



C.A. Pippy Park Commission

2014-15 ANNUAL REPORT

Submitted to:

Honourable Dan Crummell, Minister
Department of Environment & Conservation
Government of Newfoundland & Labrador

Submitted by:

C.A. Pippy Park Commission
P.O. Box 8861
St. John's, NL, A1B 3T2
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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, 2014 and ending March 31, 2015 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 Pippy Park Commission welcomed thousands of clients in 2014-15 to the Park to enjoy the outdoors through golf, camping, hiking, running, snow shoeing, cross-country skiing, biking, family gardening, sliding, and general play. The Commission was pleased to be able to complete improvements to the Park, such as enhancing the entrance to the popular Three Pond Barrens, renovating our four Campground washroom facilities, refurbishing parts of the Admiral's Green Clubhouse and North Bank Lodge, and adding new signage to main features in the Park. Our ability to plan and implement these improvement projects would not be possible without the efforts of our dedicated staff and the continued assistance of the Provincial Government, specifically the Department of Environment and Conservation.

The Commission was grateful to deepen its relationship with partners in 2014-15, especially with MUN to host numerous student projects and volunteer events in various locations around the Park, the Friends of Pippy Park to host a very successful Maple Tapping Festival in the Park, and the City of St. John's to provide winter recreational activity programming at North Bank Lodge. The success of these programs and events and the work completed by our partners is a result of the hundreds of volunteer hours for which the Commission is very appreciative.

We, as Board Members, are pleased with the improvements made to Pippy Park in 2014-15 and will continue our efforts in ensuring Pippy Park remains a place valued for recreation, learning, making memories, and its contribution to conserving the biodiversity of the Province.



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

GOVERNMENT ENTITY OVERVIEW

Key Statistics

Administration and Employment

The Commission employs seven full-time employees, three of which are male and four of which are female, for administration and maintenance. During peak operations, the Commission employs up to 45 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 30 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.

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's boundaries. Permits are issued in accordance with the *C.A. Pippy Park Commission Act* and in compliance with the Master Plan, by-laws and related policies. Examples include: improvements to private property; building and expansion of public facilities; construction of roads and power corridors; and general improvements to public land.

Commercial Properties

The Commission manages several commercial properties, including Mount Scio House, which contains the administrative offices of the Commission and a boardroom which is rented as meeting space, and North Bank Lodge, which is rented as a meeting and social activity centre.

Residential Properties

The Commission manages two residential properties, both of which are occupied by tenants. In cases where the Commission purchases homes from private property owners, it assesses the value of these houses as potential rental units and 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 restored to the original landscape if possible.

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, 2015, 41 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, Memorial University Botanical Garden, and the Nature Conservancy of Canada have studied plants, avian, and insect populations in the Park.

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 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.

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 Dan Crummell, 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 2014-15, the Commission operated primarily from revenue generated from its own operations totaling \$2,012,474 and a Provincial Government grant of \$539,600 (Appendix B). The Commission's expenses during the same time period were \$2,616,326.

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 Office of the Auditor General of Newfoundland and Labrador. Please refer to Appendix B for the audited financial statements.

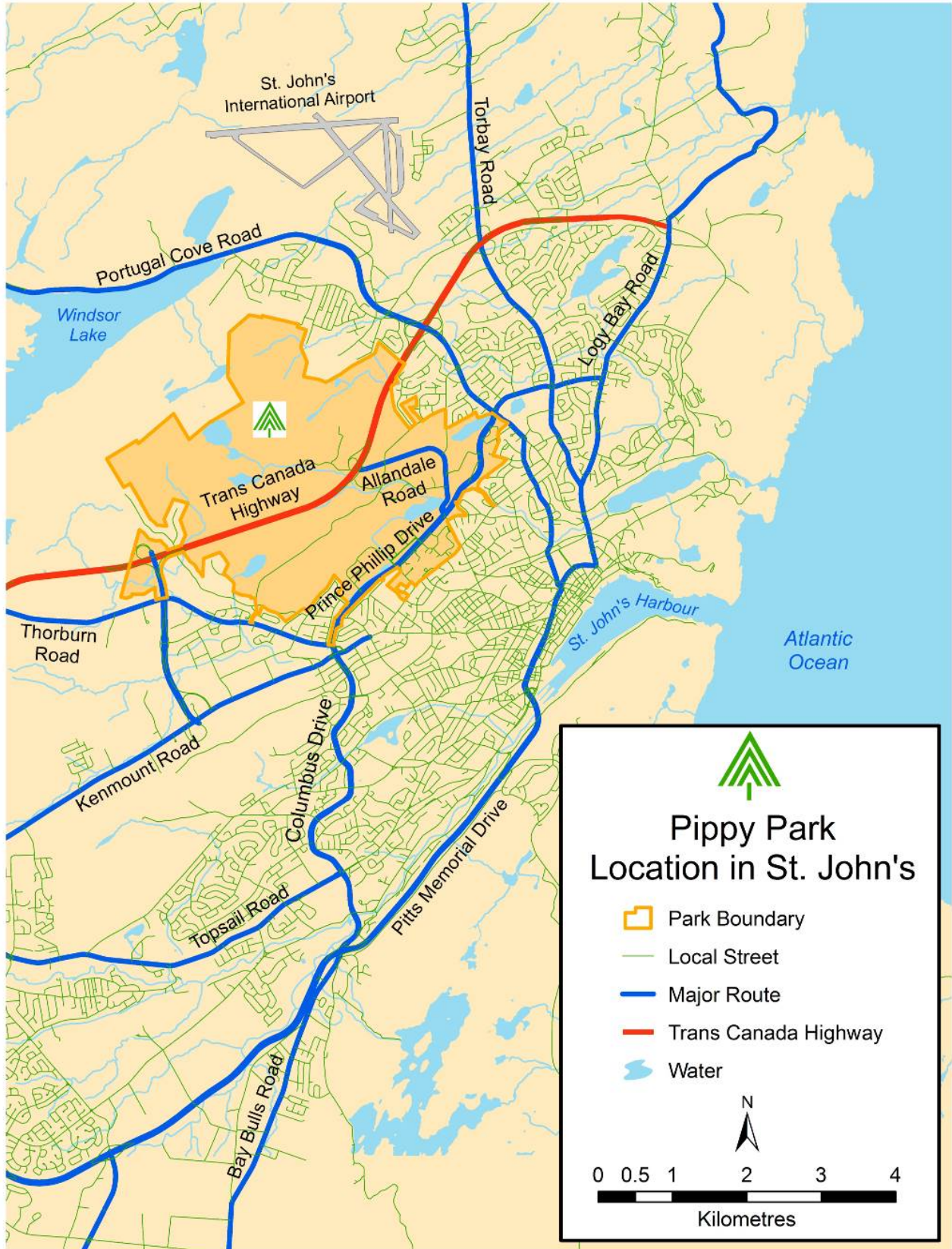


Figure 1: Boundary of Pippy Park.

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, 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 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 and rental of residential and other properties within the Park. These leases include: one residential property, several properties to community service organizations located in the Park, several properties to the telecommunication industry, and the rental of space as an outdoor concert venue. 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 2014-15 toward the achievement of its overall mission as outlined in its 2014-17 Business Plan.

Mission Statement

This mission statement identifies the key management priorities of the Commission for this 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 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 Park user satisfaction through improvements to its key facilities, and the provision of improved visitor services through the interpretation and inventorying of the heritage features of the lands it administers.

Measure: Improved Park user satisfaction

Indicators:

- Key facilities (e.g. washroom buildings) are renovated and modernized
- Public awareness and appreciation of Pippy Park is increased through improved visitor services
- 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

Numerous institutional partners operate and occupy land within Pippy Park, including Memorial University of Newfoundland, the College of the North Atlantic, the Marine Institute, the Provincial Government, the Arts and Culture Centre, and Eastern Health. These partnerships are part of the regularly daily business of the Commission. For example, the Commission completes ground maintenance and landscaping on most institutional properties and the Commission is responsible for approving land use changes, such as building extensions and new parking lots.

The Commission works together with community partners that reside within the Park to achieve common and individual organization goals, showcasing how programs offered by a diversity of organizations can operate within the managed lands of an urban park. The following community service organizations are located within the Park and in some situations lease property from the Commission and/or participate on committees, such as the Pippy Park Heritage Committee:

- Fluvarium
- Sisters of Mercy Centre for Ecology and Justice
- St. John's Therapeutic Riding Association (Rainbow Riders)
- Memorial University of Newfoundland and Labrador Botanical Garden
- Autism Society of Newfoundland and Labrador (ASNL)
- Easter Seals of Newfoundland and Labrador
- YMCA of Northeast Avalon
- MacMorran Community Gardens
- Friends of Pippy Park
- Grand Concourse Authority
- Ronald MacDonald House

These organizations have contributed much to the community, Pippy Park, and their clients. Whether it is interpreting freshwater ecosystems or providing recreation for children with disabilities, these entities enjoy the natural and peaceful venues of the Park. 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. In addition, the provision of in-kind services, such as meeting space, training programs, equipment, grooming trails, and advertising each other's events, benefits both the Park and these community partners.

Pippy Park also has active partnerships with the City of St. John's, the Friends of Pippy Park (FoPP), and the O'Brien Farm Foundation. The City of St. John's and the Park annually operate a winter recreation program in the Park. The Commission works regularly with FoPP to provide labour and administrative support to their events and programs and meeting and office space, while FoPP continues to promote the Park, develop programs to enrich the experiences for visitors to the Park, and sponsor projects to further the objectives of the Commission. The Commission continues to work with the O'Brien Farm Foundation by active participation on the foundation board and the provision of office space.

HIGHLIGHTS & ACCOMPLISHMENTS

Campground Improvements

In the 2014 camping season, the Pippy Park campground booked 14,688 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 2014-15 fiscal year. These included renovations of the washroom facilities, installation of a new laundromat, water, sewer, and electrical utility repairs, 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 2014-15, with 95 separate events held this year compared to 116 events the previous year. A total of 7,197 guests attended these events.

North Bank Lodge Operations

The popular North Bank Lodge continued to offer bookings for meetings and social events during 2014-15. A total of 166 separate events, up from 134 events in 2013, were booked at the Lodge from April to December 2014. From January to March 2015 the facility was used by the City of St. John's to host the Cross Country Ski and Snowshoe Rental Program for the winter.

Pippy Park Special Events and Promotions

The Commission, with the dedication of the Friends of Pippy Park, hosted Tappable Tree Workshops on maple tapping, a Maple Tapping Festival, ran a children's Family Garden Program, and held a Summer Garden Tour showcasing the gardens within the Park to Park partners.

Walking Trails

The network of walking trails throughout the Park continued to be enjoyed by thousands of visitors during 2014-15. Excellent maintenance on main routes was performed by the Grand Concourse Authority.

Cross Country Skiing and Snowshoe Rental Program

The Program continued operations from January to April 2015 in partnership with the City of St. John's Division of Recreation. Pippy Park provides the North Bank Lodge and campground roads in-kind to the City of St. John's, who run the Program. A total of 4,138 people rented cross-country ski and snowshoe equipment and 1,295 people participated in group programs. Use of the Park for winter recreation is difficult to measure as visitors with their own equipment have access for no charge. Trails were groomed along the campground roads by staff from the Grand Concourse Authority, volunteers from the Avalon Nordic Ski Club, and a local sporting goods supply company, Outfitters Ltd. The evening use is popular as the trails have lighting. In addition, 10 km of trails were groomed around the area of the Three Pond Barrens by volunteers from the Avalon Nordic Ski Club.

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 2014-15 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.

Usage of the Park has increased in tandem 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, 2017, the C.A. Pippy Park Commission will have implemented a number of prioritized capital infrastructure improvement projects.

Measure: Implemented a number of prioritized capital infrastructure improvement projects.

Indicators:

- Construction feasibility and cost estimations compiled for selected facility improvement projects
- Construction design plans and specifications compiled
- Construction funds accessed and project tendering completed
- Construction implementation schedules determined and construction activity commenced
- Construction projects monitored and completed

Objectives:

- 1.1 By March 31, 2015, the C.A. Pippy Park Commission will have completed renovations or reconstruction of one of its existing Campground Washroom buildings and improvements in two to three additional infrastructure projects.

Measure: Completed renovations or reconstruction of one of its existing campground washroom buildings and made improvements in two to three additional infrastructure projects.

Indicators:

- Cost estimates prepared for the renovation of one washroom
- Renovation of one washroom completed
- Cost estimates for removal and replacement of culverts at Nagle’s Brook/Allendale Road prepared
- Culverts at Nagle’s Brook/Allendale Road replaced
- Flooring at North Bank Lodge refinished
- Speed humps installed at Pippy Park Campground
- Welcome and entrance signage created and installed for the Pippy Park Campground
- Entrance signage created and installed for the North Bank Lodge
- Two deteriorated structures, previously used as residential properties, assessed for hazardous materials and materials, if present, removed

Cost estimates prepared for the renovation of one washroom

- In May and June of 2014, Commission staff compiled quotes to renovate parts of the washrooms, focusing on fixtures and finishes in the poorest conditions, including the sinks and countertops, urinals, toilets, and interior paint. Based on this preliminary assessment of cost the Commission moved ahead with design plans and the tendering process.



Renovation of one washroom completed

- In July 2014, Commission staff compiled design plans and specifications for material purchases. In August 2014 the Commission invited tender bids from established contracting companies to complete renovations on the four washroom buildings located within the Pippy Park Campground. The scope of work was to replace toilets, urinals, countertops, mirrors, faucets, and sinks and paint the interior walls, concrete baseboards, and bathroom and shower partitions and exterior doors in the male and female washroom of each of the four buildings. The project was awarded to the lowest bidder in early September 2015.



- Tender documents included a time period during which the work needed to be completed. This time period was chosen to avoid summer peak camping periods and when the water is turned off for the winter months. In September 2014, Commission staff met with the contractor to finalize the work schedule. Work began on the campground washrooms in late September 2014.
- The project was monitored by the contractor's supervisor and the Manager of Park Operations for Pippy Park. The majority of the project was completed as scheduled by November 2014. Some plumbing and the installation of mirrors was completed in the April and May of 2015.

Flooring at North Bank Lodge refinished

- The wooden flooring at the North Bank Lodge was sanded and resurfaced in July 2014 by Commission staff to enhance the aesthetics and maintenance of this rental facility.

Speed humps installed at Pippy Park Campground

- Speeding was identified as a concern along the main road of the Campground. To encourage drivers to reduce their speed to posted speed limits two sets of speed humps were installed by Commission staff in July 2014.

Cost estimates for removal and replacement of culverts at Nagle's Brook/Allendale Road prepared

- In June 2014, Commission staff compiled estimates and obtained quotes for the material necessary to remove and replace the culverts at Nagle's Brook/Allendale Road. The necessary permits were also obtained from DFO.



Culverts at Nagle's Brook/Allendale Road replaced

- In July 2014, Commission staff removed the existing culverts and replaced them with 24" X 12' corrugated steel cylindrical culverts.

- This area marks the entrance to a trail that many visitors to Pippy Park consider to be the main trail within the Three Pond Barrens area of the Park. To enhance safety and aesthetics at this entrance, Commission staff built wooden railing, resurfaced the gravel walkway, sodded an area, added new signage, and added wooden posts, a chain, and rocks to prevent illegal vehicle access.



Welcome and entrance signage created and installed for the Pippy Park Campground

- In June and July 2014 new signage was designed for the entrances to Pippy Park Headquarters, the Campground, and the Campground registration booth and sites by Commission staff. Staff obtained quotes for these signs in July 2014 and in August 2014 they were printed and installed.



Entrance signage created and installed for the North Bank Lodge

- In June and July 2014 new signage was designed for the entrance to the North Bank Lodge by Commission staff. Staff obtained quotes for this sign in July 2014 and in August 2014 it was printed and installed.

Two deteriorated structures, previously used as residential properties, assessed for hazardous materials and materials, if present, removed

- Both 187 and 226 Mount Scio Road, residential properties owned and once offered as rental properties by the Commission were identified for demolition due to their deterioration.
- In July 2014 both houses were assessed for hazardous materials and found to contain hazardous materials such as asbestos and lead. In August 2014 the Commission invited tender bids from established hazardous removal companies to remove the hazardous materials from both properties. This work was completed in September 2014 and included the removal of drywall, shingles, flooring, and ceiling material.
- Between October and December 2014, the Grand Concourse Authority assisted Pippy Park with the demolition of the remaining structures and the disposal of the debris.

1.2 By March 31, 2016, the C.A. Pippy Park Commission will have completed an additional washroom building upgrade and improvements in one or more additional infrastructure project.

Measure: Will have completed renovations or reconstruction of one of its existing campground washroom buildings and made improvements in two to three additional infrastructure projects.

Indicators:

- Renovation of washroom facilities within the Pippy Park Headquarters completed
- The integrity of the Courtyard stone wall assessed

Note: renovation of all campground washrooms were completed in 2014-15, ahead of schedule.

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 and pending Master Plan. During the course of this business cycle the Commission will make efforts 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 by supporting popular recreational activities such as the popular winter cross skiing program, family and community gardening, and initiating a computerized mapping data base for student and public use. Over the 2014-2017 business cycle, the Commission intends to complement these 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, 2017, the C.A. Pippy Park Commission will have initiated and completed visitor services and promotional projects that will result in a greater appreciation and awareness among the general public about Pippy Park and thereby enhanced overall visitor services.

Measure: Initiated and completed visitor services improvements and promotional projects.

Indicators:

- The Campground User Map is updated and revised
- The Commission assumes operation of the Campground laundromat from previous leasee
- Interpretative information about the natural and cultural heritage of Pippy Park shared through a digital medium
- The Park website is revised to include more interactive capabilities for hikers and nature enthusiasts
- Continued support for family and community agriculture within Pippy Park
- Partnerships with recreational associations, such as Avalon Nordic Ski Club and mountain bikers enhanced

Objectives:

2.1 By March 31, 2015, the C.A. Pippy Park Commission will have initiated several projects aimed at increasing visitor service capabilities and general awareness of Pippy Park.

Measure: Initiated and completed several projects aimed at increasing visitor service capabilities and general awareness of Pippy Park.

Indicators:

- The Commission assumed operation of the Campground laundromat from previous leasee
- Interpretative information about the natural and cultural heritage of Pippy Park shared through a digital medium, such as “Hear Say”, with the help of the Friends of Pippy Park
- Family Garden program implemented by Conservation Corps Green Team with the help of the Friends of Pippy Park
- Maple Tapping Festival planned and implemented with the help of the Friends of Pippy Park
- Property on Mount Scio road assessed for suitability as potential sites for additional gardens
- Partnership with Avalon Nordic Ski Club and City of St. John’s continued to offer a winter cross country ski and snowshoe program

The Commission assumed operation of the Campground laundromat from previous leasee

- In 2013 the Commission notified the Campground laundromat leasee that the Commission would assume operation of the Campground laundromat for the 2014 camping season. The Campground laundromat leasee finished operating in the Campground in October 2013 and subsequently removed their washing and drying machines. The Commission prepared quotes to purchase new equipment. These purchases were made and the new equipment installed in July 2014. The laundromat operated for the remainder of the 2014 camping season and is currently operational for the 2015 camping season.

Interpretative information about the natural and cultural heritage of Pippy Park shared through a digital medium, such as “Hear Say”, with the help of the Friends of Pippy Park

- In the summer of 2014 the Friends of Pippy further designed the HearSay Project. This project idea uses digital medium to enable visitors to listen to stories about the environment around them. Through their smart phones, visitors to the Park could access QR codes located in areas of natural or cultural significance and hear a story about that very place. This method of story-telling would enrich a visitor’s experience in the Park. This project currently remains in development.

- While this large project develops, the Commission continues to share information about the natural and cultural heritage of the Park through other mediums. During the 2015 winter season (January to April 2015) an exhibit was prepared by the Pippy Park Heritage Committee on historical ice harvest on Long Pond and placed in the North Bank Lodge for the enjoyment and education of the thousands of users of the cross country ski and snowshoe program.



Family Garden program implemented by Conservation Corps Green Team with the help of the Friends of Pippy Park

- In the summer of 2014 the Friends of Pippy Park was successful in securing a Conservation Corps Green Team. This team of four students worked throughout the summer in the Family Garden to build new raised beds, complete an education program, coordinate a summer garden tour, and clean up the family garden shed. The students also prepared a list of funding sources and prepared and implemented a transportation survey.



- The Green Team built seven new beds, added crush stone between the beds, and maintained vegetables and herbs in all the beds. The Family Garden was used in 2014 by Friends of Pippy Park families, Key Assets, and the Green Team programming.
- The Summer Garden Tour occurred in August 2014 and was attended by 40 people. Participants visited four vegetable gardens (Rabbittown, Autism Society, Daybreak, and Pippy Park), learned about gardening techniques, and enjoyed locally grown fruits and vegetables.

Maple Tapping Festival planned and implemented with the help of the Friends of Pippy Park

- In the winter of 2015 the Friends of Pippy Park with the support of the Pippy Park Commission planned, organized, and implemented two workshops on maple tapping techniques and a family maple tapping festival.
- The maple tapping program was launched in December 2014 with a sale of maple tapping kits and tapping instructions. The kits were assembled with the assistance of Memorial University student volunteers and the Friends of Pippy Park.
- Two workshops, titled “Tappable Trees” were held on February 24, 2015 at the Fluvarium. Over 190 people attended these workshops and learned about Pippy Park and maple tapping.
- The maple tapping season ended in a family outdoor maple tapping festival on April 12, 2015 at the North Bank Lodge. An estimated 700 people attended this event where they saw live maple tapping demonstrations, learned about maple tapping equipment, watched a maple sap boil up, tasted Pippy Park maple syrup, participated in a maple syrup taste off, and enjoyed hot chocolate.



Property on Mount Scio road assessed for suitability as potential sites for additional gardens

- The Friends of Pippy Park and staff from the Commission assessed 187 Mount Scio Road as a suitable property for the expansion of the family garden program. This property is owned by the Pippy Park Commission and at the time of the assessment contained a house and a vegetable garden. The house was removed by the Commission in 2014. The existing vegetable garden is suitable space for use.

Partnership with the City of St. John's continued to offer a winter cross country ski and snowshoe program

- The Commission continued to support the City of St. John's and the Avalon Nordic Ski Club, as they offered a winter cross country ski and snowshoe program through the in-kind provision of the North Bank Lodge, snow clearing, sign posting and removal, and covering the electrical costs to operate the North Bank Lodge heat and lights and the campground lights.

2.2 By March 31, 2016, the C.A. Pippy Park Commission will have initiated additional actions and projects to improve visitor services and overall public awareness of Pippy Park.

Measure: Initiated and completed several projects aimed at increasing visitor service capabilities and general awareness of Pippy Park.

Indicators:

- Creation of a Pippy Park Facebook page
- The Campground User Map is updated and revised
- Continued support for family and community agriculture within Pippy Park
- Maple Tapping Festival planned and implemented with the help of the Friends of Pippy Park
- Partnership with the City of St. John's continued to offer a winter cross country ski and snowshoe program
- Partnership with Bicycle Newfoundland and Labrador and the International Mountain Biking Association continued and enhanced
- "You are Here" signage created and installed at key sites within Pippy Park
- Boundary signage created and installed at key sites within Pippy 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 the Park, there have not been many efforts to inventory, document, and catalogue the multifaceted natural and cultural features. The paucity of natural and cultural data was partially alleviated during the previous business planning cycle but additional work needs to be completed.

Goal: By March 31, 2017, the Commission will have enhanced protection and cataloguing of natural and cultural features of Pippy Park.

Measure: Additional inventorying and cataloguing of natural and cultural heritage features initiated and completed and, where applicable, assets protected and management policies revised.

Indicators:

- The previously compiled Forest Classification and Biophysical data will be incorporated into the Pippy Park website for public use and scientific research
- Value of the conservation role of the Park is more clearly defined and communicated
- Computer mapping, using GIS technology, is reviewed and updated, as required, to assist land management processes
- Additional cultural heritage features cataloguing and mapping will be initiated
- Policies and guidelines relating to heritage features implemented and monitored

Objectives:

- 3.1 By March 31, 2015, the C.A. Pippy Park Commission will have initiated actions to inventory, catalogue, and preserve the heritage features of Pippy Park, both supporting the mandate of the Park and an objective of the Department of Environment and Conservation's 2014-17 Strategic Plan to "have commenced implementation of improvements to enhance the protection of the province's natural heritage" by March 31, 2015.

Measure: Initiated actions to inventory, catalogue, and preserve the heritage features of Pippy Park.

Indicators:

- Partnership with Memorial University of Newfoundland and Labrador Biology program renewed and student research projects within Pippy Park completed
- Geographical Information System (GIS) data reviewed and updated as required and Pippy Park land use maps updated as required
- Continued support to the O'Brien Farm Foundation

Partnership with Memorial University of Newfoundland and Labrador Biology program renewed and student research projects within Pippy Park completed

- In 2014-15 the Commission made new and renewed connects with MUN Biology professors to increase student participation and research partnerships within the Park to foster an improved understanding of the natural history of the Park. This results of this effort was seen in the following outcomes:

- In September 2014, the MUN Biology and Geography class in Conservation Biology completed an assessment of off-road vehicle track impacts on wetland habitat in the north-east corner of Pippy Park their term research project. This assessment included mapping off-road vehicle access points and trails, documenting evidence of soil compaction and erosion and impact on vegetation growth and hydrology.
- In the fall of 2014 Biology students also collected and aged regenerating Balsam Fir trees from Pippy Park as one of a number of study sites in their project assessing the impact of moose browsing on Balsam Fir regeneration.



- In 2014-15 the Commission also made new and renewed connects with professors in various departments at MUN to increase student participation and research partnerships within the Park. This results of this effort was seen in the following outcomes:
 - In the summer of 2014 the Department of Folklore completed a field camp on the property of the O'Brien farm in search of original infrastructure.
 - In February 2014, the MUN graduate student class in Municipal Engineering designed and presented low impact development options for managing stormwater within the watersheds of Pippy Park for their term research project.
 - Pippy Park became a partner with the MUN Experiential Learning program. Student volunteers worked in the Park in September 2014 to plant trees in the Campground and in February 2015 to assemble maple tapping kits for the maple tapping festival.

Geographical Information System (GIS) data reviewed and updated as required and Pippy Park land use maps updated as required

- The GIS data was reviewed and updated as required during the reporting period. Updating included the addition of undocumented trail systems to the GIS database and an inventory of infrastructure along the Long Pond trail. 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.

3.2 By March 31, 2016, the C.A. Pippy Park Commission will have initiated additional heritage feature inventories and related projects.

Measure: Initiated actions to inventory, catalogue, and preserve the heritage features of Pippy Park.

Indicators:

- Partnership with Memorial University program continued and student research projects within Pippy Park completed on natural and cultural heritage features
- The previously compiled Forest Classification and Biophysical data will be incorporated into the Pippy Park website for public use and scientific research
- Continued support of the O'Brien Farm Foundation
- Initiation of the FireSmart Canada Community Recognition Program

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 provide opportunity for revenue generation 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 provide 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. 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 audited consolidated financial statements of the Commission detail the financial results for the period ended March 31, 2015. These financial statements are found in Appendix B.

APPENDIX A

BOARD OF DIRECTORS 2014-15

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:

Ms. Ann Browne. 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. Acting Vice Chairperson.

APPENDIX B

C.A. PIPPY PARK COMMISSION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2015

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, 2015, the consolidated statements of operations, change in net financial assets (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, 2015, 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, CPA, CA
Auditor General

July 24, 2015
St. John's, Newfoundland and Labrador

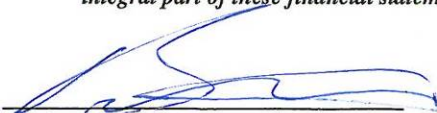
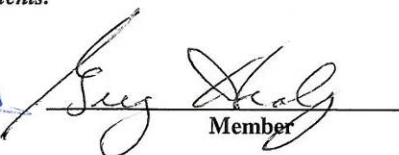
C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31

	2015	2014
FINANCIAL ASSETS		
Cash	\$ 924,341	\$ 750,019
Accounts receivable (Note 3)	17,460	40,876
<u>Inventories held for resale</u>	<u>15,224</u>	<u>18,185</u>
	957,025	809,080
LIABILITIES		
Accounts payable and accrued liabilities	105,900	107,527
Deferred revenue (Note 4)	123,384	98,074
Obligations under capital leases (Note 5)	87,325	141,087
Employee future benefits (Note 6)	258,090	224,015
<u>Advance from Province of Newfoundland and Labrador (Note 7)</u>	<u>250,000</u>	<u>250,000</u>
	824,699	820,703
Net financial assets (debt)	132,326	(11,623)
NON-FINANCIAL ASSETS		
Prepaid expenses	23,059	20,329
Inventories held for use	16,088	16,967
<u>Tangible capital assets (Note 8)</u>	<u>8,905,793</u>	<u>9,115,845</u>
	8,944,940	9,153,141
Accumulated surplus	\$ 9,077,266	\$ 9,141,518

Contractual obligations (Note 13)

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

Signed on behalf of the Board:


 Chairperson
 
 Member

Office of the Auditor General

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

	2015 Budget	2015 Actual	2014 Actual
(Note 16)			
REVENUES (Note 10)			
Province of Newfoundland and Labrador			
Operating grant	\$ 539,600	\$ 539,600	\$ 523,000
Golf course (Note 11)	991,000	999,429	1,041,112
Campground (Note 12)	570,000	572,673	572,574
Services	285,000	292,739	285,575
Rental	53,000	57,166	54,103
Driving range	43,000	43,087	50,961
Miscellaneous	27,000	26,785	11,953
Advertising	11,062	11,487	11,062
Interest	2,500	9,108	6,208
	2,522,162	2,552,074	2,556,548
EXPENSES (Note 10)			
Golf course	986,864	962,256	983,647
Campground	303,400	301,228	267,212
General park	633,300	640,277	565,464
Administration and other	772,300	712,565	659,258
	2,695,864	2,616,326	2,475,581
Annual (deficit) surplus	(173,702)	(64,252)	80,967
Accumulated surplus, beginning of year	9,141,518	9,141,518	9,060,551
Accumulated surplus, end of year	\$ 8,967,816	\$ 9,077,266	\$ 9,141,518

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

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

	2015 Budget	2015 Actual	2014 Actual
(Note 16)			
<u>Annual (deficit) surplus</u>	\$ (173,702)	\$ (64,252)	\$ 80,967
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(40,519)	(110,270)
Loss on disposal of tangible capital assets	-	155	1,620
<u>Amortization of tangible capital assets</u>	<u>283,000</u>	<u>250,416</u>	<u>260,522</u>
	283,000	210,052	151,872
Changes in other non-financial assets			
Use of prepaid expenses	-	20,329	19,223
Acquisition of prepaid expenses	-	(23,059)	(20,329)
<u>Net acquisition of inventories held for use</u>	<u>-</u>	<u>879</u>	<u>(651)</u>
	-	(1,851)	(1,757)
Decrease in net debt and increase in net financial assets/decrease in net debt	109,298	143,949	231,082
<u>Net debt, beginning of year</u>	<u>(11,623)</u>	<u>(11,623)</u>	<u>(242,705)</u>
Net financial assets (debt), end of year	\$ 97,675	\$ 132,326	\$ (11,623)

*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

2015

2014

Cash flows from operating activities

Annual (deficit) surplus	\$ (64,252)	\$ 80,967
Adjustment for non-cash items		
Amortization	250,416	260,522
Loss on disposal of tangible capital assets	155	1,620
	186,319	343,109
Changes in non-cash working capital		
Accounts receivable	23,416	(6,609)
Inventories held for resale	2,961	5,437
Prepaid expenses	(2,730)	(1,106)
Inventories held for use	879	(651)
Accounts payable and accrued liabilities	(1,627)	(48,728)
Deferred revenue	25,310	5,973
Employee future benefits	34,075	15,798
Cash provided from operating transactions	268,603	313,223
Capital transactions		
Acquisition of tangible capital assets - purchased from operations	(40,519)	(25,653)
Acquisition of tangible capital assets - purchased under capital lease	-	(84,617)
Cash applied to capital transactions	(40,519)	(110,270)
Financing transactions		
Increase in capital lease obligations	-	84,617
Repayment of capital lease obligations	(53,762)	(57,720)
Cash (applied to) provided from financial transactions	(53,762)	26,897
Net increase in cash	174,322	229,850
Cash, beginning of year	750,019	520,169
Cash, end of year	\$ 924,341	\$ 750,019

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

Office of the Auditor General

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2015

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. Outlined below are the significant accounting policies followed.

(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, obligations under capital leases, and the advance from the Province of Newfoundland and Labrador. 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, 2015

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 and the advance from the Province of Newfoundland and Labrador. Obligations under capital leases are measured at amortized cost.

The carrying values of cash, accounts receivable, accounts payable and accrued liabilities, and obligations under capital leases, and the advance from the Province of Newfoundland and Labrador 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.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2015

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 the prepayment.

(h) Employee future benefits

(i) The employees of the Commission represented by the Newfoundland and Labrador Association of Public and Private Employees (NAPE) and certain management employees 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 are subject to the *Public Service Pensions Act, 1991*. Employee contributions are matched by the Commission and remitted to the Public Service Pension Plan Corporation from which pensions will be paid to employees when they retire. This plan is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best six years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best 5 years of earnings up to January 1, 2015, or the average of the best 6 years of earnings for all service.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2015

2. Summary of significant accounting policies (cont.)

(h) Employee future benefits (cont.)

During the year, there were significant changes made to the Public Service Pension Plan. The changes include: increases in contribution rates of between 2.15% and 3.25% of pensionable earnings; calculation of pension benefits, for service on or after January 1, 2015, using the average of the best six years of earnings rather than the average of the best five years of earnings; calculation of pension benefits, for service before January 1, 2015, using the higher of the average of the frozen best 5 years of earnings up to January 1, 2015, or the average of the best 6 years of earnings for all service rather than the average of the best five years of earnings; and increases in the minimum age and/or service requirements for early retirement with an unreduced pension benefit. Employees who are eligible, or become eligible; to retire on or before January 1, 2020, are exempt from increases in the minimum age and/or service requirements for early retirement with an unreduced pension benefit.

The matched contributions paid by the Commission are recorded as an expense for the year.

- (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 stipulations related to the liabilities are settled. Government transfers consist of an operating grant from the Province of Newfoundland and Labrador.

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2015

2. Summary of significant accounting policies (cont.)

(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.

3. Accounts receivable

	<u>2015</u>	<u>2014</u>
Trade	\$ 18,360	\$ 38,502
Harmonized sales tax	4,808	8,082
	<u>23,168</u>	46,584
Less: allowance for doubtful accounts	<u>(5,708)</u>	(5,708)
Net accounts receivable	<u>\$ 17,460</u>	\$ 40,876

4. Deferred revenue

	<u>2015</u>	<u>2014</u>
Golf course	\$ 80,183	\$ 68,906
Clubhouse	15,684	12,840
Rental	13,266	7,840
Campground	14,251	8,488
	<u>\$ 123,384</u>	\$ 98,074

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2015

4. Deferred revenue (cont.)

Golf course deferred revenue relates to golf packages and gift certificates sold during the fiscal year that relate to the 2015 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 2015-16 fiscal year. Campground deferred revenue relates to deposits received on reservations.

5. Obligations under capital leases

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

	<u>2015</u>	<u>2014</u>
Obligations under capital leases	\$ 87,325	\$ 141,087

Future minimum lease payments under capital leases are:

2016	\$ 55,468
2017	23,522
2018	<u>14,103</u>
	93,093
Less: interest portion of payments	<u>(5,768)</u>
	<u>\$ 87,325</u>

The capital leases are secured by equipment having a net book value of \$92,385.

6. Employee future benefits

	<u>2015</u>	<u>2014</u>
Vested severance benefits	\$ 132,835	\$ 118,038
Non-vested severance benefits	56,690	40,449
Provision for accumulating, non-vesting, sick leave	<u>68,565</u>	<u>65,528</u>
	<u>\$ 258,090</u>	<u>\$ 224,015</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, on behalf of the Public Service Pension Plan Corporation.

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6. Employee future benefits (cont.)

The plan provides a pension upon retirement based on the age of its members at retirement, length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2014 - 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, 2015, was \$58,229 (2014 - \$52,074).

7. 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.

8. Tangible capital assets

Original cost

	Balance March 31, 2014	Additions	Disposals	Balance March 31, 2015
Park				
Land	\$ 5,429,850	\$ -	\$ -	\$ 5,429,850
Furniture and equipment	383,135	20,830	7,042	396,923
Vehicles	24,106	14,249	-	38,355
Equipment under capital leases	39,914	-	-	39,914
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	208,347	-	23,825	184,522
Furniture and equipment	460,890	29,265	5,319	484,836
	\$ 13,713,881	\$ 64,344	\$ 36,186	\$ 13,742,039

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

Accumulated amortization

	Balance March 31, 2014	Amortization	Accumulated amortization on additions/disposals	Balance March 31, 2015	Net book value March 31, 2015	Net book value March 31, 2014
Park						
Land	\$ -	\$ -	\$ -	-	\$ 5,429,850	\$ 5,429,850
Furniture and equipment	355,022	11,588	(7,042)	359,568	37,355	28,113
Vehicles	23,909	2,197	-	26,106	12,249	197
Equipment under capital leases	5,987	10,178	-	16,165	23,749	33,927
Buildings	1,377,893	31,128	-	1,409,021	280,584	311,712
Park improvements	1,222,439	65,340	-	1,287,779	503,779	569,119
Golf course						
Land	-	-	-	-	1,809,696	1,809,696
Golf course improvements	813,741	53,258	-	866,999	479,312	532,570
Buildings	309,020	22,146	-	331,166	199,303	221,449
Equipment under capital leases	103,349	29,416	(16,879)	115,886	68,636	104,998
Furniture and equipment	386,676	25,165	11,715	423,556	61,280	74,214
	\$ 4,598,036	\$ 250,416	\$ (12,206)	\$ 4,836,246	\$ 8,905,793	\$ 9,115,845

C.A. PIPPY PARK COMMISSION
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8. 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.

9. Related party transactions

- (a) During the year, the Commission received an operating grant of \$539,600 (2014 - \$523,000) from the Province.
- (b) Services and rental revenue include revenues from the Province in the amount of \$256,432 (2014 - \$245,425) as a result of ongoing contracts.

C.A. PIPPY PARK COMMISSION
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10. Segmented information

The Commission reports its revenue and expenses by program area.

	Golf course		Campground		General park		Administration		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenues										
Province of Newfoundland and Labrador operating grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 539,600	\$ 523,000	\$ 539,600	\$ 523,000
Golf course (Note 11)	999,429	1,041,112	-	-	-	-	-	-	999,429	1,041,112
Campground (Note 12)	-	-	572,673	572,574	-	-	-	-	572,673	572,574
Services	-	-	-	-	292,739	285,575	-	-	292,739	285,575
Rental	-	-	-	-	-	-	57,166	54,103	57,166	54,103
Driving range	43,087	50,961	-	-	-	-	-	-	43,087	50,961
Miscellaneous	6,065	235	-	-	-	-	20,720	11,718	26,785	11,953
Advertising	11,487	11,062	-	-	-	-	-	-	11,487	11,062
Interest	1,619	1,606	-	-	-	-	7,489	4,602	9,108	6,208
	1,061,687	1,104,976	572,673	572,574	292,739	285,575	624,975	593,423	2,552,074	2,556,548
Expenses										
Advertising and promotion	1,747	2,005	2,228	2,734	426	-	1,315	1,538	5,716	6,277
Amortization	55,671	63,436	-	-	-	-	194,745	197,086	250,416	260,522
Bank charges	22,126	22,382	-	-	-	-	17,853	17,122	39,979	39,504
Building maintenance	63,779	58,781	50,779	13,954	52,387	4,221	10,315	10,983	177,260	87,939
Course maintenance	56,819	73,259	-	-	-	-	-	-	56,819	73,259
Driving range	4,643	11,374	-	-	-	-	-	-	4,643	11,374
Equipment maintenance	38,562	25,494	-	-	41,067	30,382	-	-	79,629	55,876
Fuel	35,844	37,094	-	-	30,036	32,463	-	-	65,880	69,557
Heat, light and telephone	55,483	52,108	46,113	42,445	17,520	19,225	31,739	32,822	150,855	146,600
Honoraria	-	-	-	-	-	-	280	420	280	420
Insurance	25,258	24,727	-	-	-	-	42,348	42,243	67,606	66,970
Interest on capital lease obligations	5,908	8,109	-	-	-	-	78	66	5,986	8,175
Loss on disposal of tangible capital assets	-	233	-	-	-	-	155	1,387	155	1,620
Miscellaneous	4,351	2,556	333	432	3,967	3,186	2,765	3,138	11,416	9,312
Office	7,021	5,991	897	594	-	-	9,053	7,658	16,971	14,243
Professional fees	2,510	11,989	150	1,338	-	-	4,296	18,326	6,956	31,653
Salaries and employee benefits	574,103	575,568	195,137	196,817	478,332	458,771	392,389	323,119	1,639,961	1,554,275
Supplies	8,431	8,541	5,591	8,898	16,542	16,971	3,735	3,105	34,299	37,515
Training	-	-	-	-	-	245	-	245	-	490
Travel	-	-	-	-	-	-	1,499	-	1,499	-
	962,256	983,647	301,228	267,212	640,277	565,464	712,565	659,258	2,616,326	2,475,581
Annual surplus (deficit)	\$ 99,431	\$ 121,329	\$ 271,445	\$ 305,362	\$ (347,538)	\$ (279,889)	\$ (87,590)	\$ (65,835)	\$ (64,252)	\$ 80,967

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11. Golf Course revenue

Course operations

	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Green fees	\$ 630,500	\$ 628,381	\$ 660,663
Rentals	163,500	169,261	162,515
	<u>794,000</u>	<u>797,642</u>	<u>823,178</u>
Proshop sales	23,000	10,032	23,389
Less: cost of goods sold	(10,000)	(4,016)	(13,139)
	<u>13,000</u>	<u>6,016</u>	<u>10,250</u>
Course operations	<u>807,000</u>	<u>803,658</u>	<u>833,428</u>
Clubhouse operations			
Salon rentals	38,500	42,520	43,888
Catering commissions	45,000	45,896	51,938
	<u>83,500</u>	<u>88,416</u>	<u>95,826</u>
Salon sales	174,500	181,562	187,890
Less: cost of goods sold	(74,000)	(74,207)	(76,032)
	<u>100,500</u>	<u>107,355</u>	<u>111,858</u>
Clubhouse operations	<u>184,000</u>	<u>195,771</u>	<u>207,684</u>
	<u>\$ 991,000</u>	<u>\$ 999,429</u>	<u>\$ 1,041,112</u>

C.A. PIPPY PARK COMMISSION
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12. Campground revenue

	<u>2015</u> <u>Budget</u>	<u>2015</u> <u>Actual</u>	2014 <u>Actual</u>
Registration fees	\$ 570,000	\$ 555,991	\$ 559,519
Sales	-	41,045	37,641
Less: cost of goods sold	-	(24,363)	(24,586)
	-	16,682	13,055
	\$ 570,000	\$ 572,673	\$ 572,574

13. Contractual obligations

Equipment has been leased by the Commission. Minimum lease payments over the remaining term of the leases are as follows:

2016	\$ 7,508
2017	7,508
2018	1,244
2019	<u>311</u>
	<u>\$ 16,571</u>

14. 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.

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 as disclosed in Note 3.

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14. Financial risk management (cont.)

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 5, the advance from the Province of Newfoundland and Labrador, and its contractual obligations as disclosed in Note 13. 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. The Commission is not exposed to interest rate risk on the obligations under capital leases as the interest rates are fixed to maturity. In addition, the Commission is not exposed to interest rate risk related to the advance from the Province of Newfoundland and Labrador as this financial instrument is non-interest bearing.

15. Comparative figures

Certain comparative figures as at March 31, 2014, have been reclassified to conform to the current year's presentation.

16. 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.

17. 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.