--|--------|
| How many volunteers? | 535 |
| Estimated total hours provided by volunteers: | 52,650 |

7. What resources did your organization leverage to support operations in 2019?

City operating grant was leveraged by 5.2:1 through revenues generated from ticket and membership sales, events catering, gift and food sales, and fund development activities. Volunteers provided 52,650 hours of service valued at \$1.6 million.



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

8. Using the chart below, please report your 2019 performance measures that demonstrate: how much you did, how well you did it, and how Calgarians are better off. *Please identify through BOLD font, 1-2 measures that are most significant and could be presented in a chart.*

| | Performance Measure Name | 2017 results | 2018 results | 2019 results | What story does this measure tell about your work? |
|---------------------------------------|--|---------------------|---------------------|---------------------|--|
| How much did you do? | Attendance | 1.20M | 1.48M | 1.31M | We continue to be one of the top tourist attractions in the City and Province |
| | Memberships | 75K | 105K | 92K | The Calgary Zoo continues to enjoy significant support from our community who feel that a membership represents a value to them and their family |
| How well did you do it? | Total Revenues | \$56.2M | \$61.5M | \$49.5M | Revenues stronger than budgeted despite lower attendance |
| | Likely to recommend | 63% | 69% | 79% | The work that we are doing both in Capital upgrades and experience modification have been well received by our visitors |
| | Conservation Awareness | 80% | 83% | 85.0% | Our exit surveys say that supporting the Calgary Zoo is a good way to support wildlife conservation, which is extremely important when identifying the total value that the Calgary Zoo brings to the Calgary Community |
| How are Calgarians better off? | City Operating Grant as percentage of revenue | 14.2% | 13.5% | 17.6% | Society continues to self-generate over 80% of its revenues |
| | Conservation Investment | \$2.4M | \$3.5M | \$6.2M | A modern Zoo is much more than an attraction it is an active player in saving wildlife and wild places. Our market research has been clear; the more our visitors know about our work in wildlife conservation the more they want to support us. |
| | Operating Spend | \$32.8M | \$39.4M | \$34.0M | The Zoo continues to be a strong and reliable economic contributor to the Calgary Community |



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

| | | | | | |
|--|----------------------------------|--------------------------------|--------|--------|---|
| | Capital Investment | \$25.7M (Pathway to Pandas) | \$9.2M | \$8.9M | We reinvest to ensure the Zoo offers relevant, timely and engaging experiences to guests |
| | Interpretive Participants | 663K | 1275K | 1000K | Every interpretive message includes information on the conservation work performed by the Calgary Zoo, which as stated above has been proven to increase our visitors desire to support us. |

9. Briefly describe how your key results in 2019 contributed to Council approved strategies (As applicable.)

Calgary in the new economy: The economic importance of tourism to Calgary is likely to grow with encouragement from the provincial and federal governments. For this to happen more and different tourism products are needed. The Society has plans for Zoo developments that will make it an even more compelling attraction to Calgarians and tourists alike. With adequate funding from government, donors and sponsors, some of which is already in place, our plan is to grow annual Zoo attendance by 22% above 2019 levels to 1.6 million by 2023-2024. This will bring both construction- and tourism-related employment.

An economic strategy for Calgary – The Calgary Zoo has been successfully managed by an independent charity for over 91 years that has, over the years, taken on more responsibility and autonomy. This Civic Partner model applies to a number of other organizations that manage City assets. This model reduces financial risks for the City while creatively developing access to diverse and substantial financial and other resources to operate and realize the potential of each asset.

Climate Change Mitigation – For over 30 years the Society has been actively engaged in saving species at risk from extirpation or extinction. Over one third of Zoo animals are endangered species from Africa, South America and Asia and belong to international Species Survival Plans that will sustain those species until wild habitats can be recovered and made suitable for them again. Our Conservation Science team is the “intensive care unit” for Canadian species of plants and animals on the brink of extirpation or extinction, using science, intensive field work and conservation breeding to help them recover. This same team acts as a global resource on reintroductions and in November 2019 the Calgary Zoo was named the Global Secretariat of the IUCN Species Survival Commission Conservation Translocation Specialist Group.

Climate Change Adaptation – The Zoo has been systematically working to reduce waste to landfill by expanding recycling and composting. Waste to landfill has been slashed by over 85% in just 5 years. Conservation of potable water is also a priority and has led to capture,



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

storage and use of rainwater and runoff for such uses as irrigation. The Zoo is also home to two LEED Gold buildings and one PETAL certified building.

Resilient Calgary – The Society has, in collaboration with The City, prepared for and proven its resilience to floods, economic downturns and recession, and now a pandemic. Robust health and safety protocols for employees, guests and our animals are in place and proactively updated. Prudent stewardship over many years has enabled the organization to be financially resilient as well.

Cultural Plan for Calgary – Calgary Zoo is a strong contributor to the tourism cluster as an attraction that encourages travel to Calgary and extended stays. These, in turn, benefit our hospitality retail, arts, culture and related organizations and businesses.

Open Spaces Plan – The Calgary Zoo is a 125 acre/51 hectare park that showcases a wide range of zoological species and habitats, attractive and serene botanical gardens and an engaging prehistoric park, in a setting with tree-shaded pathways, picnic and gathering areas and event spaces.

10. Did your organization receive any awards or recognition in 2019 that you want to highlight?

Best Family Entertainment Spot
Best of Calgary

Certificate of Merit for Outstanding Contribution to the Zoo and Aquarium Profession
Canadian Association of Zoos and Aquariums

Best Tourist/Family Attraction Winner,
Best Christmas Event Winner – Zoolights
Best Place to Have a Children’s Party Honourable Mention
Best Accessible/Inclusive Experience for Kids with Special Needs Honourable Mention
2020 Calgary’s Child Magazine’s Parents’ Choice Awards

4.6 Star Rating with 12,372 reviews
Google

11. CAPITAL AND ASSET MANAGEMENT (for Civic Partners managing City-owned assets)

Asset: Calgary Zoo

- a) **Provide a summary of your organization’s 2019 capital work, including specific lifecycle/maintenance projects or new capital projects.**

The following is a summary of the significant Capital and maintenance expenditures in 2019



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

| | |
|---|-------------|
| 1. Bugtopia, stepping into a bugs world | \$4,400,000 |
| a. Total cost of Bugtopia | \$5,000,000 |
| 2. Repairs and replacement of Building assets (CPIG) | \$2,750,000 |
| 3. Minor Capital Projects to upgrade the facility | \$1,450,000 |
| 4. Conceptual Drawings for Canadian Wilds Redevelopment | \$ 150,000 |

b) What funding did your organization leverage to support capital activities in 2019?

| | |
|------------------|-------------|
| Donors: | \$ 690,783 |
| Sponsors: | \$ 145,000 |
| Foundations: | \$ 75,000 |
| City of Calgary: | \$1,389,000 |

COVID-19 UPDATE

12. Briefly describe the key impacts of COVID-19 on your operations to date.

Calgary Zoo was closed from March 16 until May 23, 2020 when it reopened on a limited, COVID safe basis. In March 253 staff were furloughed or laid off, some of whom were called back to work for the summer. On March 16, 2020 over 70% of Zoo revenue streams stopped (admissions, food services, gift shop, catering and events). Whether the Zoo is open or closed, we still have over 1000 animals to care for and they needed to be protected from the virus as well. Their welfare and wellbeing and that of our staff have been scrupulously maintained with no animal care staff laid off or instances of COVID-19 infection. We have implemented COVID-19 response measures such as staggered shifts, all staff wear facemasks on grounds, high touch areas are frequently sanitized through the day, hand sanitizer stations are conveniently placed throughout the Zoo, all pedestrian traffic is clearly marked as one-way, physical distancing prompts are placed as needed, guests were facemasks in all interior spaces they can access. The ratio of staff to guests has risen due to COVID-19 safety measures.

Total attendance for 2020 is now projected at 55% of what was budgeted. Despite this global disaster The Calgary Zoo has maintained its practice of responsible financial management, taking the steps necessary to minimize the negative financial impact while maintaining our high quality of Animal Care and visitor experience. The deficit caused by this crisis will however mean erosion of cash reserves that otherwise could have been used for lifecycle maintenance, future capital projects and/or conservation.

13. What operational efficiencies did you implement to address the impact of COVID-19 up to September 1, 2020?

Operating and capital expenditures have been reduced by a total of \$19M through a combination of staff furloughs/layoffs, deferred maintenance and capital projects. We made the difficult decision to return the giant pandas to China due to ongoing challenges finding reliable ways to transport bamboo



**THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report**

supplies from China. Returning the giant pandas will result in an estimated annual saving of \$2.4 million.

14. Were there any program or service changes made during the response to COVID-19 that you plan to integrate into longer term operations? For example, shifting some programming online, or modifications to your delivery model or operations.

We have had some significant success with our new adult evening programs begun since re-opening on May 23, 2020. They attract a new audience at the Zoo, provide an additional source of revenue, serve a broader group of Calgarians and do not interfere with the use and enjoyment of the Zoo by its members and our regular daily visitors.

Our *Daily Dose*, which ran online while the zoo was closed was an amazing success. However as soon as we re-opened the popularity disappeared, proving to us that people would prefer the real life experience offered by the Zoo.

**COVID-19 Service and Impact Demand Update
Reporting for September 2020**

The following information is collected to align with City of Calgary report to Council on the current impact of COVID-19 on delivery of services and programs and may be shared with Council separately from the previous Civic Partner Annual Report Template content.

Service Impact

Please choose the one option below that best describes the impact of COVID-19 on your programs or service in the month of September 2020.

| | | |
|-------------------------------------|--------------------|--|
| <input type="checkbox"/> | Negligible | Minimal to no impact on service. Service is currently operating close to normal. |
| <input type="checkbox"/> | Minor | Continuing to provide programs and services but some coping strategies required – able to be addressed with existing strategies and resources. |
| <input type="checkbox"/> | Moderate | Some challenges on ability to achieve objectives. Some delay. Some aspects of the programs or service are only being met in part. |
| <input type="checkbox"/> | Significant | Difficulties to achieve objectives. Delays or notable aspects of objectives not completed. Falling well-short of normal operations. |
| <input checked="" type="checkbox"/> | Severe | Unable to meet normal objectives due to serious extended disruption. (e.g. full facility closure, major decrease in users) |

Service Impact Narrative:

Please briefly describe the impact of COVID-19 on your service for the month of September. You may want to include any major issues/events you experienced.

Current Demand for Service:



THE CALGARY ZOOLOGICAL SOCIETY
Civic Partner 2019 Audit Report

At this point in time, based on what you know right now, what is your best estimate of the current demand for your service compared to typical demand?

| | |
|-------------------------------------|--|
| <input type="checkbox"/> | Demand is steady, largely business as usual. |
| <input type="checkbox"/> | Demand has increased notably. |
| <input checked="" type="checkbox"/> | Demand has decreased notably. |

Service Demand Narrative:

*Please provide a supporting narrative that describes how COVID-19 has impacted the demand on your programs or services **for September 2020**. This may include any new program or service impacts that your organization has faced in the past month.*

COVID 19, associated provincial safety guidelines and consumer concerns about personal health and safety have resulted in significantly reduced attendance through August 31 and we now estimate 2020 overall attendance will be about 55% of what was budgeted pre-COVID, accompanied by substantial reductions in food and gift shop sales, as well as cancellation of most scheduled catered events (weddings, conferences, etc.).

Originally catered events scheduled for September 2020 were budgeted to generate revenues of \$453,654 but most have been cancelled or rescheduled to 2021, resulting in a revenue drop of \$400,265 or 86%. The small functions we are still hosting are difficult to operate profitably.

However, we have developed a new revenue source with outdoor evening activities that attract an entirely new group of Calgarians to the Zoo. The revenue this generates is helpful but does not come close to replacing revenues lost in other areas.

To ensure that crowds are not created we have had to stop all of our daily animal training presentations, one of the key programs at the Zoo and highly popular with guests. We continue to have to limit the number of people on grounds at any given time, which has a significant effect on revenue.

Due to the timing of closure and re-opening, the Dorothy Harvie Horticultural Gardens and landscaping is also not as awe-inspiring as it usually is.