



**C.A. Pippy Park Commission
St. John's, NL**

2013/2014 ANNUAL REPORT

Submitted to:

**Government of Newfoundland and Labrador
Department of Environment and Conservation
Honourable Vaughn Granter, Minister**

Submitted by:

**C.A. Pippy Park Commission
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C.A. Pippy Park Commission

2013/14 ANNUAL REPORT

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CHAIRPERSON'S MESSAGE

On behalf of the C.A. Pippy Park Commission Board of Directors, I am pleased to present the Annual Report of the C.A. Pippy Park Commission for the fiscal year commencing April 1, 2013 and ending March 31, 2014 in accordance with the *Transparency and Accountability Act*. As Chairperson of the Board, my signature indicates the Board's accountability for the activities and results as reported throughout this document.

The Park continues to attract a variety of visitors, such as cross-country skiers, golfers, hikers, campers, cyclists, runners, and researchers. In 2013-14, improvements were completed to enhance the public use areas of the Park and continue to provide recreational services to our visitors. We saw a continued trend in the popularity of our Campground, the Cross-Country Ski Program, and our Family Garden Program.

The C. A. Pippy Park Golf Course Limited is a subsidiary of the Commission. During this past year, staff improved operations of both the Admirals Green and Captains Hill Golf Courses, and built on the success of the banquet and lounge services at the Admirals Green Clubhouse.

The success of the last year could not have happened without our dedicated staff, partners, and volunteers. Our board members provided focused direction in all matters relating to policy formulation and Park management. We highly valued the continued assistance of the Provincial Government, specifically the Department of Environment and Conservation, for its financial and human resources support, and the City of St. John's for providing recreational activity programming and in kind contributions.

We, as Board Members, look forward to continuing our efforts to implement improvements to ensure Pippy Park remains a valued recreation and conservation area for generations to come.

A handwritten signature in black ink, appearing to read 'Bernie Halloran', with a long horizontal flourish extending to the right.

BERNIE HALLORAN
CHAIRMAN FOR THE C.A. PIPPY PARK COMMISSION

GOVERNMENT ENTITY OVERVIEW

MANDATE

The Mandate of the C.A. Pippy Park Commission is derived from a combination of the *C.A. Pippy Park Commission Act*, the associated Regulations, and the Park Master Plan:

"To maintain and manage its parklands to showcase the Provincial seat of government, provide recreational opportunities and protect their inherent heritage values."

The interpretation of this mandate is further defined through the contents of the Commission's Master Plan, which is reviewed every five years, as dictated by Section 26.1(2) of the *C.A. Pippy Park Commission Act*. Through this document, the Commission has traditionally identified the provision of recreational opportunities and the preservation of cultural and natural heritage as part of its mandate.

The primary activities of the Commission include:

- Managing and regulating its parklands, which includes the use, development, conservation, maintenance, and improvement of public land in the Park, pursuant with the regulations of the *Act* and policies contained in the Master Plan;
- Regulating consumptive activities, such as construction, hunting, and wood cutting, within the Park;
- Managing and administering operating and capital budgets which entails revenue generation from commercial operations, the ability to borrow funds, the sale and leasing of property, and fulfilling grounds keeping contracts with its institutional partners;
- Operating the largest full service campground in the Province;
- Operating nine and eighteen-hole golf courses, driving range and banquet facilities;
- Providing recreational opportunities for park users and services to tourists visiting the capital city urban region; and
- Preserving the cultural and natural heritage resources within the Park boundaries.

As the urban area around the Park has expanded since its establishment in 1968, so have the challenges for the Commission to balance institutional development, while providing adequate space for outdoor pursuits and the protection of its natural and cultural features.

KEY STATISTICS

Administration and Employment

The Commission employs seven full-time employees for administration and Park maintenance. Of these seven employees, three are male and four are female. During peak operations, the Commission employs up to forty employees, both seasonal and student staff, for grounds maintenance and operation of the Pippy Park Campground.

The subsidiary, C.A. Pippy Park Golf Course Ltd., employs up to an additional thirty employees to operate the golf operations and the Admirals Green Clubhouse. Two of these employees, one of which is male and the other is female, are employed full-time. The remaining employees are employed seasonally during peak operations.

Permits

The Commission has a broad mandate of responsibilities and powers under its *Act*, including the power to issue permits regulating the development and improvement of both public and private property within the Park boundaries. Permits are issued in accordance with the *C.A. Pippy Park Commission Act* and in compliance with the Pippy Park Master Plan, Park by-laws and related policies. Examples include: improvements to private property; building and expansion of public facilities; construction of major roads and power corridors; and general improvements to public land and other property.

Commercial Properties

As of March 31, 2014, the Commission managed several commercial properties, operated on land within the Park. These facilities include: Mount Scio House, which contains the administrative offices of the Commission and a boardroom which is rented as meeting space; the former Headquarters Building, which is currently used for equipment storage; and the North Bank Lodge, which is rented as a meeting and social activity centre.

Residential Properties

As of March 31, 2014, the Commission managed four residential properties, two of which were occupied by a tenant. In cases where the Commission purchases homes from private property owners, it assesses the value of these houses as potential rental units. Some of the residential units are suitable for short-term rental, thereby providing a source of revenue to support the operations of the Commission. Buildings purchased by the Commission which have no rental or heritage value, are demolished and the land is restored as close as possible to the original landscape.

Institutional and Community Service Facilities

The boundaries of Pippy Park contain a number of institutional, educational and community service facilities, most prominently the Confederation Building Complex, the combined campuses of Memorial University of Newfoundland and Labrador, the College of the North Atlantic, the Marine Institute, the Health Sciences Centre, and the St. John's Arts and Culture Centre.

Private Properties

As of March 31, 2014, 45 privately owned residences remain within the boundaries of Pippy Park. The Commission recognizes and encourages the right of the owners of these properties to enjoy the peace and contentment of living in the Park.

Scientific Research and Monitoring

The Park continues to provide locations for scientific research and monitoring. During the past several years researchers from partners, including Memorial University, the Canadian Wildlife Service, the Canadian Food Inspection Agency, the Memorial University Botanical Garden, and the Nature Conservancy of Canada have studied and monitored plants, avian, and insect populations in the Park.

PHYSICAL LOCATION

The area of Pippy Park is approximately 3,400 acres, one of the largest urban parks in the nation. Familiar Canadian parks such as Mont Royal (Montreal), Stanley Park (Vancouver), and Wascana Park (Regina) can all fit within its boundaries. The Park is strategically located within the City of St. John's and is comprised of the lands between the east side of Thorburn Road and the west side of Portugal Cove Road, and between the north side of Elizabeth Avenue and the south side of Windsor Lake (Figure 1).

For the past forty years the vision of former Premier Joseph Smallwood and businessman Chesley Pippy has resulted in a remarkable array of government buildings, open space and natural areas all within the environs of an expanding capital. Since its establishment in 1968, Pippy Park still provides a marvelous setting for the provincial seat of government as well as space for recreation and the appreciation of our heritage.

DESCRIPTION OF REVENUES AND EXPENDITURES

The Commission is a Crown Corporation under the laws of the Province of Newfoundland and Labrador. Currently it reports to the House of Assembly through the Honorable Vaughn Granter, Minister of Environment and Conservation. The members of the Commission Board are responsible for the administration of the business of the Commission (Appendix A). The Chairperson assumes responsibility as the official head of the Commission in accordance with Section 8 of the *C.A. Pippy Park Commission Act*.

During the fiscal year 2013-14, the Commission operated primarily from revenue generated from its own operations totaling \$2,033,548 and a Provincial Government grant of \$523,000 (Appendix B). The Commission's expenses during the same time period were \$2,475,581 (Appendix B).

The financial year of the Commission is April 1 - March 31. The financial records of the Commission are maintained internally and are audited and reported on by the Provincial Auditor General. Please refer to Appendix B for the audited financial statements.

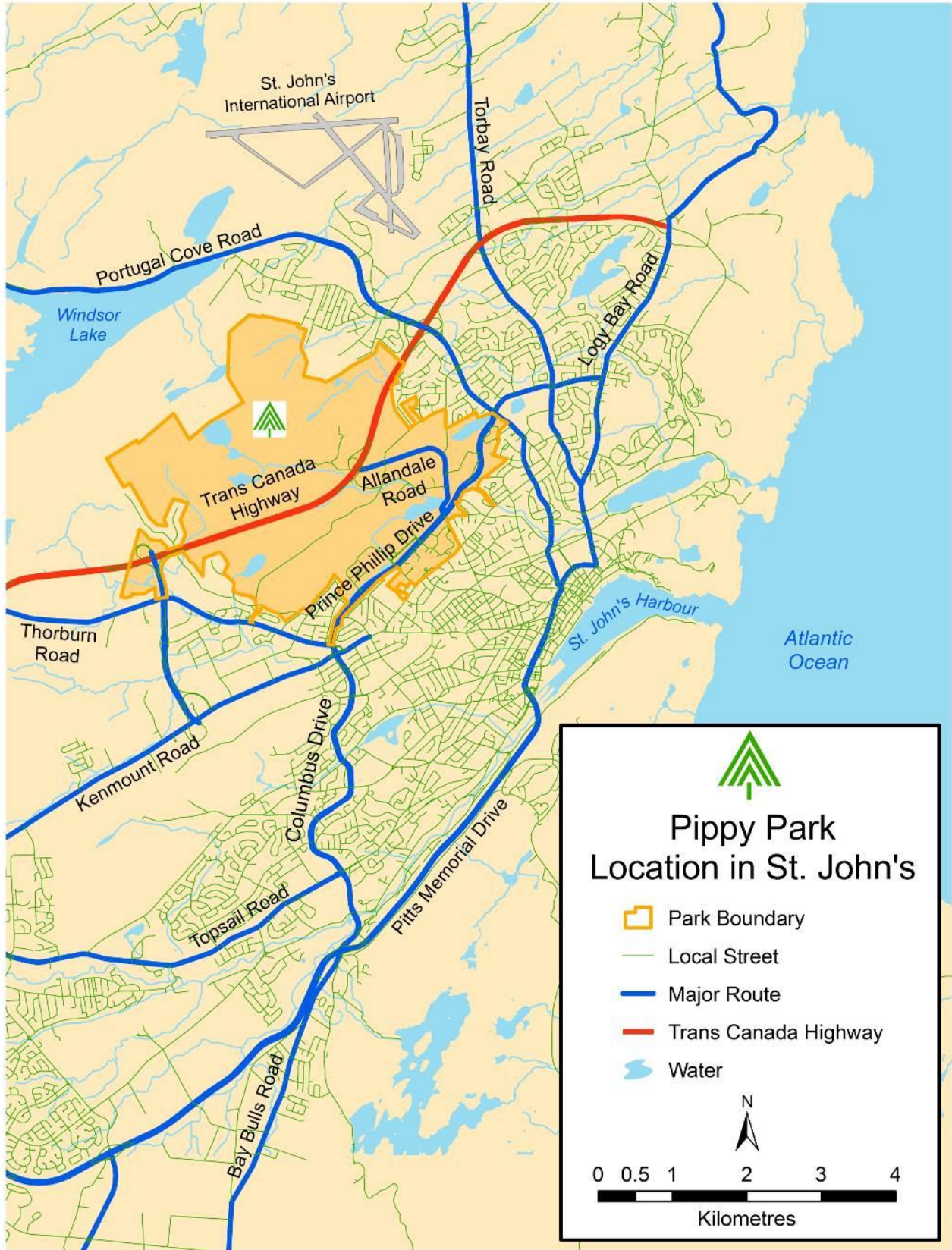


Figure 1: Boundary of Pippy Park.

LINES OF BUSINESS

Our lines of business include:

1. Management and Regulation of Property Development

The Commission manages the development and usage of public land contained within its boundaries through the review and approval of project submissions for development on public lands and in some circumstances undertaking direct development of properties for activities defined within its mandate. In addition, as a legislative entity, the Commission is responsible for the review and approval of development applications on private land located within the Park boundaries.

The Commission occasionally sells land it owns which is located outside the Park boundaries if the intended use falls within the parameters set out in the Master Plan and the *C.A. Pippy Park Commission Act*. These parcels are usually small in size and located in the vicinity of residential developments. Revenue generated from land sales, typically, is used to help offset operating and capital expenditures. Very few of these parcels of land remain within the ownership of the Commission.

2. Grounds Maintenance

Commission employees perform landscape maintenance for various public buildings contained within the Park boundaries, including the Confederation Building, Arts & Culture Centre, College of the North Atlantic, and the Marine Institute. These activities include the maintenance of lawns and walkways, tree and flower planting, and litter collection. This work is performed on a fee-for-service basis by Commission employees.

3. Pippy Park Campground

The Commission operates a 215 site campground facility nestled in a mature forested area on the north side of Long Pond annually from mid-May to the end of October. The facility offers primarily fully serviced campsites and attracts near full occupancy during the summer months.

Commercial activities at the campground include site booking and sales, convenience store and laundromat operation, and firewood sales. Park staff performs maintenance of the campsites and service buildings, as well as grounds keeping and security. The staff provide tourist information to the many out-of-Province campers who enjoy the facility. Visitors to the campground expend hundreds of thousands of dollars annually on services and facilities while in the St. John's area.



4. Golf Courses

The Commission, through its wholly owned subsidiary, the Pippy Park Golf Course Ltd., is responsible for managing and operating the eighteen-hole Admiral's Green and nine-hole Captain's Hill public golf courses.

Management and administration services for these courses are provided directly by the Commission, for which a management fee is charged to the subsidiary. Commercial operations consist of the sale of green fees, the rental of clubs, equipment, and carts, and the driving range. Other sales are generated from canteen and snack cart operations, the pro-shop, and lounge. Grounds keeping, fairway and greens maintenance, and servicing of equipment and facilities are performed by seasonal employees of the subsidiary.



5. Banquet and Meeting Facilities Rentals

Commercial banquet and meeting room facilities are operated on a fee-for-booking basis by the Golf Course subsidiary. The services offered include full service banquet and meeting space for corporate groups, weddings, and social events at the Admiral's Green Clubhouse. The popular Clubhouse can serve up to 130 sit-down guests and receives bookings year round.

Separate from Golf Course operations, the Commission rents the North Bank Lodge and the Mount Scio House Boardroom for smaller meetings and events.



6. Property and Building Leasing

The Commission generates revenue from the lease of residential and other properties within the Park. These leases include: one residential property and several properties to community service organizations located in the Park. Activities associated with these leases include the collection of payments, snow removal, and general maintenance.

VISION

The C.A. Pippy Park Commission is committed to managing the over 1,375 hectare land mass that comprises Pippy Park. These lands represent many of the characteristic natural features of the Province in the form of barrens, forests, rivers, and wetlands. The Park is also the venue for a diversity of institutional and community service land uses ranging in size from the expansive campus of Memorial University of Newfoundland and Labrador to community gardens.

Thousands of people work, recreate, learn, and volunteer in Pippy Park daily throughout the entire year and the Park has evolved as the most identifiable natural landscape feature of the St. John's capital region. It is the primary vision of the Commission to ensure that this identity is maintained and enhanced into the future through efficient operation of its various commercial facilities and stewardship of the natural features inherited from the foresight that established the Park over four decades ago.



MISSION

This annual report summarizes the work of the C.A. Pippy Park Commission during fiscal period 2013-2014 toward the achievement of its overall mission as outlined in its 2011-2014 Business Plan.

Mission Statement

This mission statement identifies the key management priorities of the Commission for this and the next planning cycle terminating in 2017. This statement also includes the measures and specific indicators that will be employed to monitor and evaluate its progress in achieving this mission.

During this and the next planning cycle, the Commission will undertake a prioritized series of initiatives that are designed to improve Park user satisfaction through facility and operational improvements while protecting and interpreting the heritage features of the lands within its administration. These initiatives are derived from two primary sources, the Pippy Park Master Plan and a thorough facilities and equipment assessment. Over the past two years, the Commission has completed assessments of its key facilities and it indicates the need for recapitalization of its assets as a means to enhance user satisfaction and sustain revenues generated by commercial operations. Improved user satisfaction can best be achieved by providing modern and attractive facilities combined with visitor services and interpretation opportunities. These factors help strengthen the public awareness of and appreciation for the Park as a valuable location for urban lifestyle pursuits and environmental protection.

Mission: By March 31, 2017, the C. A. Pippy Park Commission will have improved visitor services toward enhancing Park user satisfaction with improvements to its key facilities, the provision of heritage interpretation programs, and the inventorying of the heritage features of the lands it administers.

Measure: Improved Park user satisfaction

Indicators:

- Key facilities are improved and aging equipment replaced.
- Grounds maintenance operational efficiencies are improved.
- Visitor services are improved through interpretation programs and mixed media methods.
- Detailed inventories of natural and cultural features are completed.
- Revised land management and operation policies as described in the Commission's pending Master Plan are implemented.

SHARED COMMITMENTS

In addition to the institutional partners that operate within Pippy Park, such as Memorial University of Newfoundland, the College of the North Atlantic, the Marine Institute, the Provincial Government, and the Health Science Centre and Janeway, ten community organizations also call Pippy Park home.

These organizations have contributed much to the community at large and, more specifically, to their individual clienteles over the years. Whether it is interpreting freshwater ecosystems or providing recreation for children with disabilities, these entities enjoy the natural and peaceful venues which the Pippy Park Commission is pleased to offer to each and every one of its community partners. While these organizations do not directly generate revenues for the Commission, they do contribute substantially to the mandate and goals for which Pippy Park was established. Some examples of their contributions include the following:

- Present for the public the striking variety and beauty of the natural environment that is characteristic of Pippy Park;
- Promote and interpret the freshwater resources, vegetation, and wildlife features of the Park for both residents and tourists who visit;
- Provide tourist attractions that act as an incentive for increasing Pippy Park Campground use by both resident and out of Province visitors;
- Significantly improving the recreational and physical activity needs of the citizens of the northeast Avalon region - many of whom work in and visit Pippy Park daily;
- Illustrate that Pippy Park is a place where caring for and serving those with disabilities can occur in a safe and stimulating outdoor environment; and
- Showcase how the programs offered by a diversity of organizations can be planned and operated all within the managed lands of an urban park.

The Pippy Park Commission anticipates a continued positive relationship with these organizations over the course of the next year as well as many more years to come. The following community service organizations are located within Pippy Park and in some situations lease property from Pippy Park to operate and/or are participating members on Park committees, such as the Pippy Park Heritage Committee:

Fluvarium

Owned and operated by the Quidi Vidi/Rennies River Development Foundation, the Suncor Energy Fluvarium is a major attraction within Pippy Park and is one of the most popular tourist venues in the Province. Visitors to the Fluvarium can observe brown trout, Atlantic Salmon parr and other aquatic species through nine large underwater viewing windows into Nagle's Hill Brook as it flows by the building. The Fluvarium promotes education and environmental awareness for school groups, tourists and the general public.

St. John's Therapeutic Riding Association (Rainbow Riders)

This volunteer non-profit group operates a therapeutic horseback riding and animal care program for the benefit of physically and mentally challenged children. The facility is located on Mount Scio Road on property administered by the Commission. The Association participates in Provincial and National riding competitions.

Memorial University of Newfoundland and Labrador Botanical Garden

Memorial University operates the only botanical garden in the Province. The facility displays plants which are native to Newfoundland and Labrador and cultivated plants suitable to the local climate. The objective of the Garden is to stimulate public interest in the Province's natural history and to provide opportunities for education and research. The Garden provides a unique blend of horticulture and garden design throughout its colorful walkways and planting displays.

Autism Society of Newfoundland and Labrador (ASNL)

The Autism Society of Newfoundland and Labrador operates the Elaine Dobbin Centre for Autism at the Shamrock Farm facility located off Clinch Crescent near the Health Sciences Complex. This modern facility offers programs and support for individuals and their families affected by autism spectrum disorders.

Easter Seals of Newfoundland and Labrador

The Easter Seals organization is dedicated to providing support and services to children with disabilities. For many years Easter Seals operated an office in the former Pippy Park headquarters but operates now from its newly constructed facility, the Husky Energy Easter Seals House, located on Mount Scio Road.

YMCA of Northeast Avalon

Another strong community organization located in Pippy Park is the newly constructed Ches Penney Family Y. Situated on Ridge Road, it is a thoroughly modern facility offering numerous fitness and community service programs to the general public.

Sisters of Mercy Centre for Ecology and Justice

The Sisters of Mercy Congregation of St. John's has continued to offer programs and services for youth participants at its renovated headquarters located on Mount Scio Road.

MacMorran Community Gardens

Located on Mount Scio Road, The MacMorran Community Gardens offers vegetable growing plots to the public. The Garden is sponsored by the MacMorran Community Centre and its primary aim is to provide garden space for the production of local vegetables for the use of residents who patronize the Centre. The community garden operates from May to October.

Friends of Pippy Park

This volunteer group is made up of private citizens that support and use the Park. The focus of the group consists mainly of organizing environmental programs such as Family Gardening and Park Clean-ups. Its representatives sponsor work and research projects, serve on Park advisory committees, and promote the Park generally through various public programs. The Friends also organize special and educational events, and distributes information pamphlets about the Park.

Grand Concourse Authority Trails

The Park contains a variety of hiking, walking, and cross country ski trails that connect areas of the Park with the City of St. John's and the surrounding area. The trails provide opportunities for wilderness hiking in the Three Pond Barrens or easy walking along the hardened trails at Kent's Pond, Long Pond and Rennies River. There are also cross-country ski trails and a skiing program delivered by the City of St. John's Recreation Department. The many trails afford an opportunity to observe a variety of birds, mammals, and plants in their natural habitat. The majority of the trails in the Park were developed and are maintained in partnership with the Grand Concourse Authority and the City of St. John's.

HIGHLIGHTS & ACCOMPLISHMENTS

Campground Improvements

In the 2013 camping season, the Pippy Park campground booked 14,500 camping nights. As part of the continuing effort by the Commission to enhance its very popular campground, various routine maintenance and improvements efforts were completed during the 2013-2014 fiscal year. These included water, sewer, and electrical utility repairs and upgrading, considerable tree and vegetation pruning, and removal of fallen trees.

Golf and Clubhouse Catering

Both the Captains Hill and Admirals Green Golf courses remained popular with the golfing public during the past year. Both courses hosted various tournaments and corporate golfing events as well as accommodating league play. Bookings for events and catering at the Admirals Green Clubhouse remained steady during the 2013-2014, with 116 separate events held this year compared to 114 events the previous year. A total of 7,911 guests attended these events.

North Bank Lodge Operations

The popular North Bank Lodge continued to offer bookings for meetings and social events during 2013-2014. A total of 134 separate events were booked at the Lodge from April to December 2013, after which time the facility was used to host the Cross Country Ski and Rental Program for the winter.

Pippy Park Special Events and Promotions

The Pippy Park Commission, with the dedication and efforts of the Friends of Pippy Park, hosted a Maple Tapping Event that attracted 120-150 people to learn how to tap maples and make syrup, ran a children's Family Garden Program, and held a Summer Garden Tour showcasing the gardens within the Park to partners of the Park.

Walking Trails and Cross Country Skiing Programs

The network of walking trails throughout the Park continued to be enjoyed by thousands of visitors during 2013-2014. Excellent maintenance on all routes was performed by the Grand Concourse Authority.

The Cross Country Ski and Rental Program continued operations during from January to April of 2013 in partnership with the City of St. John's Recreation Department. During this time 4,516 people rented cross-country ski equipment, 81 lessons occurred, and 1,744 people participated in group programs. Trails were groomed along the campground roads through the efforts of staff from the Grand Concourse Authority, volunteers from the Avalon Nordic Ski Club, and a local sporting goods supply company, Outfitters Ltd. In addition, 10 km of trails were groomed around the area of the Three Pond Barrens by volunteers from the Avalon Nordic Ski Club.

Staffing Actions

The Pippy Park Commission completed the recruitment process in 2013-14 for a new Supervisor of Grounds Maintenance and Manager of Park Operations. Both positions were left vacant by retirements.

REPORT ON PERFORMANCE

In consideration of the Park's mission, and the financial resources available to achieve it, the following specific goals were identified as key priorities. These goals reflect the long term vision and mission of the Commission and specifically define the measures and indicators pertaining to the 2013-14 reporting period.

ISSUE 1: CAPITAL INVESTMENT IN PARK FACILITIES AND EQUIPMENT

The primary infrastructures of Pippy Park include buildings, roadways, water, sewer and electrical lines, signage, trails, and equipment. Over the past several years the Commission has recognized the need for upgrading the existing physical infrastructures of the Park - most of which are nearly 40 years old and past their planned obsolescence. In addition to infrastructure improvements, there is a definite need to better promote the Park and the valuable role it plays in outdoor recreation and heritage conservation.

Over the past decade, usage of the Park has escalated in lockstep with the expansion of the St. John's urban area. New residential developments around the periphery of the Park have meant more visitors and the consequential deterioration of infrastructure. Annual increases in the demand for camp sites have brought greater numbers of tourists to the campground with high expectations for quality service and amenities. The renewed interest in natural and cultural heritage throughout the Province has kindled demand for programs within Pippy Park to interpret and promote these resources. These primary determining factors highlight the need for reinvestment in the Park so that it may continue to fulfill its mandate as described over forty years ago.

Goal: By March 31, 2014, the C.A. Pippy Park Commission will have improved selected park infrastructure and equipment.

Measure: Improvements made to selected Park facilities and new equipment purchased.

Indicators:

- Construction feasibility and cost estimations compiled for selected facility improvement projects.
- Construction design plans and specifications compiled.
- Project implementation schedules compiled.
- Priority list of equipment purchases and cost estimations compiled.
- Project and equipment funding sources identified and accessed.

Construction feasibility, cost estimations compiled for selected facility improvement projects; Construction design plans and specifications compiled; and Project implementation schedules compiled.

Campground Expansion

- ✓ The Commission would like to expand the popular Campground to generate additional revenue. A consultant (R. Seypka) completed the report "Campground Expansion Landscape Architectural Design" for the proposed campground expansion during the period of 2011-2014. This report includes details of construction feasibility, design plans and specifications, and a project implementation schedule. In addition, staff prepared the cost estimates to complete the proposed expansion.

Washroom Facilities

- ✓ In an effort to improve selected Park facilities over the period of 2011-2014, the Commission contracted a consultant (Facilities Design Group Inc.) who completed the report “Pippy Park Campground Washroom and Shower Room Buildings – Building Condition Assessment Report”. This report outlines the condition of all fixtures and finishes, the electrical system, and the plumbing system within the current buildings, the cost estimates to renovate the existing buildings, and the cost estimates to replace the existing buildings.

The consultants concluded that it would be more cost effective to construct new washroom buildings in comparison to renovating the existing structures. The consultants estimated the cost to construct new washroom buildings at \$250,000 per building. A project implementation schedule was put on hold pending funding availability to complete the project.

Miniature Golf Course Re-Design

- ✓ During the reporting period, the Commission contracted a consultant (R. Seypka) to complete the report “Miniature Golf Design Project Final Report”. This report outlines market strength, project feasibility, development options, layout concepts, design plans and specifications, and cost estimates for redesigning its miniature golf course. This report also includes a project implementation plan and schedule.



Priority list of equipment purchases and cost estimations compiled

- ✓ In an effort to improve Park operations over the period of 2011-2014, a list of essential and beneficial equipment, including trucks and lawn mowers, was compiled and cost estimated secured.

Project and equipment funding sources identified and accessed

Campground Expansion

- ✓ The Commission completed a design for a campground expansion; however, funds were not available during the report period within the existing resources of the organization to proceed with the tendering and subsequent construction of the first phase. It was anticipated that the sale of two Commissions owned building lots would have been completed to allow for these funds to be assigned to campground expansion. Due to unanticipated delays with this sale, the sale of these lots did not occur during the reporting period.

Washroom Facilities

- ✓ The consultants concluded that it would be more cost effective to construct new washroom buildings in comparison to renovating the existing structures. The Commission agreed and instructed staff to seek the necessary funds for the new buildings (approximately \$250,000 per washroom building) but they were unsuccessful.

It was anticipated that the sale of two Commissions owned building lots would have been completed to allow for these funds to be assigned to the washroom construction. Due to unanticipated delays with this sale, the sale of these lots did not occur during the reporting period. Since funds were not available within the existing resources of the organization, the tendering and subsequent construction of a new washroom facility within the reporting period did not occur.



Miniature Golf Course Re-Design

- ✓ The Commission completed plans to redesign its miniature golf; however, funds to complete the project were not available. It was anticipated that the sale of two Commissions owned building lots would have been completed to allow for these funds to be assigned to the miniature golf course re-design. Due to unanticipated delays with this sale, the sale of these lots did not occur during the reporting period. Due to the unavailability of funds within its own resources from land sales, this project has been put on hold indefinitely.

Equipment Purchases

- ✓ Funds were identified and accessed for the purchase of new equipment to improved Park operations. The Commission obtained previously used trucks from the Government of Newfoundland and Labrador fleet management depot. These trucks were repaired and added to the Commission fleet. In addition, at the end of the reporting period, the Commission issued a tender for three new mowing tractors. This new equipment is now in service.

Objective: By March 31, 2014, the C.A. Pippy Park Commission will have completed upgrades to its Washroom facilities, implemented the construction of a redesigned Miniature Golf Course, and initiated the first phase of a Campground expansion project. In addition, the Commission would have completed its acquisition of new grounds keeping equipment for this business cycle.

Measure: Current Business Plan capital upgrades completed

Indicators:

- All planned washroom upgrades completed.
- All new mower acquisitions completed.
- A new miniature golf course installed.
- First phase of the Campground expansion project initiated.

All planned washroom upgrades completed

- ✓ The Commission contracted consultant architectural and engineering services to assess the viability of its existing washroom buildings. The consultants concluded that it would be more cost effective to construct new washroom buildings in comparison to renovating the existing structures. The Commission agreed and instructed staff to seek the necessary funds for the new buildings (approximately \$250,000 per washroom building) through the sale of Commission owned building lots but there were unanticipated delays with this sale and the sale of these lots did not occur during the reporting period.

In absence of being able to construct new washroom facilities over the short to medium term staff have priced renovating pieces of the washroom facilities, including new toilets and urinals, countertops, and sinks to make minor improvements to the facilities. Installation of this material is scheduled for 2014-15.

All new mowers acquisitions completed

- ✓ The Commission issued a tender for three new mowing tractors. This new equipment is now in service and has greatly improved the efficiency of the grounds maintenance program.

A new miniature golf course installed

- ✓ The Commission completed plans and cost estimation for redesigning its miniature golf course. However, due to the unavailability of funds within its own resources from land sales, this project has been put on hold indefinitely.

First phase of the campground expansion project initiated

- ✓ A landscape architectural design and cost estimated were completed for the proposed campground expansion. However, since funds were not available within the existing resources of the organization through the sale of Commission owned building lots, the tendering and subsequent construction of the first phase of the expansion project did not occur.

ISSUE 2: IMPROVED VISITOR SERVICES

The need for improved visitor services and promotional activities is an on-going enterprise of the Commission that has been identified as an operational priority in its previous business plan. During the course of this business cycle the Commission endeavored to achieve the complementary goals of: 1) to identify and establish improved visitor services throughout Pippy Park; and, 2) increase public awareness of the values and benefits of the Park to the public in general.

Over the past business cycle, the Commission improved public awareness of Pippy Park through the establishment of a new web site, celebrating the 40th anniversary of the Park, and initiating a computerized mapping program. Over the 2011-2014 business cycle, the Commission aimed to complement its previous initiatives by concentrating on specific visitor services and heritage interpretation projects which will increase public appreciation and knowledge about Pippy Park and the role the Commission plays in operating one of the largest urban parks in Canada.

Goal: By March 31, 2014, the C.A. Pippy Park Commission will have improved visitor services.

Measure: Improved visitor services and Park awareness.

Indicators:

- Projects completed that provide interpretative information about the natural and cultural heritage of Pippy Park.
- The Park website is revised to include more interactive capabilities.
- An expanded Park Visitor Guide compiled and distributed.
- Directional, promotional and boundary signage improved to assist the public while in Pippy Park.
- Additional computer mapping, with internet applications, for hikers and nature enthusiasts compiled and distributed.

Projects completed that provide interpretative information about the natural and cultural heritage of Pippy Park

- ✓ The Heritage Committee of the Pippy Park Commission, in close work with the Friends of Pippy Park, considers both natural and cultural heritage topics for inclusion in public events, brochures, the website, interpretive panels, etc. During the reporting period interpretive information about the natural and cultural heritage of the park was shared through public lectures on topics such as growing food in Pippy Park (spring 2011), reports from MUN research projects, including an inventory of heritage trees within the park, and a public maple tree tapping festival (spring 2013).



During the summer of 2012 a student coordinator was employed to collect data for a selected number of cultural and natural heritage topics, such as the history of cutting ice on Long Pond. The Friends of Pippy Park, working in close cooperation with the Heritage Committee, focused these efforts in 2013-14 towards a project to install a digital version of

"Hear-Say" story board locations at Long Pond in the Park. The background work to complete this interpretive project was accomplished during the reporting period. Additional work is required to put the material into a digital format, a format with a longer life span than physical story boards and that will attract a wider audience. An application to acquire additional funds to complete this work has been submitted.

The Park website is revised to include more interactive capabilities

- ✓ The Commission maintains its website on a regular basis, adding new content as appropriate and required, such as golf promotions, news and events (e.g. Canada Day celebrations), campground opening and closing dates, and images. During the reporting period website upgrades included the addition of campground and hiking trails maps and the creation of an online request form (<http://www.pippypark.com/reservations.asp>) for the Pippy Park Campground so that campers could more easily make bookings.

An expanded Park Visitor Guide compiled and distributed

- ✓ In cooperation with the Friends of Pippy Park, the Pippy Park Commission completed a draft of a multi-page visitor guide for public use. Estimates for printing and distribution were obtained and the costs involved were considered beyond the current budget allocation for promotion purposes. In addition, the advent of new digital social media and internet applications convinced the Commission to reconsider the costs associated with the original visitor guide format. The Commission decided to not proceed at this time with a costly print version of a user guide but instead initiated discussion among staff and its committees to produce an update of its web site and/or the use of new technologies. These ideas are still being pursued.

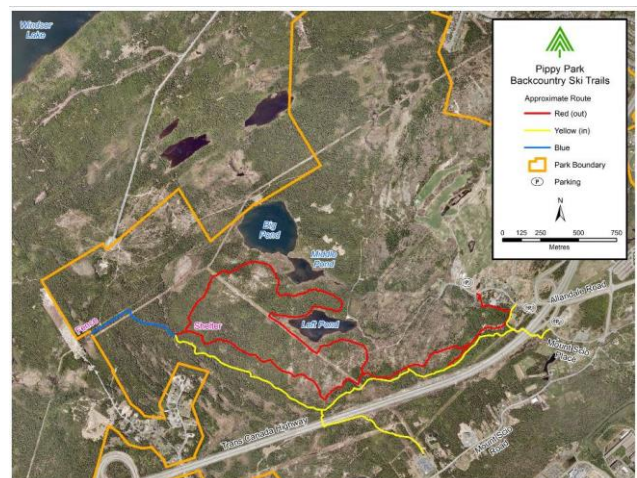
Directional, promotional and boundary signage improved to assist the public while in Pippy Park

- ✓ The placement of signs indicating the boundary of Pippy Park was not undertaken during the reporting period. The Commission decided to seek legal advice regarding the proper wording for these signs because there is no physical cut boundary line around the periphery of the Park. The project was deferred for future consideration during 2014-15 and new directional and promotional signage have already been created to be installed in 2014-15.

Additional computer mapping, with internet applications, for hikers and nature enthusiasts compiled and distributed

- ✓ During the reporting period, computer mapping of Pippy Park, including maps illustrating zoning and forest inventory, backcountry ski trails, groomed ski trails, road ways, and hiking trails were created and compiled.

These maps have been distributed upon request and are on display in Pippy Park Headquarters. They have not yet been placed in an internet application for the use of hikers and nature enthusiasts as the files are large and their display requires additional resources dedicated to the website. These maps have been widely used by staff and partners to inform land management decisions.



Objective: By March 31, 2014, the C.A. Pippy Park Commission will have completed all planned visitor services and public awareness activities and projects towards a greater appreciation of the value of Pippy Park.

Measure: All current Business Plan visitor services and public awareness activities and projects completed.

Indicators:

- Work will have begun on writing and design of a series of natural and cultural heritage interpretation panels.
- A Pippy Park website upgrade will have been implemented.
- Boundary sign erection will commence.

Work will have begun on writing and design of a series of natural and cultural heritage interpretation panels.

- ✓ Work has begun on the creation of a digital interpretation panel project called "Hear-Say" story boards. The project is being led by the Heritage Committee of the Pippy Park Commission. The stories and images for the project have and are being collected and an application has been submitted to a funding source to complete the project.

A Pippy Park website upgrade will have been implemented.

- ✓ During the reporting period website upgrades included the addition of maps and the creation of an online booking request form for the Pippy Park Campground. The Pippy Park website is regularly updated with new content as appropriate and required.

Boundary sign erection will commence.

- ✓ The erection of boundary signs was not undertaken during the reporting period. The Commission decided to seek legal advice regarding the proper wording for these signs because there is no physical cut boundary line around the periphery of the Park.

ISSUE 3: HERITAGE FEATURE INVENTORIES AND MANAGEMENT

The natural and cultural features of Pippy Park are its enduring legacy. Few urban areas in Canada can claim to possess as large an area of relatively undisturbed landscape and historical significance as Pippy Park. Tracts of mature boreal forest, sub-arctic barren lands, waterways and wildlife are the primary components of the lands within the Park. Cultural features include historic buildings, monuments, sculpture, former crop and pasture lands, and old travel ways. The continued stewardship of this legacy remains one of the primary objectives of the Commission which is supported by the legislation and policies that govern the Park. Since the establishment of Pippy Park as a capital city commission there have not been many efforts to inventory, document and catalogue the multifaceted natural and cultural features. Such inventories, which now include computerized mapping, are an important tool to assist the land management efforts of the Commission. These data bases will also assist conservation and interpretation projects undertaken to make the public more appreciative of the natural and cultural values of the Park.

Goal: By March 31, 2014, the Commission will have compiled inventories of its natural and cultural features and initiated management policies to protect and catalogue these valuable assets.

Measure: The inventory and cataloguing of heritage features initiated and on-going.

Indicators:

- Completed forest classification for the lands in Pippy Park.
- Completed assessment and management of forest hazard index for forest lands in Pippy Park.
- An improved definition of the value of the conservation role of the Park is more clearly communicated.
- Completion of on-going computer mapping, using GIS technology.
- Completion of on-going cultural heritage asset inventories and cataloguing.
- Continued on-going implementation and monitoring of Master Plan policies and guidelines relating to heritage features.

Completed forest classification for the lands in Pippy Park.

- ✓ Working in collaboration with The Nature Conservancy of Canada, and with financial assistance from the Friends of Pippy Park, the Commission contracted a biologist to complete a forest type, species, and distribution inventory of the forested lands within Pippy Park. The report produced from this work is titled "The Forests of Pippy Park". The data collected, in both digital and print form, adds to the natural heritage resource inventory and biophysical baseline data of the Park and greatly assists in land management decisions.

Completed assessment and management of forest hazard index for forest lands in Pippy Park.

- ✓ While the baseline work for a forest hazard index for forest lands in Pippy Park was completed by the development of a forest type, species, and distribution inventory, additional work is required to complete a forest hazard index. The staff complement of the Commission changed in 2012-13 due to retirements and the in house expertise to complete

this project was no longer available. The Commission is considering other avenues to complete this project.

An improved definition of the value of the conservation role of the Park is more clearly communicated.

- ✓ Commission staff regularly participated in committees during the past three year reporting period which help define and communicate the conservation role of Pippy Park. For example, staff provided professional and technical advice to the Pippy Park Heritage Committee and the O'Brien Farm Historical Site Steering Committee. In addition, staff attended regular meetings of both the Friends of Pippy Park and the Pippy Park Promotions Committee to provide updates about land management issues and conservation practices. Staff regularly attend meetings with partners that operate from Pippy Park (e.g. MUN, Marine Institute, Eastern Health, etc.) to evaluate land management decisions. These decisions are based on maintaining a high conservation value of the Park.

Additionally, research was completed by MUN Conservation Biology students in 2012-13 and 2013-14 and various aspects of the ecology of the Park, such as a winter bird inventory, the value of standing dead wood in the conservation of wildlife species, wildlife tracking, wetlands and water quality, pest waste, and illegal motorized vehicle use. Their reports provided recommendations to the Commission on how to modify operations to improve conservation of the park's wildlife and natural spaces by minimizing human disturbance caused by activities such as brush clearing, dog walking, and illegal motorized vehicle use.



Completion of on-going computer mapping, using GIS technology.

- ✓ Through additional collaboration with the local Nature Conservancy of Canada office, the Commission completed digital mapping, using the ArcView GIS platform, of the Park to create map products, such as a land use zone map, forest classification map, species composition map, and road way map.

Completion of on-going cultural heritage asset inventories and cataloguing.

- ✓ Over the planning cycle an inventory of cultural heritage assets was created and it will continue to be added to in future. As part of the Master Planning process, the Pippy Park Heritage Committee through interviews and research in Commission files compiled a list of significant cultural heritage resources, including residential dwellings, foundations, agricultural land, roadways, etc. During the summer of 2012 a student coordinator was employed to collect data for a selected number of cultural and natural heritage topics, such as the history of cutting ice on Long Pond. The Friends of Pippy Park, working in close cooperation with the Heritage Committee, focused these efforts in 2013-14 towards a project to install a digital version of "Hear-Say" story board locations at Long Pond in the Park.

Continued on-going implementation and monitoring of Master Plan policies and guidelines relating to heritage features.

- ✓ This task was not initiated due to the fact that the submitted draft of the Master Plan is under review by government.

Objective: By March 31, 2014, the C.A. Pippy Park Commission will have initiated its current heritage feature inventories and completed all Master Plan initiatives to ensure their future preservation.

Measure: Revised Pippy Park Master Plan approved and current Business Plan initiatives relating to Heritage Features management initiated.

Indicators:

- Forest inventory and biophysical data inventory reviewed and updated as required.
- Geographical Information System (GIS) data reviewed and updated as required.
- Continued support to the O'Brien Farm Foundation.
- Approval of current Pippy Park Master Plan and public distribution of its contents.

Forest inventory and biophysical data inventory reviewed and updated as required

- ✓ Forest inventory and biophysical data inventories were reviewed and updated as required completed during the reporting period. In the fall of 2011, the Commission contracted a biologist to commence an update of the existing biophysical inventory data of the Park. A Phase One report was submitted near the end of 2011 that listed all the known biotic and abiotic features of the Park. During the 2012-13 reporting period the natural heritage inventory was completed and a summary report and data files were submitted for staff for review. Following some minor revisions, the completed inventory was utilized for research and land management purpose in 2013-14. In addition, the forest inventory data was utilized by MUN graduate students who compiled several thesis reports using Pippy Park as their location for field work.

Geographical Information System (GIS) data reviewed and updated as required

- ✓ The GIS data was reviewed and updated as required during the reporting period. This data has been valuable in the land management decision making processes of both the staff and Commission members.

Continued support to the O'Brien Farm Foundation

- ✓ The Commission continued to support the O'Brien Farm Heritage Foundation throughout the reporting period by the active participation of its representative on the Foundation board and the provision of office space.

Approval of current Pippy Park Master Plan and public distribution of its contents

- ✓ This task was not initiated due to the fact that the submitted draft of the Master Plan is under review by government.

OPPORTUNITIES AND CHALLENGES AHEAD

The C.A. Pippy Park Commission continues to embrace opportunities and face challenges. The following is a summary of the most prominent:

Opportunities

- The demand for campground bookings continues to increase thus providing opportunity for continued revenue generation directly for the Commission and tourism spin off benefits for the St. John's Urban Region.
- The continued popularity of the Admiral's Green and North Bank Lodge conference and catering facilities as a rental venue.
- Relationships with our institutional and community services partners remain stable and cooperative. New partnerships continue to be forged with groups such as the O'Brien Farm Foundation and the Food Security Network of St. John's.
- Public use of the lands and facilities of Pippy Park continues to increase as urbanization concentrates on the northeast Avalon Peninsula. Our recreation and conservation objectives serve the public well.
- The diverse ecosystems and historical resources within the Park increase its potential for natural and cultural heritage appreciation and interpretation.
- The unspoiled wilderness lands located in its northern extremity provide exciting opportunities for future backcountry and passive tourism use of the Park.

Challenges

- Increases in the number of golf facilities during the past decade means that the Pippy Park courses must remain competitive and cost efficient.
- For a period of years the Commission was able to supplement its revenue base through the sale of lands held by the Commission which were outside the boundaries of the Park (e.g. new YMCA of Northeast Avalon). Most of these excess properties have now been completely sold, and this revenue source will soon be depleted.
- A key challenge in realizing financial self-sufficiency is the recognition that our prime business is operating a public park. Many of the regulatory and grounds-keeping activities undertaken, to achieve this mandate, simply do not generate significant income. Thus alternate sources of funding and/or revenue will need to be explored.
- The human resources and primary management focus for the Park continues to concentrate more on commercial activities rather than public recreation and conservation. The original intent of Pippy Park was to integrate institutional land development with public use. Finding this balance between parkland and the demands of urbanization will continue to be an ongoing challenge for the Park and the Commission.

FINANCIAL STATEMENTS

The Consolidated Financial Statements details the results of the Government of Newfoundland and Labrador Auditors Report for the period ending March 31, 2014 as compiled by the Auditors General's office. The financial statements for this reporting period are found in Appendix B.

APPENDIX A

BOARD OF DIRECTORS

Members of the C. A. Pippy Park Commission Board are appointed in accordance with Section 4 of the *C.A. Pippy Park Commission Act*. During this reporting period, the following individuals served as members of the Commission:

Chairperson and Chief Executive Officer:

Mr. Bernie Halloran. Appointed by the Lieutenant-Governor in Council.

Vice-Chairperson:

Appointed by the Lieutenant-Governor in Council and remained vacant during the reporting period.

Government of Newfoundland and Labrador Representative:

Mr. Robert Constantine. Appointed by the Lieutenant-Governor in Council.

Memorial University Representative:

Mr. Keith Hiscock. Appointed by the Board of Regents of Memorial University of Newfoundland and Labrador.

City of St. John's Representative:

Mr. Sandy Hickman, Councillor at Large. Appointed by the City of St. John's.

Pippy Family Representative:

Ms. Sharon Pippy. Appointed by the Lieutenant-Governor in Council to represent the Pippy Family.

Pippy Park Landowners and Residents Association (PPLORA) Representative:

Mr. Grant Hiscock. Appointed by the Lieutenant-Governor in Council.

Member at Large:

Mr. Greg Healy. Appointed by the Lieutenant-Governor in Council.

APPENDIX B

C.A. PIPPY PARK COMMISSION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

Management's Report

Management's Responsibility for the C.A. Pippy Park Commission Consolidated Financial Statements

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the consolidated financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the consolidated financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that transactions are properly authorized, assets are safeguarded and liabilities are recognized.

Management is also responsible for ensuring that transactions comply with relevant policies and authorities and are properly recorded to produce timely and reliable financial information.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises these responsibilities through the Board. The Board reviews internal financial information periodically and external audited consolidated financial statements yearly.

The Auditor General conducts an independent audit of the annual consolidated financial statements of the Commission in accordance with Canadian generally accepted auditing standards, in order to express an opinion thereon. The Auditor General has full and free access to financial management of the C.A. Pippy Park Commission.

On behalf of the C.A. Pippy Park Commission.



Mr. Ric Mercer
Executive Director



**AUDITOR
GENERAL**
of Newfoundland and Labrador

INDEPENDENT AUDITOR'S REPORT

To the Chairperson and Members of the Board of Directors
C.A. Pippy Park Commission
St. John's, Newfoundland and Labrador

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the C.A. Pippy Park Commission which comprise the consolidated statement of financial position as at March 31, 2014, the consolidated statements of operations, change in net debt, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

Independent Auditor's Report (cont.)

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion the consolidated financial statements present fairly, in all material respects, the financial position of the C.A. Pippy Park Commission as at March 31, 2014 and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

A handwritten signature in black ink, appearing to read 'T. Paddon', with a long horizontal line extending to the right.

TERRY PADDON, CA
Auditor General

July 11, 2014
St. John's, Newfoundland and Labrador

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31

2014

2013

FINANCIAL ASSETS

Cash	\$ 750,019	\$ 520,169
Accounts receivable (Note 4)	40,876	34,267
Inventories held for resale	18,185	23,622
	809,080	578,058

LIABILITIES

Accounts payable and accrued liabilities	107,527	156,255
Deferred revenue (Note 5)	98,074	92,101
Obligations under capital leases (Note 6)	141,087	114,190
Employee future benefits (Note 7)	224,015	208,217
Advance from Province of Newfoundland and Labrador (Note 8)	250,000	250,000
	820,703	820,763
Net debt	(11,623)	(242,705)


NON-FINANCIAL ASSETS


Prepaid expenses	20,329	19,223
Inventories held for use	16,967	16,316
Tangible capital assets (Note 9)	9,115,845	9,267,717
	9,153,141	9,303,256
Accumulated surplus	\$ 9,141,518	\$ 9,060,551

Contractual obligations (Note 14)

The accompanying notes are an integral part of these financial statements.

Signed on behalf of the Board:


Chairperson


Member

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended March 31

	2014 Budget	2014 Actual	2013 Actual
(Note 17)			
REVENUES (Note 11)			
Province of Newfoundland and Labrador			
Operating grant	\$ 523,000	\$ 523,000	\$ 579,000
Golf course (Note 12)	1,015,700	1,041,112	1,000,996
Trailer park (Note 13)	585,700	572,574	585,956
Services	265,000	285,575	262,196
Rental	60,000	54,103	64,071
Driving range	50,000	50,961	54,224
Miscellaneous	10,000	11,953	12,113
Advertising	12,000	11,062	11,912
Interest	-	6,208	4,971
	2,521,400	2,556,548	2,575,439
EXPENSES (Note 11)			
Golf course	1,000,912	983,647	973,062
Trailer park	301,500	267,212	257,519
General park	589,500	497,919	505,003
Administration and other	905,500	726,803	784,327
	2,797,412	2,475,581	2,519,911
Annual (deficit) surplus	(276,012)	80,967	55,528
Accumulated surplus, beginning of year	9,060,551	9,060,551	9,005,023
Accumulated surplus, end of year	\$ 8,784,539	\$ 9,141,518	\$ 9,060,551

*The accompanying notes are an
integral part of these financial statements.*

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
For the Year Ended March 31

	2014 Budget	2014 Actual	2013 Actual
(Note 17)			
<u>Annual (deficit) surplus</u>	\$ (276,012)	\$ 80,967	\$ 55,528
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(110,270)	(35,705)
Loss on disposal of tangible capital assets	-	1,620	341
<u>Amortization of tangible capital assets</u>	<u>290,000</u>	<u>260,522</u>	<u>283,267</u>
	<u>290,000</u>	<u>151,872</u>	<u>247,903</u>
Changes in other non-financial assets			
Use of prepaid expenses	-	19,223	17,785
Acquisition of prepaid expenses	-	(20,329)	(19,223)
<u>Net acquisition of inventories held for use</u>	<u>-</u>	<u>(651)</u>	<u>(969)</u>
	<u>-</u>	<u>(1,757)</u>	<u>(2,407)</u>
Decrease in net debt	13,988	231,082	301,024
<u>Net debt, beginning of year</u>	<u>(242,705)</u>	<u>(242,705)</u>	<u>(543,729)</u>
<u>Net debt, end of year</u>	<u>\$ (228,717)</u>	<u>\$ (11,623)</u>	<u>\$ (242,705)</u>

*The accompanying notes are an
integral part of these financial statements.*

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended March 31

2014

2013

Cash flows from operating activities

Annual surplus	\$ 80,967	\$ 55,528
Adjustment for non-cash items		
Amortization	260,522	283,267
Loss on disposal of tangible capital assets	1,620	341
	343,109	339,136
Changes in non-cash working capital		
Accounts receivable	(6,609)	(8,959)
Inventories held for resale	5,437	6,441
Prepaid expenses	(1,106)	(1,438)
Inventories held for use	(651)	(969)
Accounts payable and accrued liabilities	(48,728)	32,718
Deferred revenue	5,973	13,192
Employee future benefits	15,798	(58,159)
Cash provided from operating transactions	313,223	321,962
Capital transactions		
Additions to tangible capital assets - purchased from operations	(25,653)	(25,505)
Additions to tangible capital assets - purchased under capital lease	(84,617)	(10,200)
Cash applied to capital transactions	(110,270)	(35,705)
Financing transactions		
Increase in capital lease obligations	84,617	10,200
Repayment of capital lease obligations	(57,720)	(80,905)
Cash provided from (applied to) financial transactions	26,897	(70,705)
Net increase in cash	229,850	215,552
Cash, beginning of year	520,169	304,617
Cash, end of year	\$ 750,019	\$ 520,169

The accompanying notes are an integral part of these financial statements.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2014

1. Nature of operations

The C.A. Pippy Park Commission (the Commission) was incorporated in 1968 and operates under the authority of the *Pippy Park Commission Act*. The purpose of the Commission is to provide a park-like setting to house the headquarters of the Provincial Government, as well as various government, cultural, educational facilities and Memorial University of Newfoundland. Its affairs are managed by a Board of Commissioners, the majority of whom are appointed by the Lieutenant-Governor in Council.

The C.A. Pippy Park Golf Course Limited (the Golf Course) was incorporated on January 6, 2006, under the *Corporations Act*. It is a wholly owned subsidiary of the Commission, incorporated in accordance with Section 25(b)(i) of the *Pippy Park Commission Act*. Its purpose is to manage the Pippy Park Golf Course.

The Commission is a Crown entity of the Province of Newfoundland and Labrador and as such is not subject to Provincial or Federal income taxes.

2. Summary of significant accounting policies

(a) Basis of accounting

The Commission is classified as an Other Government Organization as defined by Canadian Public Sector Accounting Standards (CPSAS). These consolidated financial statements are prepared by management in accordance with CPSAS for provincial reporting entities established by the Public Sector Accounting Board (PSAB). The Commission does not prepare a statement of remeasurement gains and losses as the Commission does not enter into relevant transactions or circumstances that are addressed by that statement.

The consolidated financial statements include the assets, liabilities and accumulated surplus of the C.A. Pippy Park Commission and its subsidiary corporation, C.A. Pippy Park Golf Course Limited. Inter-entity transactions and balances have been eliminated in these consolidated financial statements.

(b) Financial instruments

The Commission's financial instruments recognized in the consolidated statement of financial position consist of cash, accounts receivable, accounts payable and accrued liabilities and obligations under capital leases. The Commission generally recognizes a financial instrument when it enters into a contract which creates a financial asset or financial liability. Financial assets and financial liabilities are initially measured at cost, which is the fair value at the time of acquisition.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2014

2. Summary of significant accounting policies (cont.)

(b) Financial instruments (cont.)

The Commission subsequently measures all of its financial assets and financial liabilities at cost or amortized cost. Of the financial assets, cash is measured at cost while accounts receivable is measured at amortized cost. Financial liabilities measured at cost include accounts payable and accrued liabilities. Obligations under capital leases are recorded at amortized cost.

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, and obligations under capital leases approximate current fair value due to their nature and/or the short-term maturity associated with these instruments.

Interest attributable to financial instruments is reported on the consolidated statement of operations.

(c) Cash

Cash includes cash in bank.

(d) Tangible capital assets

All tangible capital assets are recorded at cost at the time of acquisition, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets.

Capital lease obligations are recorded at the present value of the minimum lease payments excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the interest rate implicit in the lease.

The cost, less residual value, of the tangible capital assets, is amortized using the declining balance method over the expected useful lives as follows:

Furniture and equipment	30%
Vehicles	30%
Equipment under capital leases	30%
Buildings	10%
Park improvements	10%
Golf course improvements	10%

The cost of building acquisitions is included with land where the primary reason for purchasing the properties is to acquire the land. Where the Commission intends to maintain the buildings for Park use, cost is allocated between land and buildings.

2. Summary of significant accounting policies (cont.)

(d) Tangible capital assets (cont.)

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Commission's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

(e) Inventories held for resale

Inventories held for resale, including confectionary and golf supplies, are recorded at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(f) Inventories held for use

Inventories held for use include supplies and are recorded at the lower of historical cost and replacement cost.

(g) Prepaid expenses

Prepaid expenses are recorded as an expense over the periods expected to benefit from it.

(h) Employee future benefits

(i) Certain employees of the Commission are entitled to severance pay. Severance pay for entitled employees is calculated based on years of service and current salary levels. Entitlement to severance pay vests with employees after nine years of continuous service and, accordingly, a liability has been recorded for these employees. For employees with less than nine years of continuous service, the Commission has made a provision in the accounts for the payment of severance which is based upon the Commission's best estimate of the probability of having to pay severance to the employees and current salary levels. Severance is payable when the employee ceases employment with the Commission unless the employee transfers to another entity in the public service in which case the liability is transferred with the employee to the other entity.

(ii) The employees of the Commission represented by the Newfoundland and Labrador Association of Public and Private Employees (NAPE) and certain management employees are subject to the *Public Service Pensions Act, 1991*. Employee contributions are matched by the Commission and then remitted to the Province of Newfoundland and Labrador Pooled Pension Fund from which pensions will be paid to employees when they retire. Contributions of the Commission to the plan are recorded as an expense for the year.

2. Summary of significant accounting policies (cont.)

(h) Employee future benefits (cont.)

(iii) The Commission provides accumulating, non-vesting sick leave benefits to its employees. The Commission has made a provision in the accounts for the payment of accumulating non-vesting sick leave benefits for employees which is based upon the Commission's best estimate of the probability of the employees utilizing the benefits and current salary levels. The accumulating non-vesting sick leave benefits cease upon termination of employment with the Commission.

(i) Revenues

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized as revenue in the fiscal year the fee is earned or the service is performed.

The Commission recognizes government transfers as revenues when the transfer is authorized and any eligibility criteria are met, except when and to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the consolidated statement of operations as the stipulation liabilities are settled. Government transfers consist of an operating grant from the Province of Newfoundland and Labrador.

(j) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is recorded as an expense in that year.

(k) Measurement uncertainty

The preparation of consolidated financial statements in conformity with CPSAS requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of the revenues and expenses during the period. Items requiring the use of significant estimates include the expected future life of tangible capital assets and estimated employee future benefits.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2014

3. Accounting pronouncement

In June 2010, the PSAB approved Section PS 3260, *Liability for Contaminated Sites*. This section is effective for fiscal years beginning on or after April 1, 2014, for government organizations. The Section establishes recognition, measurement and disclosure standards for liabilities relating to contaminated sites of government organizations. The Commission is evaluating the impact of this new section.

4. Accounts receivable

	<u>2014</u>	<u>2013</u>
Trade	\$ 38,502	\$ 21,359
Harmonized sales tax	8,082	18,616
	<u>46,584</u>	<u>39,975</u>
Less: allowance for doubtful accounts	(5,708)	(5,708)
Net accounts receivable	<u>\$ 40,876</u>	<u>\$ 34,267</u>

5. Deferred revenue

	<u>2014</u>	<u>2013</u>
Golf course	\$ 68,906	\$ 63,108
Clubhouse	12,840	14,344
Rental	7,840	8,919
Trailer park	8,488	5,730
	<u>\$ 98,074</u>	<u>\$ 92,101</u>

Golf course deferred revenue relates to golf packages and gift certificates sold during the fiscal year that relate to the 2014 golf season. Clubhouse deferred revenue relates to deposits received on salon rentals for future periods. Rental deferred revenue relates to deposits received on reservations at the Northbank Lodge for future periods and a property lease payment received that relates to the 2014-15 fiscal year. Trailer park deferred revenue relates to deposits received on reservations.

6. Obligations under capital leases

The Commission has financed property for golf course operations, general park and administration through capital leases.

	<u>2014</u>	<u>2013</u>
Obligations under capital leases	<u>\$ 141,087</u>	<u>\$ 114,190</u>

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6. Obligations under capital leases (cont.)

Future minimum lease payments under capital leases are:

2015	\$ 62,091
2016	54,885
2017	23,522
2018	<u>14,103</u>
	154,601
Less: interest portion of payments	<u>13,514</u>
	<u>\$ 141,087</u>

The capital leases are secured by equipment having a net book value of \$160,052.

7. Employee future benefits

	<u>2014</u>	<u>2013</u>
Vested severance benefits	\$ 118,038	\$ 112,325
Non-vested severance benefits	40,449	34,218
<u>Provision for accumulating, non-vesting, sick leave</u>	<u>65,528</u>	<u>61,674</u>
	<u>\$ 224,015</u>	<u>\$ 208,217</u>

Pension contributions

The employees of the Commission represented by the NAPE and certain management employees are subject to the *Public Service Pensions Act, 1991*. The Government of Newfoundland and Labrador administers the Public Service Pension Plan, including payment of pension benefits to employees to whom the *Act* applies. The Public Service Pension Plan is a multi-employer, defined benefit plan.

The plan provides a pension to employees based on the age of its members at retirement, length of service and the average of their best five years of earnings. The maximum contribution rate for eligible employees was 8.6% (2013 - 8.6%). The Commission contributes an amount equal to the employee contributions to the plan. The Commission is not required to make contributions in respect of any actuarial deficiencies of the plan. Total pension expense for the Commission for the year ended March 31, 2014, was \$52,074 (2013 - \$57,712).

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8. Advance from Province of Newfoundland and Labrador

On March 30, 2001, the Commission received a repayable advance in the amount of \$250,000 from the Province of Newfoundland and Labrador. There are no set terms of repayment. The advance payable remained outstanding at year end.

9. Tangible capital assets

Original cost

	Balance March 31, 2013	Additions	Disposals	Balance March 31, 2014
Park				
Land	\$ 5,429,850	\$ -	\$ -	\$ 5,429,850
Furniture and equipment	298,042	3,022	19,840	281,224
Vehicles	24,106	-	-	24,106
Equipment under capital leases	108,023	39,914	6,112	141,825
Buildings	1,689,605	-	-	1,689,605
Park improvements	1,791,558	-	-	1,791,558
Golf course				
Land	1,809,696	-	-	1,809,696
Golf course improvements	1,346,311	-	-	1,346,311
Buildings	530,469	-	-	530,469
Equipment under capital leases	218,134	44,703	-	262,837
Furniture and equipment	384,708	22,631	939	406,400
	\$ 13,630,502	\$ 110,270	\$ 26,891	\$ 13,713,881

C.A. PIPPY PARK COMMISSION
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9. Tangible capital assets (cont.)

	Balance March 31, 2013	Amortization	Accumulated amortization on disposals	Balance March 31, 2014	Net book value March 31, 2014	Net book value March 31, 2013
<u>Accumulated amortization</u>						
Park						
Land	\$ -	\$ -	\$ -	\$ -	\$ 5,429,850	\$ 5,429,850
Furniture and equipment	275,634	6,994	19,513	263,115	18,109	22,408
Vehicles	23,824	85	-	23,909	197	282
Equipment under capital leases	92,217	10,729	5,052	97,894	43,931	15,806
Buildings	1,343,627	34,266	-	1,377,893	311,712	345,978
Park improvements	1,160,189	62,250	-	1,222,439	569,119	631,369
Golf course						
Land	-	-	-	-	1,809,696	1,809,696
Golf course improvements	754,566	59,175	-	813,741	532,570	591,745
Buildings	284,414	24,606	-	309,020	221,449	246,055
Equipment under capital leases	106,530	40,186	-	146,716	116,121	111,604
Furniture and equipment	321,784	22,231	706	343,309	63,091	62,924
	\$ 4,362,785	\$ 260,522	\$ 25,271	\$ 4,598,036	\$ 9,115,845	\$ 9,267,717

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9. Tangible capital assets (cont.)

(a) Tangible capital assets not included in consolidated financial statements

Land purchased directly by the Provincial Government and forming part of C.A. Pippy Park is not recorded in these consolidated financial statements. The land recorded in these consolidated financial statements represents land purchased directly by the Commission.

Capital improvements made by third parties are not recorded in these consolidated financial statements.

(b) Title to Commission property

Under Section 10(4) of the *Pippy Park Commission Act*, title to property of the Commission is vested in the name of the Minister of Environment and Conservation, for the Crown.

10. Related party transactions

(a) During the year, the Commission received an operating grant of \$523,000 (2013 - \$579,000) from the Province.

(b) Services and rental revenue include revenues from the Province in the amount of \$245,425 (2013 - \$228,011) as a result of ongoing contracts.

C.A. PIPPY PARK COMMISSION
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11. Segmented information

The Commission reports its revenue and expenses by program area.

	Golf course		Trailer park		General park		Administration		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues										
Province of Newfoundland and Labrador operating grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 523,000	\$579,000	\$523,000	\$579,000
Golf course (Note 12)	1,041,112	1,000,996	-	-	-	-	-	-	1,041,112	1,000,996
Trailer park (Note 13)	-	-	572,574	585,956	-	-	-	-	572,574	585,956
Services	-	-	-	-	285,575	262,196	-	-	285,575	262,196
Rental	-	-	-	-	-	-	54,103	64,071	54,103	64,071
Driving range	50,961	54,224	-	-	-	-	-	-	50,961	54,224
Miscellaneous	235	1,092	-	-	-	-	11,718	11,021	11,953	12,113
Advertising	11,062	11,912	-	-	-	-	-	-	11,062	11,912
Interest	1,606	1,298	-	-	-	-	4,602	3,673	6,208	4,971
	1,104,976	1,069,522	572,574	585,956	285,575	262,196	593,423	657,765	2,556,548	2,575,439
Expenses										
Advertising and promotion	2,005	3,756	2,734	3,356	-	-	1,538	1,595	6,277	8,707
Amortization	63,436	68,002	-	-	-	-	197,086	215,265	260,522	283,267
Bank charges	22,382	18,903	-	-	-	-	17,122	16,626	39,504	35,529
Building maintenance	58,781	42,159	13,954	10,594	4,221	2,916	10,983	13,289	87,939	68,958
Course maintenance	73,259	70,017	-	-	-	-	-	-	73,259	70,017
Driving range	11,374	17,943	-	-	-	-	-	-	11,374	17,943
Equipment maintenance	25,494	32,653	-	-	30,382	29,955	-	-	55,876	62,608
Fuel	37,094	36,372	-	-	32,463	29,938	-	-	69,557	66,310
Heat, light and telephone	52,108	46,824	42,445	43,942	19,225	17,894	32,822	33,038	146,600	141,698
Honoraria	-	-	-	-	-	-	420	-	420	-
Insurance	24,727	23,200	-	-	-	-	42,243	40,580	66,970	63,780
Interest on capital lease obligations	8,109	9,628	-	-	-	-	66	1,838	8,175	11,466
Loss on disposal of tangible capital assets	233	-	-	-	-	-	1,387	341	1,620	341
Miscellaneous	2,556	5,039	432	1,293	3,186	3,499	3,138	2,954	9,312	12,785
Office	5,991	4,429	594	594	-	-	7,658	7,592	14,243	12,615
Professional fees	11,989	10,818	1,338	2,208	-	-	18,326	13,666	31,653	26,692
Salaries and employee benefits	575,568	574,383	196,817	187,670	391,226	406,486	390,664	433,497	1,554,275	1,602,036
Supplies	8,541	8,033	8,898	7,317	16,971	14,085	3,105	2,959	37,515	32,394
Training	-	-	-	545	245	230	245	265	490	1,040
Travel	-	903	-	-	-	-	-	822	-	1,725
	983,647	973,062	267,212	257,519	497,919	505,003	726,803	784,327	2,475,581	2,519,911
Annual surplus (deficit)	\$121,329	\$ 96,460	\$305,362	\$328,437	\$(212,344)	\$(242,807)	\$(133,390)	\$(126,562)	\$80,967	\$55,528

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12. Golf Course revenue

Course operations

	2014 <u>Budget</u>	2014 <u>Actual</u>	2013 <u>Actual</u>
Green fees	\$ 635,000	\$ 660,663	\$ 631,879
Rentals	164,000	162,515	162,295
	799,000	823,178	794,174
Proshop sales	20,000	23,389	19,166
Less: cost of goods sold	7,800	13,139	7,188
	12,200	10,250	11,978
Course operations	811,200	833,428	806,152
Clubhouse operations			
Salon rentals	46,500	43,888	44,101
Catering commissions	55,000	51,938	47,972
	101,500	95,826	92,073
Salon sales	177,000	187,890	176,025
Less: cost of goods sold	74,000	76,032	73,254
	103,000	111,858	102,771
Clubhouse operations	204,500	207,684	194,844
	\$ 1,015,700	\$ 1,041,112	\$ 1,000,996

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13. Trailer park revenue

	2014 <u>Budget</u>	2014 <u>Actual</u>	2013 <u>Actual</u>
Registration fees	\$ 584,000	\$ 559,519	\$ 573,225
Mini golf	1,700	-	1,733
	585,700	559,519	574,958
Sales	-	37,641	39,482
Less: cost of goods sold	-	24,586	28,484
	-	13,055	10,998
	\$ 585,700	\$ 572,574	\$ 585,956

14. Contractual obligations

A vehicle and equipment have been leased by the Commission. Minimum lease payments over the remaining term of the leases are as follows:

2015	\$ 8,938
2016	7,508
2017	7,508
2018	1,244
2019	311
	<u>\$ 25,509</u>

15. Financial risk management

The Commission recognizes the importance of managing risks and this includes policies, procedures and oversight designed to reduce risks identified to an appropriate threshold. The risks that the Commission is exposed to through its financial instruments are credit risk, liquidity risk and market risk. There was no significant change in the Commission's exposure to these risks or its processes for managing these risks from the prior year.

15. Financial risk management (cont.)

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Commission's main credit risk relates to cash and accounts receivable. The Commission's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Commission is not exposed to significant credit risk with its cash because this financial instrument is held with a Chartered Bank. Also, it is not exposed to significant credit risk related to the harmonized sales tax receivable due to its nature. The Commission is exposed to credit risk related to its trade accounts receivable. Any estimated impairment of accounts receivable has been provided for through an allowance.

Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its financial liabilities and contractual obligations. The Commission's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, its obligations under capital leases as disclosed in Note 6, and its contractual obligations as disclosed in Note 14. The Commission manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency (foreign exchange) risk, interest rate risk and other price risk. The Commission is not exposed to significant foreign exchange or other price risk. In addition, the Commission is not exposed to interest rate risk on the obligations under capital leases as the interest rates are fixed to maturity.

16. Comparative figures

Certain comparative figures as at March 31, 2013, have been reclassified to conform to current year's presentation.

17. Budgeted figures

Budgeted figures have been provided for comparison purposes and have been derived from estimates approved by the Board of Directors of the Commission.

18. Non-financial assets

The recognition and measurement of non-financial assets is based on their service potential. These assets will not provide resources to discharge liabilities of the Commission. For non-financial assets, the future economic benefit consists of their capacity to render service to further the Commission's objectives.