

marble
mountain
development
corporation



ANNUAL REPORT

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Chairperson's Message

On behalf of the Board of Directors, I am pleased to present the Marble Mountain Development Corporation's (MMDC) Annual Report for May 1, 2013 to April 30, 2014, and for the planning period of 2011-14, which was prepared and submitted in accordance with the Government of Newfoundland and Labrador's *Transparency and Accountability Act*.

Since MMDC's formation, its primary goals have been to create a ski resort that would act as an economic generator and a catalyst for tourism development in the region. In these respects, Marble Mountain continues to meet not only the needs of skiers and snowboarders from home and abroad, but has made concerted efforts to further its goals of becoming a multi-season operation, and as such, sustain employment and economic activity in the region.

As a catalyst for tourism on the west coast of the province, the Marble Mountain ski resort has contributed to increased private sector investment in accommodations, food service, adventure tourism businesses such as zip lining and snowmobiling, and new winter events such as *SnowWest*.

As with many multi-season resorts, MMDC has experienced increased global competition, continued high infrastructure and operating costs, and felt the impacts of climate change as well as changing demographics that continue to shape market size and preferences. Working with both the public and private sectors to improve its tourism appeal and increase sustainable opportunities to extend seasons, MMDC has diversified its product offering and increased its revenue streams.

Throughout the 2011-14 planning period, the Corporation has focused on improving client services and service quality, with a focus that provided and promoted opportunities for, and benefits of, increased physical activity throughout winter and other multi-season activities and special events.

It is with thanks to the Board of Directors and the management and staff of Marble Mountain that I present this report. My signature below is indicative of the entire Board's accountability for the preparation of this report and the results reported herein.



Robert (Bob) Pike
Chairperson

Marble Mountain Development Corporation Overview

Marble Mountain Development Corporation (MMDC) is located in Steady Brook, in the Humber Valley in Western Newfoundland. MMDC was established in 1988 by the Government of Newfoundland and Labrador to develop the Marble Mountain ski facility into a year-round, full-service resort. The corporation's mandate is to develop the Resort so that it will act as a catalyst for tourism development both locally and in the province as a whole. Government's role was to construct the initial critical mass infrastructure to attract private sector investment.

In 1995 the base lodge was constructed and the detachable high-speed quad chair lift was installed. In 1999, just before the Canada Winter Games, Marble Villa, the resort's condominium-style accommodation set was erected and opened. MMDC's management team normally consists of five full-time employees who oversee the year-round operation of the resort. During the ski season, an Outside Operations Manager, Snow School Manager and Ski Patrol Manager are hired (see Appendix A for MMDC's organization chart). The resort's summer operations consist of weddings, meetings and conferences, and Marble Zip Tours, which is run by a third-party operator. Most MMDC employees are from the Humber Valley region.

As of April 30, 2014, MMDC's Board of Directors was composed of eleven members whose names are listed in Appendix B of this report. They represent the Marble Mountain Ski and Ride Club, the City of Corner Brook, the Town of Steady Brook, the Government of Newfoundland and Labrador and, where feasible, tourism-related businesses. The Board's structure has been established according to the MMDC by-laws and the Board reports to Government through the Minister of Tourism, Culture and Recreation. Mr. Robert (Bob) Pike, Chair of the Board has held the position since April 2011.

Mandate

The mandate of the Marble Mountain Development Corporation is to serve as a catalyst for tourism development both locally and in the province as a whole. As stated in MMDC's *Articles of Incorporation*, the mandate of the Board is as follows:

- Marble Mountain Development Corporation shall have marketing as an important priority of its mandate and shall designate a portion of its generated revenues solely to marketing;
- Promote the area as a four-season resort area;
- Actively pursue operators, tenants and/or owners to occupy the lands in the area for the following purposes:
 - Ski facilities
 - Summer activities and attractions
 - Accommodations and services
 - Any other activity consistent with the development of a four-season establishment.

Vision

The Vision of Marble Mountain Development Corporation is of a high quality, safe, and memorable experience for its guests in a world class, all season resort area.

Customer service, safety, and reliability are the top priorities at Marble Mountain. Friendly and efficient service ensures that our guests enjoy their visits. The Outside Operations team follows a stringent maintenance plan and the lifts and machinery are regularly inspected to ensure they are in safe running order according to the most up to date codes and regulations.

Values

The values expressed below are intended to reflect operational values for Marble Mountain Resort. In this context, the values of Marble Mountain Development Corporation have been identified as follows:

Teamwork	▪ Each person will work in a cooperative and effective manner as part of the Marble Mountain Team.
Responsiveness	▪ Each person will respond in a timely manner, appropriate to each situation as it arises.
Accountability	▪ Each person will be individually responsible for his/her actions and each contributing member of a working group will be accountable for the outcomes.
Innovation	▪ Each person will avail of opportunities to create an enhanced guest experience at Marble Mountain Resort.
Lead	▪ Each person will aspire to deliver operational excellence.

Lines of Business

Alpine Activities and Services

Downhill skiing and snowboarding are the primary activities at the resort. To enhance the experience, MMDC offers equipment rentals and repairs, various forms of ski and snowboard instruction, child supervision, ski/snowboard locker rentals, and ski patrol (safety and first aid) services. The resort also hosts a terrain park (an area of the mountain with jumps and rail features) for skill progression and competitions.

MMDC creates most of its sponsorship and advertising revenue during the ski and snowboard season through chairlift, digital, and some traditional advertising opportunities.

Meetings, Conferences and Special Events

MMDC plays host to weddings, meetings and conferences throughout the spring, summer and fall. During the winter season, events such as Marble Cup Alpine Ski Races, *Jibfest* (a terrain park competition for snowboarders), *Old Sam Day* featuring ski and snowboard races, and *The Race on The Rock* snowmobile

aces are held to attract new guests and create interest for existing guests. Concerts and other entertainment events are held mostly during winter time as well.

Accommodations

Marble Villa is a 31-room accommodation set with condominium-style suites, which range in size from studios to two-bedroom units. These units are characterized as ski-in/ski-out, meaning that they are situated at the base of the mountain to allow easy access for skiing and snowboarding guests.

Marble Villa is air-conditioned and open year-round and is convenient for guests attending weddings, meetings and conferences at the base lodge or as a central point to explore Western Newfoundland.

Food and Beverage

MMDC provides food and beverage services during the ski and snowboard season via the Cookhouse, a cafeteria-style outlet, and the Knotty Pine Lounge, a licensed bar area. MMDC also provides catering services for all special events held at the resort.

From June to September, MMDC operates a barbecue on the deck of the base lodge to attract summer visitation. The barbecue serves guests of Marble Zip Tours' zip line and new high ropes course, as well as Marble Villa users and other tourists in the area.

Primary Clients

MMDC identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the Corporation's lines of business, and include the following:

- **Alpine Sport Enthusiasts**

People of all ages enjoy skiing and snowboarding. Statistics show that most skiers and snowboarders are between 18 and 34 years of age. MMDC's snow school provides lessons for people of all abilities, including participation with provincial schools in order to provide an outlet for outdoor physical activity. Many users of MMDC's facilities are from outside the area. They travel from Atlantic Canada primarily, but also from across the country and from international locations, to visit Newfoundland and Labrador. Marble Villa is the ski resort's condominium style accommodations that provide ski-in/ski-out convenience for skiers and snowboarders.

- **Private Industry**

Marble Mountain Development Corporation partners with tourism groups to promote the area through marketing initiatives. Events are held conjointly with other organizations such as the Western Sno-Riders, NL Snowboard and the Western NL Destination Management Organization (DMO). MMDC maintains positive working relationships with suppliers of alpine equipment, broadcasting services, food and beverage, and accommodators in the region.

- **Special Event Attendees**

Throughout the ski season special events such as concerts and competitions take place in the lodge and

on the mountain. In the summer, meetings, conferences and weddings are held within the lodge and on the grounds of the resort. In the summer months, tourists choose Marble Villa as a base from which to explore surrounding attractions and amenities.

- **Non-Skiing Public Requiring Food and Beverage**

Throughout the ski season, the Cookhouse and Knotty Pine Lounge are open to the general public. Snowmobilers, non-skiing family members, and area residents avail of the food and beverage service in the lodge.

Mission

By April 30, 2017, Marble Mountain Development Corporation will have sought to enhance sustainable visitation and client service performance.

In 2017, Marble Mountain Development Corporation will have enhanced sustainable visitation and improved its client service performance. It will have sought to promote MMDC as a key tourism destination while maintaining fiscal responsibility and seeking to increase revenues from sources other than alpine skiing. This mission statement strengthens links to, and is consistent with, Government's Strategic Directions, specifically that "Public-Private Partnerships are strengthened to increase the contribution of tourism to the province's economy." A description of this strategic direction can be found in Appendix C.

Measure

Enhanced sustainable visitation and client service performance improved.

Indicators

- Enhanced visitation and increased yield-per-visitor
- Maintained or increased visitor satisfaction
- Increased revenues from both alpine and non-alpine sources
- Increased infrastructure reliability

Financial Base

Expenditure and revenue figures included in this document are based on Marble Mountain Development Corporation Financial Statements for the year ended April 30, 2014 (see Appendix D) .

Shared Commitments

The goal of Marble Mountain Development Corporation is to become a viable, four-season resort and tourism generator for the west coast of Newfoundland. Though skiing and snowboarding remain the primary activities of the organization, there is an emphasis on attracting private investment to the resort and surrounding area in order to make the region a highly sought after tourism destination for both residents and non-residents of Newfoundland and Labrador. MMDC has employed the Strategic Directions that "Supportive physical and social environments are created that facilitate opportunities for increased

regular, lifelong participation in physical activity, active recreation and sport” and that “Public-Private Partnerships are strengthened to increase the contribution of tourism to the province’s economy” (see Appendix C for details on Strategic Directions). In particular, the MMDC addressed the focus areas to “develop priority, in-demand and export ready tourism products and experiences”, “market Newfoundland and Labrador as a tourism destination”, and “support regional recreation and sport”.

Marble Mountain has again grown its partnership ties to Marble Zip Tours (MZT) through the creation of additional summer and winter vacation packages with MZT’s existing and new outdoor activity products, including the zip line, the new Spider Challenge course and snowmobiling. The Spider Challenge course design features various obstacles and pathways suspended by rope up to sixty feet in the air on three levels. The course is suitable for most ages and ability levels, and acts as another attraction to the resort grounds. The course complements the existing zip lines, and has been getting great reviews from users.

Marble Mountain and MZT regularly work together on advertising and promotions to attract guests to the Resort and Humber Valley region. Marble Mountain has also created similar package options with locally owned and operated Cycle Solutions to offer cave tours in all seasons.

Identifying a strategic opportunity in the marketplace, MMDC also partnered with Provincial Airlines to offer special flight rates when packaged with accommodations and lift tickets. This partnership drastically reduced transportation times between St. John’s and Deer Lake for those visiting the resort, and enabled guests to stay in the Humber Valley region for longer periods of time, purchase more products and services and increase economic benefits to the region. This partnership also increased the reach of the resort by adding the promotional power of another large and well-respected company within the province.

Highlights and Accomplishments

There have been a number of achievements over the past year, notably the contracting of Ecosign, a Whistler, British Columbia-based mountain resort planning consultancy, to complete a base area development strategy for MMDC going forward. The goal for the plan is to create a sustainable and varied base area, with many attractions and amenities, for Marble Mountain. The intent is to attract additional private investment in the resort and surrounding area to make Marble Mountain a true, four-season destination for both residents of Newfoundland and Labrador and non-residents visiting the province.

The election of Chris Beckett, General Manager of MMDC as a member of the Western Destination Management Organization (DMO) Board of Directors in 2013-2014 further engaged and connected the two organizations, and will work to ensure that Marble Mountain remains a large part of west coast tourism initiatives, as well as a strong partner in the region. This includes the ongoing regional destination development planning process which is charting a path considering quality assurance and experience development. This process is providing a base of knowledge about the region’s tourism appeal by identifying assets and attributes that deliver on the provincial brand promise and regional priorities where

investment may be aligned to enhance tourism competitiveness.

The 2013-2014 ski and snowboard season saw a number of capital investments that helped the resort in a variety of ways. Seven new snow making wand guns increased snow making capacity, both in volume and in ability – the new guns are able to function in warmer temperatures than the resort’s existing fan guns, and also produce a high quality, easier to work with snow. Increased snow making capacity, coupled with good conditions and snowfall, meant that the resort was able to open 100 per cent percent of terrain on the December 26, 2013 opening day, an unprecedented achievement in the resort’s 26-year history.

In addition to an historic opening day, the resort also made a number of terrain upgrades, most notably on a trail called Jigger, to create an easier, more learning-friendly route down the mountain. The 2013-2014 lift maintenance record was also noteworthy - among all five lifts at the resort, there were a mere six hours of non-weather related downtime for the entire season.

Another major upgrade the resort implemented this season was the first installation phase of *ResortSuite*, Marble Mountain’s new integrated hospitality management system. The new programs improved the guest experience through quicker service and easier access to information for employees, and also enhanced the resort’s ability to add and manage products, services, and promotions, and to report on their performance.

To further ease season pass purchase for guests and employees, four new digital cameras were installed at each guest service terminal. The new hardware dramatically increased speed of service, and greatly improved the overall guest experience. The season pass itself underwent a redesign with added security features to aid in fraud prevention.

Marble Mountain also invested in four new terrain park features to enhance the guest experience and to attract more skiers and snowboarders to that type of skill progression. The new features provided additional advertising opportunities, as well as added excitement and new setup options for the terrain park competitions held during the season.

Key Statistics

During the 2013-14 season, Marble Mountain opened December 26, 2013 and recorded 85 ski days, an increase of just over two per cent compared to the previous ski season (see Appendix E for Visitor Statistics). This increase reflects the optimal opening date during the third week or last week of December which captures the high-visitation, high-yield Christmas-New Year holiday period. The start/opening date for the past five seasons¹ (2009-2010 to 2013-2014) has been mixed with the opening dates ranging from December 26th to January 18th. The average number of ski days for this period was 87.

Despite being closed for 12 days in January and on the Sunday during *Jibfest* weekend (by far the most profitable weekend of the entire ski and snowboard season), overall, resort revenue increased in all business units (see Appendix D-Financial Statements, specifically schedules 2-10). Season pass unit sales

¹ A five-year trend is the industry standard employed by the Canadian Ski Council.

grew by six per cent, and skier visits overall increased by just under two per cent (see Appendix E). Before the 2013-14 season, the number of season passes and skier visits had been steadily declining, and the 2013-14 season is the first time since 2007-2008 that season pass unit sales and skier visits have shown an increase. The difference in the two growth rates is attributed to the decrease in lift ticket unit sales of eight per cent. However, lift ticket revenue increased by almost six per cent over the 2012-2013 season with no price increases. This reflected the resort's ability to sell full-priced lift tickets from opening day onward, instead of having to discount because portions of the Mountain have been closed in past years at the start of the season. This demonstrates the critical importance of generating revenue and enhanced visitor access and experiences by opening Marble Mountain as early as possible.

The effective ticket price in 2013-2014 was \$29.91, a significant increase of 16 per cent over 2012-13 when ticket prices had also been raised seven per cent over the 2011-2012 season prices. This metric is an average lift ticket price, and indicates that Marble Mountain's yield per lift ticket is rising. Skier visits per day remained relatively flat in 2014 during a winter assisted by the December 26th opening but challenged by extreme weather events, especially in January 2014. See Appendix E for detailed statistics.

Marketing

The implementation of *ResortSuite* provided the opportunity for MMDC to send out targeted marketing e-mails directly to resort guests – season pass holders, Marble Villa guests, tourism partners and those who had previously signed up for the Snow Life newsletter. Messages featuring information on upcoming events, programs, and promotions were sent regularly to highly targeted audiences throughout the ski and snowboard season. The results were increased awareness of resort events, higher participation rates and improved communication with local partners. This activity is in line with Government's Strategic Direction to "Strengthen Public-Private Partnership in Tourism", particularly the focus area to "Market Newfoundland and Labrador as a tourism destination."

MMDC introduced a number of new marketing initiatives in 2013-2014 to fill the "white space", or historically lesser-attended periods throughout the winter season. Friday night riding usually has a strong start in the season, but attendance tends to drop in March. For the entire season, the resort arranged a free return shuttle service between Corner Brook and the resort, and free live entertainment every Friday night. Mid-week skier and snowboarder traffic is also slow, so Marble Mountain offered lift ticket promotions during the month of March to get more people on the mountain during those times. One promotion granted guests a free night riding lift ticket when they showed their lift ticket from the immediately preceding Thursday.

To increase mid-week visitation, the resort also offered a buy one, get one free lift ticket promotion on Wednesdays and Thursdays. While the Friday night lift ticket promotion saw limited success, the Tuesday and Wednesday lift ticket promotion increased visitation on those days in late March. On the last Tuesday and Wednesday of the month of March in 2014, lift ticket sales were as much as tripled when compared to 2013 and 2012. The resort also increased the value of the season pass product for guests. The 2013-2014

season pass awarded its owner discounts from a number of retailers and tour operators, including some services at Marble Mountain, for the first-ever Marble Perks program. In its first year, the program received positive feedback from guests and partners, demonstrating an appetite to continue growing the Marble Perks offerings in the future.

Marble Mountain Development Corporation continued to reach new people and markets through multiple media channels. The resort's social media following grew from 11,800 fans on Facebook, Twitter, and Instagram to just under 14,800 (an increase of 25 per cent) by the end of the 2013-2014 winter season. Most of the increase in fans occurred because of the early bird season pass marketing campaign which has, in recent years, placed heavy emphasis on social media content and promotion. Marble Mountain's website became more robust with regular happenings filling the events calendar, and blog posts featuring relevant information on the resort for visitors of all types.

Advertising and sponsorship opportunities were better defined in 2013-2014 and created more value for partners and external organizations. As an example, chair lift advertising was sold in bundles of at least 10 ad spaces, or the entire lift was sold to one company or organization. Such measures ensured that advertisers were noticed among much less clutter. Combined sponsorship and advertising revenue was doubled in 2013-2014 and there is potential for further growth next year.

A new advertising outlet both for exterior organizations as well as the resort itself was the addition of three new television screens throughout the lodge. For Marble Mountain, the screens offered streamlined electronic guest communication that was easily and quickly updated as necessary. The TVs also allowed Marble Mountain to show relevant televised events, such as the 2014 Winter Olympics.

In fact, while the Sunday of *Jibfest* weekend saw the resort closed for skiing and snowboarding because of inclement weather, one of the Olympic hockey games was shown in the Knotty Pine Lounge. The day ended successfully, with a full lodge all day, leading into the evening's comedy show. For outside advertisers, the screens provide a highly targeted and visible space for attractive and dynamic ads.

As a major supporter of community events, Marble Mountain maintained its platinum sponsorship level with the Corner Brook Winter Carnival. Marble Mountain Development Corporation also participated at the gold level in sponsoring the 2013 Grenfell Orientation, among dozens of other donations to the Children's Wish Foundation, Ronald McDonald House, and countless other charitable organizations. MMDC maintained its partnership with Western Sno Riders to hold the *Race on the Rock* snowmobile races at Marble Mountain in March 2014, and also continued its long-standing contributions to the Canadian Tire Jump Start Program. This program helps underprivileged children take part in healthy physical activity.

Catering

The 2013-2014 catering season had an improved performance over 2012-2013. MMDC recorded an increase in overall revenue of \$84,442, or 60 per cent, this year. The significant increase in revenue over the past year can be mostly attributed to the lack of staffing and management during the previous (2011-2012)

season, when most of the next year's events are booked. With a new Sales Manager in place, the forecast for 2014-2015 catered events looks like it could be a record year. Detailed catering revenue information, in comparison to previous years, can be found in Appendix F.

Winter Events

In line with Government's Strategic Direction to "Strengthen Public-Private Partnerships in Tourism", and the focus areas of "Organization and Coordination of the Tourism Industry" and to "Develop priority, in-demand and export ready tourism products and experiences," Marble Mountain's annual winter events enjoyed continued success in 2014. Numerous events were held that had a great turn out and helped improve the resort's service reputation, including the New Year's Eve concert, *Old Sam Day* and the *Race the Rock* snowmobile races. Despite inclement weather, *Jibfest* also had a strong attendance, including a noticeable number from Nova Scotia. Three events were held during *Jibfest*, one on each night of the weekend.

The *Toques and Goggles* pre-season event in December 2013, gained momentum from its inaugural year in 2012 and created great buzz for the upcoming winter season. In partnership with Ski World based in Steady Brook, MMDC was able to show a ski and snowboard film in the Knotty Pine Lounge, and to provide prizes for attendees. The event was a success among local residents and was a great way to welcome them back to the resort and kick-off the season in a fun and positive way.

MMDC hosted a number of new events with much success during the 2013-2014 winter season, including a new addition during Snow West weekend – Marble Mountain's first annual *Touton Festival*. There was huge interest in the touton event, especially from local media outlets. The potential to grow this event, especially with the resort's local audience and to include MMDC partners, is considered significant, and one of Marble Mountain's goals moving forward. Marble Mountain also held its first *Beerthief* event, a beer club that enables members to taste and purchase beers from all over the world. Again, there was great interest and a strong turnout, which made a case for holding multiple *Beerthief* events during winter, as well as throughout the entire year.

Marble Mountain held its first ever *Park Days* event, a day-long snowboard camp for females. In partnership with NL Snowboard, two-time Olympic athlete Sarah Conrad from Nova Scotia spent a weekend at the resort and hosted a camp to help female snowboarders show progress in their terrain park skills. Fewer than 10 participants were expected to sign up, however the final number of participants, all female, grew to 19. Such local sponsors as Magine Snowboards based in the Port Au Port peninsula helped make the camp a success, along with excellent media spin-off. An article was published online by Snowboard Canada Women's magazine, and a number of local media outlets covered the event. There was great interest from all those involved to continue the event and to make it make it even bigger and better in 2014-2015.

As Marble Mountain is one of the biggest attractions for students who come to study at Corner Brook's Grenfell Campus of Memorial University, and young adults make up a significant portion of skiers and

snowboarders at the resort, *Grenfell White Out* was created. Grenfell partnered with Marble Mountain to offer a free night riding session at the resort. Lift tickets, lessons, rentals, and shuttle service were all provided free of charge. The result was the busiest Friday night of the season (approximately 350 lift tickets issued) with the majority of visitors being new people visiting the facility and trying skiing and snowboarding for the first time.

Marble Villa

Marble Villa had a very strong year, with increases in both revenue and occupancy. Overall annual revenue increased by 14 per cent to \$326,445 from \$285,728, while occupancy increased by nine percentage points, from 19 per cent in 2012-2013 to 27 per cent in 2013-2014. Despite a challenging month in January, over the course of the season MMDC was able to surpass the performance indicators established in 2012-2013.

ResortSuite has provided an array of new guest experience enhancement opportunities for Marble Mountain Resort. Automatic electronic reservation confirmations are now e-mailed to guests once their Marble Villa booking is taken. The e-mail confirmations contain details of the reservation, the check-in process, and all the policies of Marble Villa. The electronic confirmations and signed registration cards generated by *ResortSuite* have been a key driver in helping employees uphold Marble Villa's cancellation policy, which has contributed to the overall revenue of the Resort's accommodations.

In addition to electronic confirmations, *ResortSuite* also provided the ability to send post reservation e-mails to guests. In mid-February 2014, guests of Marble Villa were sent a post-reservation thank you message which also contained a customer satisfaction survey. Some of the key insights were as follows:

- 62 per cent of guests rated Marble Villa a nine or higher (out of 10) when asked if they would recommend Marble Villa to a friend or colleague.
 - This means that 62 per cent of Marble Villa guests are loyal enthusiasts who will continue buying and referring others, fueling growth
- Very few guests expressed dissatisfaction with the Marble Villa check-in process (83 per cent positive, 11 per cent neutral)
- 68 per cent rated Marble Villa a perfect five out of five on cleanliness (23 per cent more rate four out of five).
- Knowledge base of employees received high praise (88 per cent rated four or better out of five).
- Room amenities were not highly rated
 - More than 40 per cent rate amenities three or lower.
 - Beds / linens overwhelmingly rated as the place to start upgrades (55 per cent of respondents)
 - Living Room furnishings rated #2 at 26% of respondents.
- Only 43 per cent of guests indicated they required daily housekeeping (the current standard).

The Marble Villa guest experience survey will continue to serve as a guide for customer service and for

accommodation upgrades, such as the planned beds and bedding overhaul in late 2014.

Snow School

The Marble Mountain Snow School increased revenue by eight per cent overall from \$127,641 in 2012-2013 to \$137,510 in 2013-2014 (see Appendix E for detailed statistics). Private and semi-private lessons saw the biggest gains, doubling revenue from \$24,280 to \$50,386 in 2013-2014. Despite a number of last-minute cancellations throughout the season, school groups also provided large revenue gains of 42 per cent, up to \$25,830 this season. A new contribution to the school program was the addition of a six-week after-school course offered on Friday nights. The after-school program provided a new revenue stream for Snow School, while attracting more people and families to the resort on Friday nights. This program was in line with Government's Strategic Direction of "Physical Activity, Active Recreation and Sport", particularly the focus areas of "support for sport development" and "support for regional recreation and sport". The Discover Ski and Snowboard program remained relatively flat this season, increasing financially by approximately \$900 in 2013-2014 over 2012-2013.

The 10-week youth snow school programs (Krunchers, Riders, and Kids Kamp) generated less revenue in 2013-2014 than the previous season, by approximately 26 per cent. However, it is important to note that before 2013-2014, revenue from the Kids Kamp walk-in snow school product was attributed to the Kids Kamp 10-week program revenue stream. In 2013-2014, Kids Kamp walk-in revenue was attributed to the private and semi-private lesson revenue stream. This explains part of the significant jump in revenue for the private and semi-private lessons, and the overall decrease in the 10-week program revenue. The snow school data from the 2014-2015 ski and snowboard season will be more comparable to this season's findings than the financial information from past seasons.

In addition to the six-week after-school youth program, Marble Mountain also offered a two-day holiday camp during opening week of the 2013-2014 season, as well as a freestyle ski camp for kids. The holiday camp was extremely well-received and had upwards of 60 participants throughout the two days. Such opportunities are available with a longer season and an early or on-schedule opening day. The freestyle camp took two attempts to get off the ground, but served as a good entry to offering more regular freestyle snow school programming.

Reporting on Performance

During the last three years, MMDC worked to support Government's Strategic Directions to "Strengthen public-private partnerships in tourism" and "Physical activity, active recreation and sport" especially the key focus areas of after school hour physical activity for children, youth and families, and the promotion of increased physical activity. Marble Mountain is committed to becoming a major all-season tourism generator, with an emphasis on being a catalyst for further high-end destination-oriented development in the area. Skiing and snowboarding are considered the primary activities, however, summer and other

off-season activities are also given priority.

Issue One: Financial Client Service Performance

During the past three years, in an effort to improve client services, the Board has completed its review of its infrastructure, including everything from its snow making and ski lift systems, accommodations, main lodge facilities to the maintenance facilities.

2013-14 Results

Objective: By April 30, 2014, the MMDC Board will have implemented mechanisms to assess and monitored visitor satisfaction and initiated improved client services.

Measure: Mechanisms to assess and monitor visitor satisfaction and improved client services implemented.

Indicator	Actual Results
<p>Timely, relevant and reliable financial and non-financial information available for better management control and accountability</p>	<ul style="list-style-type: none"> • Improvement in the areas of financial management and client service initiated as follows: <ul style="list-style-type: none"> • Acquisition and installation of new financial accounting software (<i>Sage50</i>) and a new integrated hospitality management system (<i>ResortSuite</i>) (details below) • Installed in the summer of 2013, <i>Sage50</i> enabled more efficient management of financial data, reporting and accountability through easy and detailed access to all financial records, including accounts payable and receivable, payroll, and budgets. • In Fall 2013, two modules of <i>ResortSuite</i> were installed: the property management system for marble Villa, and the Ski components, which provided the season pass, lift ticket and snow school sales interface. These improved the guest experiences through quicker service and easier access, and improved the staff's ability to add and manage products, services, and promotions, and to report on their performance on specific products and services along specified date ranges. • The implementation of an online guest feedback information system through <i>Survey Monkey</i>, was also initiated and implemented which initially sought guest feedback with a terrain park survey in 2013. The survey provided an avenue for terrain park users to suggest which new terrain park features they would like to see on the resort in the 2013-2014 season. The results were used to select which features would be purchased. • Surveys to measure the satisfaction of Marble Villa guests and an overall visitor experience survey were also initiated and implemented for the 2013-14 season. The results are being used to guide management in necessities to improvements across all business units, based on guest feedback.

Indicator	Actual Results
Non-alpine revenue sources identified and opportunities developed	<p>Non-alpine (events and activities other than downhill skiing and snowboarding) revenue sources identified and opportunities developed as follows:</p> <ul style="list-style-type: none"> • A total of four new non-alpine opportunities were identified through consultation with existing and potential businesses and organizations in the region • Four new event/activities were identified and developed: <i>Touton Festival</i>; <i>Beerthief</i> beer tasting; Stand-up comedy show; and Yoga for skiers and snowboarders from Quinn Pike of Happy Warrior Yoga and Fitness. • An agreement with Marble Zip Tours was made to install a high ropes obstacle course known as the Spider Challenge on resort property in which participants independently run a variety of obstacles of increasing difficulty levels consisting of several poles or trees that are connected by different acrobatic elements. • Marble Mountain also worked with Cycle Solutions in Corner Brook to offer guided cave tours in the Humber Valley region, and a <i>Ski, Cave, and Stay</i> package to capitalize on that activity.
Visitor needs and satisfaction assessed, evaluated and monitored	<ul style="list-style-type: none"> • Visitor needs and satisfaction were assessed, evaluated and monitored through the implementation of a new online guest feedback information system using <i>Survey Monkey</i>. • Through <i>Survey Monkey</i>, staff developed and implemented a number of surveys that continually monitored guest feedback in a number of areas, including the Terrain Park; Marble Villa Guests; and Overall Visitor Experience. The results of these surveys were evaluated to inform decision making toward client service improvements.
Client service needs identified and client service improvements initiated	<p>Client service needs were identified through client surveys and client service improvements initiated as a result of client feedback as follows:</p> <ul style="list-style-type: none"> • Results of the Terrain Park Survey were used to select which new features would be purchased for the following season. • Results of the Marble Villa Guests Survey served as a guide for capital investments and service changes. • Results of the Overall Visitor Experience Survey were used to guide management in necessities to improvements across all business units. • Specific client service improvements included online bookings for Marble Villa flight packages with Provincial Airlines which allowed guests to reserve products and services online. • Improvements initiated through <i>ResortSuite</i> streamlined and improved the guest experience by enabling guests to visit one customer service agent to purchase an array of products instead of having to visit multiple locations.

Indicator	Actual Results
Infrastructure needs identified	<ul style="list-style-type: none"> • New food and beverage software and hardware for the Cookhouse and Knotty Pine Lounge was identified for next phase of <i>ResortSuite</i>. • An online reservation system for Marble Villa was identified and implemented during the 2013-2014 winter season through the Resort's Fly, Ski and Stay partnership with Provincial Airlines. The need to incorporate the reservation of partner accommodations at skimarble.com was identified.

Discussion of Results:

Toward its goal of initiating improvement in the areas of financial performance and client service performance, MMDC implemented mechanisms to assess and monitor visitor satisfaction and provide improved client services. Through the implantation of *ResortSuite*, a resort management system, and *Sage50* financial management system, Marble Mountain is now able to efficiently access to all resort data, and provide customizable product and service reporting data, which has removed much of the guess work and inconsistencies in reporting. *Sage50* provides easy and detailed access to all financial records, including accounts payable and receivable, payroll, and budgets. The use of *Survey Monkey* account has provided online means to collect, store and manage guest feedback data. The service also provided easy survey creation and administration abilities, as well as analytics for the data collected.

A number of non-alpine revenue sources were also identified and opportunities developed, including an agreement with Marble Zip Tours to develop the Spider Challenge on resort property. In addition to the new Spider Challenge offering, Marble Mountain Resort added four new activities and events to its core winter season: the *Touton Festival* during *Snow West*; the *Beerthief* beer tasting event; a stand-up comedy show during *Jibfest*; and yoga specifically for skiers and snowboarders. The yoga sessions were designed by Quinn Pike of Happy Warrior Yoga and Fitness based in Stephenville and held on Sundays during the ski and snowboard season.

Online purchases and reservations have become a guest expectation, and, incrementally, Marble Mountain is fulfilling that need. Essential infrastructure was identified to improve financial and client service performance. This will require new terminals and software upgrades to implement the food and beverage module of *ResortSuite*. Additionally, it was recognized that MMDC's website required additional purchasing functionality for guests to free up guest service agents and decrease guest wait times.

Three-Year Reporting

Goal: By April 30, 2014, the Marble Mountain Development Corporation will have initiated improvement in the areas of financial performance and client service performance.

Measure: Initiated improvement in the areas of financial management and client service.

Indicator	Actual Results
Timely, relevant and reliable financial and non-financial information available for better management control and accountability	<ul style="list-style-type: none"> • In 2012-13, a review of the MMDC’s Information Technology (IT) systems was undertaken, which resulted in the identification of system restraints. A request for proposals was released, a vendor was selected and the implementation of upgrades was commenced. • These improvements resulted in timely, relevant and reliable financial and non-financial information available for better management control and accountability through the acquisition and installation of new financial accounting software (<i>Sage50</i>) and a new integrated hospitality management system (<i>ResortSuite</i>) in 2013-14
Non-alpine revenue sources identified and opportunities developed	<ul style="list-style-type: none"> • In 2011-12, the Board of the MMDC generated a list of potential non-alpine revenue opportunities, based successful industry examples. By 2013-14, a total of 11 existing and new non-alpine opportunities were maintained, enhanced, developed, and/or implemented. • Opportunities were explored with Marble Zip Tours (MZT) to establish ATV tours and ROAM the Rock Adventure tours conducted introductory dog sledding tours. • Further, MMDC entered into discussions with other third parties, including Balance Rehabilitation Clinic from St. John’s, which held massage therapy sessions at MMDC. • ROAM the Rock partnered to bring ski and snowboard movie premiers to the Resort. Four music events and concerts were held in 2012-13 in partnership with promoter Surefire Entertainment over the winter season. • MMDC also established an agreement with Marble Zip Tours to establish the Spider Challenge course. • New events were added to the Winter Events Calendar: <i>Beerthief</i> beer tasting, stand-up comedy show during <i>Jibfest</i>, and a <i>Touton Festival</i> during <i>Snow West</i>. • Happy Warrior and Fitness based in Stephenville brought yoga sessions specially-designed for skiers and snowboarders to the Mountain during the ski and snowboard season.
Visitor needs and satisfaction assessed, evaluated and monitored	<ul style="list-style-type: none"> • In 2012-2013, MMDC implemented a Customer Relationship Management System (CRM) to track, assess and monitor key customer information. As a result, MMDC could better identify customer contacts, accounts, purchases and preferences, and better match customer needs with the resort’s products and services. • In 2013-14, MMDC undertook an assessment of visitor needs and satisfaction through the implementation of a new online guest feedback information system. This feedback system enabled MMDC to measure customer satisfaction and views on the resort’s products and services. This in turn provided marketing insights to better reach current and potential customers and a basis for monitoring and improving the customer experience.

Indicator	Actual Results
Client service needs identified and client service improvements initiated	<ul style="list-style-type: none"> • In 2013-2014, MMDC hotel enabled web-based hotel bookings, and a customer relationship management system was implemented. • As detailed above, in 2013-14, MMDC identified client service needs through a survey process, and further improvements were initiated as result of the feedback.
Infrastructure needs identified.	<ul style="list-style-type: none"> • The physical infrastructure at MMDC was reviewed for safety in 2011-12, and a 10-year capital infrastructure plan was developed by fall 2011. A local engineering firm was engaged to assist in the identification of critical maintenance areas. Further, given that the ski lifts at MMDC have specific requirements, the original suppliers were engaged to prioritize outdated electrical and mechanical components. • By fall 2012, a three-year IT systems improvement plan was created to address immediate business and client services issues, and prioritized the infrastructure needs over the three year period.

Discussion of Results:

Between 2011 and 2014, MMDC initiated improvement in the areas of financial performance and client service performance. Appropriate technology was sourced and implemented to ensure timely, relevant and reliable financial and non-financial information is available for better management control and accountability. Physical and IT infrastructure were assessed, resulting in the establishment of multi-year plans to identify and address the requirements to ensure that MMDC remains a safe and up-to-date corporation. MMDC has worked to assess, evaluate and monitor client services and visitor needs. As outlined in the sections above, improvements have been implemented in areas identified through customer satisfaction surveys. Further, the MMDC worked to identify non-alpine revenue sources and develop these opportunities. Agreements with third parties enabled the MMDC to deliver on these opportunities, including the creation of the Spider Challenge and ATV tours with Marble Zip Tours.

Issue Two: Public-Private Partnerships

The Board recognizes that in order to move Marble Mountain to a four-season resort, it needs to partner with private companies that can provide high-quality tourism products and experiences.

2013-14 Results

Objective: By April 30, 2014, the MMDC Board will have increased its activity towards the number of 3rd party partnerships.

Measure: Activity toward the number of third party partnerships increased.

Indicator	Actual Results
Viable non-alpine events identified	The Board generated a list of potentially viable non-alpine events from successful industry examples. From this, a total of three viable non-alpine events were identified including: stand-up comedy during <i>Jibfest</i> by Surefire Entertainment; <i>Beerthief</i> beer tasting; the <i>Touton Festival</i> . Other third-party partnerships were developed, including Marble Zip Tours' Spider Challenge and Yoga from Happy Warrior Yoga and Fitness.
Identified opportunities for partnerships with third-party operators	The marketplace was scanned to identify existing companies that could offer viable, non-alpine products. Opportunities for partnerships were identified with a number of third-party operators including: Provincial Airlines, Cycle Solutions (Corner Brook), Marble Zip Tours, Marble Inn Resort Cove Café, local retailers (Ski World, Alpine Country Lodge, Ballistic and Marble Zip Tours), Happy Warrior Yoga and Fitness (Stephenville).
Initiated steps toward new partnerships with third-party operators	Steps toward new partnerships with third-party operators were initiated. The identification of non-alpine opportunities with local businesses and the development of products resulted in the following new partnership activities with third party operators: <ul style="list-style-type: none"> • Provincial Airlines – offered <i>Fly, Ski and Stay</i> packages • Cycle Solutions (Corner Brook) – offered <i>Ski, Cave and Stay</i> packages • Marble Zip Tours – offered the Spider Challenge and Snowmobile (<i>Sled, Ski and Stay</i>) packages through Marble Villa • Marble Inn Resort Cove Café – offered vouchers for Marble Villa guests • Marble Perks Program partners and Early Bird promotional campaign – was enabled through partnerships with local retailers (Ski World, Alpine Country Lodge, Ballistic, Marble Zip Tours, and Coast Clothing) • Happy Warrior and Fitness (Stephenville) – brought yoga sessions specially designed for skiers and snowboarders to the mountain • <i>Beerthief</i> beer tasting event held at Marble Mountain Resort.

Discussion of Results:

Marble Mountain Development Corporation forged nine new partnerships during the 2013-2014 ski and snowboard season, and grew one existing. New partnerships began with the early bird season pass sale in October with local retailers (Ski World, Alpine Country Lodge, Ballistic, and Marble Zip Tours) who promoted season pass sales through their storefronts, and also offered discounts to season pass holders throughout the season. The retailers were pleased with their results, seeing increased sales during the promotions, and expressing interest in continuing and growing the promotion in the future.

Marble Mountain also worked with Cycle Solutions in Corner Brook to offer guided cave tours in the Humber Valley region, and a *Ski, Cave, and Stay* package to capitalize on that activity. In addition, the resort worked with Quinn Pike of Happy Warrior Yoga and Fitness based in Stephenville to bring yoga sessions to

the Mountain. Quinn designed yoga classes to meet the needs of skiers and snowboarders and offered her teachings on Sundays after last chair. The sessions had great turnouts and feedback, and showed great promise for scheduling more classes during the 2014-2015 ski and snowboard season. In addition to continuing *Zip, Ski, and Stay* packages from Marble Zip Tours, Marble Mountain Development Corporation also added snowmobile rentals to Marble Villa ski packages. The *Sled, Ski, and Stay* package was a successful offering for Marble Mountain guests, and will continue in future seasons.

Three Year Reporting

Goal: By April 30, 2014, the Marble Mountain Development Corporation will have taken steps to initiate public-private partnerships in tourism.

Measure: Steps taken to initiate partnerships with third-party operators within the tourism industry.

Indicator	Actual Results
Viable non-alpine events identified	<ul style="list-style-type: none"> • MMDC undertook a review of examples of successful non-alpine opportunities, and from this generated a list of potential viable non-alpine events for Marble Mountain. • MMDC also explored opportunities with Marble Zip Tours, including the establishment of the Spider Challenge. Further, MMDC established concerts and festivals including the <i>Beerthief</i>, <i>Jibfest</i>, and the <i>Touton Festival</i>.
Identified opportunities for partnerships with third-party operators	<ul style="list-style-type: none"> • MMDC explored opportunities for further partnerships with Marble Zip Tours, including the establishment of the Spider Challenge. • Further, MMDC entered into discussions with other third parties, including Balance Rehabilitation Clinic from St. John’s, which held massage therapy sessions at MMDC. Further, ROAM the Rock partnered to bring ski and snowboard movie premiers. Four music events and concerts were held in 2012-2013 in partnership with promoter Surefire Entertainment over the winter season. • A partnership was established with Provincial Airlines to create an airline package. • ROAM the Rock Adventure Tourism partnered with <i>A Les Skis Doux</i> to offer entry-level dog sledding opportunities in 2011-2012.

Indicator	Actual Results
Initiated steps toward new partnerships with third party operators	<p>In 2011-2012, MMDC posted a call for expressions of interest in the <i>Western Star</i> and <i>The Telegram</i> for potential third party partnerships and operations at the MMDC.</p> <ul style="list-style-type: none"> • A multi-year agreement was established with Marble Zip Tours to operate the Spider Challenge. • New promotional partnerships were forged with four local retailers in the Province. • Discussion with regional accommodators about packaging complementary products and services was undertaken. • Test implementation of packaging products with Marble Inn Resort was undertaken during the 2013-2014 ski and snowboard season.

Discussion of Results:

During the three years 2011-2014, the MMDC has undertaken steps to initiate public-private partnerships in tourism. Viable non-alpine options were identified, opportunities for third-party partnerships were identified, and steps toward new partnerships with these third party operators were initiated. In 2011-2012, the MMDC posted a call for expressions of interest in the *Western Star* and *The Telegram* to assess interest in potential third party partnerships for operations at the MMDC. This call resulted in several immediate inquiries, including one of whom set up their operation inside the main lodge- Balance Rehabilitation Clinic from St. John’s, which offered massage therapy during the busy periods of the season.

MMDC developed several strong partnerships through the three years identified in the business plan. The relationship with Marble Zip Tours was strengthened and additional offerings were established, including summer ATV tours and winter snowmobile rentals, and the establishment of the Spider Challenge high ropes obstacle course. MMDC partnered with ROAM the Rock Adventure Tourism to establish dog sledding opportunities, as well as ski and snowboarding movie premiers. Further, MMDC worked with a promoter, Surefire Entertainment, to establish concerts and other entertainment events to be held at the resort.

During the 2013-2014 ski and snowboard season, new partnerships with four local retailers were created to promote Marble Mountain season passes, as well as cross-promotion for the local operators’ storefronts. Overall, the promotion of snow sports was advanced through the partnerships.

Issue Three: Increased Participation

Marble Mountain Development Corporation is a key organization on the West coast of the island to increase access and participation to physical activity, active recreation and sport, as per Government’s Strategic Direction.

2013-14 Results

Objective: By April 30, 2014, the MMDC Board will have increased its partnerships in provincial snowsport organizations.

Measure: Partnerships in provincial snow sport organizations increased.

Indicator	Actual Results
Increased night skiing visitation	<ul style="list-style-type: none"> • Night riding visitation was increased through events, promotions and partnerships from 500 visits in 2012-2013 to 819 visits in 2013-2014. The main contributor to this increase was a partnership with Grenfell Campus and the promotion of the <i>Grenfell White Out</i> event which provided free lift tickets, lessons, and rentals to the community. Just over 350 lift tickets were issued that night, many to first-time visitors of the facilities, and newcomers to the alpine sports. • MMDC also offered free return shuttle service between Corner Brook and Marble Mountain on each Friday night of the 2013-2014 season, in addition to free live entertainment which contributed to increased night skiing visitation. • A six-week Friday night program was also offered to elementary and junior high school-aged youth and achieved a good initial participation rate of just under 100 night riding visits, as well as contributed to the growth in night riding visitation overall.
Initiated efforts to increase provincial participation in snow sport activities	<ul style="list-style-type: none"> • Efforts to increase provincial participation in snow sport activities were initiated as follows. These included: <ul style="list-style-type: none"> • Partnerships with NL Snowboard Association to bring a national <i>Park Days</i> event to Marble Mountain resort and bring two-time Olympic athlete Sarah Conrad to Marble Mountain to host a female snowboard camp. • A partnership with Grenfell College to offer free night riding, rentals, and lessons. • The creation of a Friday night six week snow school program. • A freestyle camp for youth. • The offering of the nationally executed and promoted <i>Discover More</i> program for beginners.

Discussion of Results

Through partnerships and new promotions, night skiing visitation increased significantly in 2013-2014 to 819 from 500 in 2012-2013. The main contributor to the increase was an event promotion with Grenfell Campus. For the last Friday night ride of the season, *Grenfell White Out* provided free lift tickets, lessons, and rentals to the community. The resort also offered free return shuttle service between Corner Brook and Marble Mountain on each Friday night of the 2013-2014 season, in addition to free live entertainment. These initiatives will continue into the future, along with new ones, to further increase night riding visitation.

To attract and maintain youth skiers and snowboarders, Marble Mountain created two new program offerings in 2013-2014. The six-week Friday night program was offered to elementary and junior high school-aged kids and achieved a good initial participation rate of just under 100 visits. The Marble Mountain snow school also offered a new freestyle ski camp for youth, which is anticipated to grow over the next two to three seasons, with the goal of reaching the size of the existing ten week youth programs (Krunchers, Marble Riders, and Kids Kamp). Camps like this, as well as terrain park investment, were important for skill progression, especially with youth skiers and snowboarders.

Marble Mountain also created an add-on product to the nationally executed and promoted Discover Skiing and Discover Snowboarding programs. The *Discover More* program encouraged new skiers and snowboarders to add two more days of lessons and rentals to their original discover package at a further discounted rate.

Finally, MMDC increased its partnership ties to the NL Snowboard Association in winter 2014 through cooperatively bringing two-time Olympic athlete Sarah Conrad to the resort to host a female snowboard camp called Park Days. The turnout was much better than expected with 19 participants. Not only was the next year’s planning for the Park Days event initiated in 2013-14, there also was strong interest from a variety of other guests to do similar camps with other notable athletes.

Three Year Reporting

Goal: By April 30, 2014, the Marble Mountain Development Corporation will have increased opportunities for participation in physical, active recreation and sport activities.

Measure: Initiate participation in active recreational and sport activities at the Resort.

Indicator	Actual Results
Increased night skiing visitation	<ul style="list-style-type: none"> • “Night Riding” from 6:00-9:00 pm on Fridays, was an under-attended skiing time before 2011; during the 2011-2012 year, increased attention and marketing on these events was established to increase nighttime participation. During that time, MMDC saw a 40 per cent increase in the sale of night riding tickets over the previous year. This increase does not include season pass holder usage, as that usage is not tracked. By 2013-2014, the increase was up by an additional 15 per cent. Night riding statistics are included in Appendix E. • Night lighting was added to the learning area and the terrain park. • In 2013-2014, as outlined above, a six-week Friday night program was also offered to elementary and junior high school aged kids.

Indicator	Actual Results
Initiated efforts to increase provincial participation in snow sport activities	<ul style="list-style-type: none"> • In 2012-2013, an increased focus was placed on increasing accessibility in the after-school time frame. After-school programming was offered, and night-skiing operating hours were changed to open earlier. • MMDC initiated public school lessons on Friday afternoons and evenings. • As detailed in the 2013-2014 reporting, further efforts were initiated to increase provincial participation in snow sport in that year, including the creation of partnerships and camps.

Discussion of Results

The MMDC has increased opportunities for participation in physical, active recreation and sport activities, including increasing night skiing visitation and initiating efforts to increase provincial participation in snow sport activities. Night riding opportunities have had increased attendance as a result of targeted marketing efforts and partnerships, the placement of night lighting in the learning area and terrain park, and the creation of a youth night program.

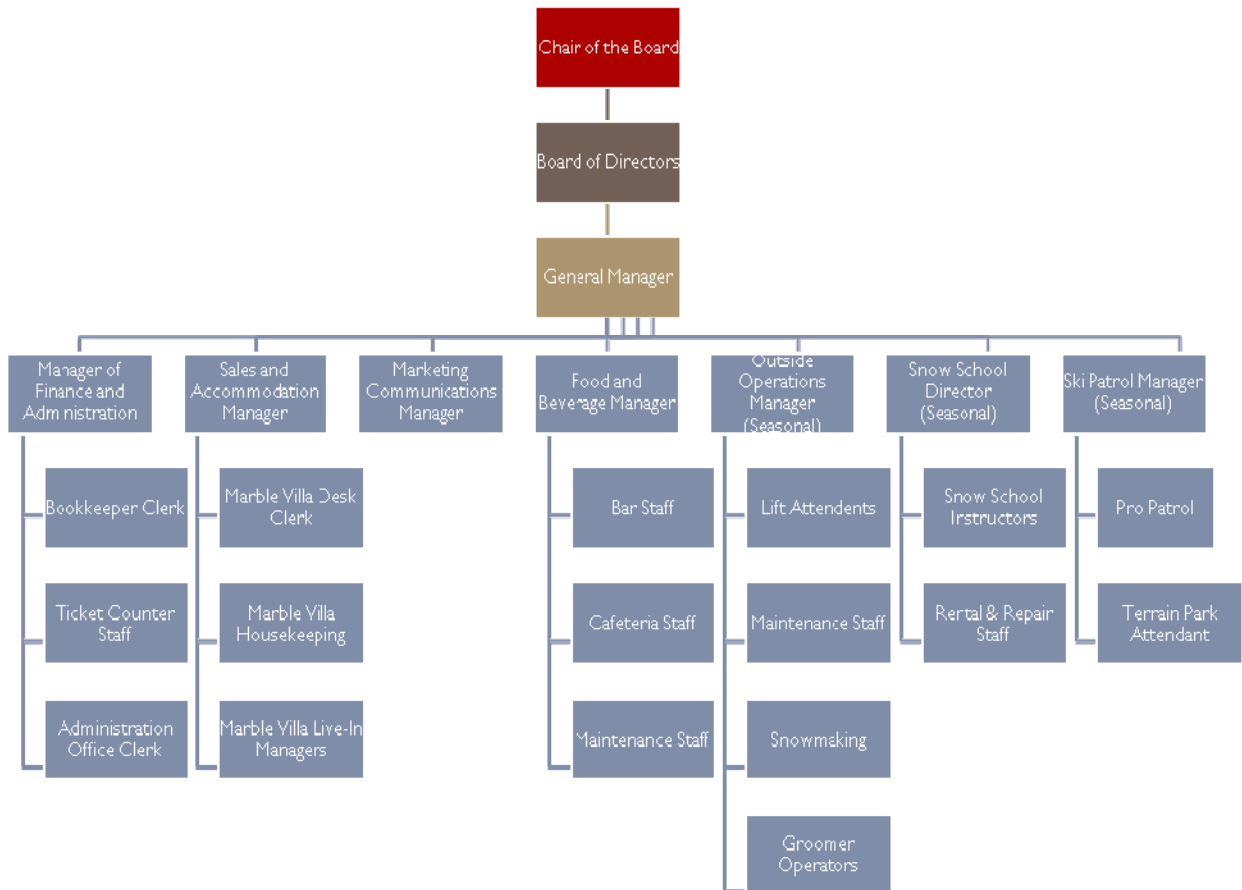
MMDC initiated efforts to increase provincial participation in snow sport activities through an increased focus on the after-school time period and the creation of public school lessons. Further, partnerships have been established to ensure increased interest and accessibility, including the creation of special events, camps and, in the case of the partnership with the Grenfell Campus of Memorial University, free night riding, rentals and lessons.

Opportunities and Challenges Ahead

MMDC anticipates facing a number of continuing challenges and opportunities over the planning period. As with many multi-season resorts, MMDC is experiencing increased global competition, continuing high infrastructure and operating costs, the impacts of climate change (especially on the anchor winter season) and changing demographics that are shaping market size and preferences. Further, in 2014-15, the MMDC will also have the challenge of replacing the Governor’s Express lift. The chairlift was damaged when a lightning strike caused a fire in the lift shack at the top of the ski hill on August 8, 2014.

MMDC will continue to work with both the public and private sector to improve its tourism appeal and increase sustainable opportunities to extend seasons, diversify the product offering, and increase revenue streams. The corporation is also focusing on improving client services and service quality as a source of sustainable, competitive advantage. This includes an increased focus on providing and promoting opportunities for, and benefits of, increased physical activity especially in winter and through other multi-season activities and special events.

Appendix A – Current Organizational Chart



Appendix B – Current Board Members (as of April 30, 2014)

Current Board Members	Robert Pike Chair
	Janice Turner Vice Chair
	Mike Dolter City of Corner Brook
	Jerry George Marble Mountain Ski and Ride Club
	Carmela Murphy Assistant Deputy Minister –Tourism, Department of Tourism, Culture and Recreation
	Steven May Member-at-Large
	Carla Haynes Member-at-Large
	John Davis Department of Innovation, Business and Rural Development
	Laura Walbourne Member-at-Large
	Donna Thistle Town of Steady Brook
Peter Au Assistant Deputy Minister, Department of Finance	

Appendix C – Applicable Strategic Directions

Strategic Directions are the articulation of desired physical, social or economic outcomes and normally require action by more than one government entity. These directions are generally communicated by Government through platform documents, Throne and Budget Speeches, policy documents, and other communiqués.

The *Transparency and Accountability Act* requires departments and public bodies to take into account these strategic directions in the preparation of their performance-based plans. This will ensure that all entities are moving forward on key commitments.

The Strategic Directions that are relevant to the Marble Mountain Development Corporation are: “Strengthen Public-Private Partnerships in Tourism” and “Physical Activity, Active Recreation and Sport”.

Tourism: Strengthen Public-Private Partnerships in Tourism

Outcome: Public-Private Partnerships are strengthened to increase the contribution of tourism to the province’s economy.

Focus Areas of the Strategic Direction	This Direction is Addressed in the MMDC Business Plan:	This Direction is Addressed in the MMDC Operational Plan:	This Direction is Addressed in the MMDC Work Plans:
Further advance the Tourism Vision and its seven key directions.			●
Organization and Coordination of the Tourism Industry.			
Develop priority, in-demand and export ready tourism products and experiences.			●
Market Newfoundland and Labrador as a tourism destination.			●
Evaluation and performance measurement of the Tourism Vision and revenue target.			●
Development of the tourism workforce.			●

Recreation and Sport: Physical Activity, Active Recreation and Sport

Outcome: Supportive physical and social environments are created that facilitate opportunities for increased regular, lifelong participation in physical activity, active recreation and sport.

Focus Areas of the Strategic Direction	This Direction is Addressed in the MMDC Business Plan:	This Direction is Addressed in the MMDC Operational Plan:	This Direction is Addressed in the MMDC Work Plans:
Further advance the Recreation and Sport Strategy and its six key directions.		●	
Focus on after school hour physical activity for children, youth and families.	●		
Promote increased physical activity and healthy eating throughout the province.	●		
Increased access and participation for under-represented groups (disabled persons, women and girls, lower income, Aboriginal).			●
Support regional recreation and sport.		●	
Strengthen provincial regional recreation and sport organizations.	●		
Support for sport development.			●

Appendix D – Financial Statements

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

**Financial Statements
For the Year Ended April 30, 2014**

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

Financial Statements

For the Year Ended April 30, 2014

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STATEMENT OF RESPONSIBILITY

The accompanying Financial Statements are the responsibility of the management of the *Marble Mountain Development Corporation* and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Directors met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

BDO Canada LLP as the Organization's appointed external auditors, have audited the Financial Statements. The Auditor's Report is addressed to the General Manager and the Board of Directors and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Financial Statements are free of material misstatement and present fairly the financial position and results of the Municipality in accordance with Canadian public sector standards.



Chris Beckett
General Manager



Jonathan MacDonald
Manager of Finance and Administration



Tel: 709 634 1590
Fax: 709 634 1599
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BDO Canada LLP
50 Main Street
Suite 300
Corner Brook NL A2H 1C4 Canada

INDEPENDENT AUDITOR'S REPORT

To the General Manager and Board of Directors
MARBLE MOUNTAIN DEVELOPMENT CORPORATION

We have audited the accompanying consolidated financial statements of Marble Mountain Development Corporation, which comprise the consolidated statement of financial position as at April 30, 2014 and the consolidated statements of operations, change in net financial asset (net debt), 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 controls 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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Marble Mountain Development Corporation as of April 30, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

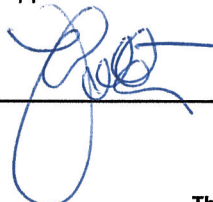
Corner Brook, NL
May 22, 2014


CHARTERED ACCOUNTANTS

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF FINANCIAL POSITION
As at April 30, 2014

	<u>2014</u>	<u>2013</u>
FINANCIAL ASSETS		
Cash and bank	\$ 3,232	\$ 3,000
Accounts receivable (Note 4)	44,569	55,275
	<u>\$ 47,801</u>	<u>\$ 58,275</u>
LIABILITIES		
Bank Indebtedness (Note 7)	\$ 1,599,947	\$ 1,395,492
Accounts payable and accrued liabilities (Note 8)	190,099	358,840
Current portion of obligations under capital lease (Note 12)	65,113	57,929
Deferred revenue (Note 4)	21,500	28,165
Deferred grant (Note 11)	840,000	840,000
Long-term debt (Note 15)	300,000	300,000
Obligations under capital lease (Note 3 and Note 12)	170,672	197,851
Deferred government assistance (Note 3 and Note 9)	5,986,287	5,896,290
	<u>9,173,619</u>	<u>9,074,567</u>
NET FINANCIAL ASSETS (DEBT)	<u>\$ (9,125,818)</u>	<u>\$ (9,016,292)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 1) (Note 3)	\$ 13,435,602	\$ 14,147,774
Inventory (Note 3)	37,137	35,754
Deferred Charges (Note 5)	18,522	-
Prepaid expenses (Note 6)	9,701	28,470
	<u>13,500,962</u>	<u>14,211,998</u>
ACCUMULATED SURPLUS	<u>\$ 4,375,144</u>	<u>\$ 5,195,706</u>

Approved on behalf of Board:



Mike Dolter

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF OPERATIONS
Year Ended April 30, 2014

	<u>2014</u> <u>Actual</u>	<u>2013</u> <u>Actual</u>
REVENUES		
Lift Operations (Schedule 2)	\$ (318,774)	\$ (330,385)
Repair Shop (Schedule 3)	33,499	31,154
Rental (Schedule 4)	136,088	134,349
Cafeteria (Schedule 5)	10,189	29,560
Bar (Schedule 6)	66,096	41,840
Ski School (Schedule 7)	13,841	19,646
Events (Schedule 8)	57,629	16,733
Marketing (Schedule 9)	(47,003)	(40,425)
Marble Villa (Schedule 10)	148,851	128,677
Operating Grant	390,000	394,000
Wage Subsidy Grant	1,440	1,326
Gain on Disposal of Assets	4,620	-
Total revenues	<u>496,474</u>	<u>426,475</u>
EXPENSES		
Administration	36,396	20,373
Bad Debts	-	-
Board and Committee Meetings	1,045	1,535
Communications	16,323	14,848
Directors Fees	4,255	4,475
Donations	9,439	1,226
Interest and Bank Charges	51,980	63,928
Interest on Capital Leases	15,511	17,073
Labour	219,304	224,376
Miscellaneous	6,551	2,483
Professional Fees	16,397	8,888
Travel and Conference	9,187	13,067
Total expenses	<u>386,387</u>	<u>372,272</u>
ANNUAL SURPLUS	<u>110,087</u>	<u>54,203</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	5,195,706	6,077,618
AMORTIZATION FOR THE YEAR	<u>(930,649)</u>	<u>(936,115)</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>4,375,144</u>	<u>5,195,706</u>

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
Year ended April 30, 2014

	<u>2014</u>	<u>2013</u>
ANNUAL SURPLUS (DEFICIT)	\$ 110,087	\$ 54,203
Acquisition of tangible capital assets	(582,001)	(519,704)
Amortization of deferred grants	350,744	337,222
Gain on Disposal of capital assets	(4,620)	
Proceeds on disposal of tangible capital assets	17,400	-
Decrease (Increase) in deferred charges	(18,522)	7,253
Decrease (Increase) in inventories	(1,383)	(1,880)
Decrease (Increase) in prepaids	18,769	(5,260)
	<u>(219,613)</u>	<u>(182,369)</u>
CHANGE IN NET FINANCIAL ASSETS	(109,526)	(128,166)
NET FINANCIAL ASSETS (NET DEBT), BEGINNING OF YEAR	<u>(9,016,292)</u>	<u>(8,888,126)</u>
NET FINANCIAL ASSETS (NET DEBT), END OF YEAR	<u>\$ (9,125,818)</u>	<u>\$ (9,016,292)</u>

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
STATEMENT OF CASH FLOW
Year Ended April 30, 2014

	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Annual surplus	\$ 110,087	\$ 54,203
Items not affecting cash		
Amortization of tangible assets	1,281,391	1,273,338
Adjustment to surplus	(930,649)	(936,115)
Gain of disposal of capital assets	(4,620)	-
Changes in non-cash items		
Accounts receivable	32,206	(29,128)
Accounts payable and accrued liabilities	(168,741)	(318,703)
Deferred revenue	(28,165)	16,665
Prepaid expenses	18,769	(5,260)
Inventory	(1,383)	(1,878)
Deferred charges	(18,522)	7,253
Deferred government grant	-	840,000
Deferred government assistance	89,997	162,777
Cash Flow from Operating Activities	<u>380,370</u>	<u>1,063,152</u>
INVESTING ACTIVITIES		
Cash used to acquire tangible capital assets	(582,001)	(519,707)
Proceeds on disposal of tangible capital assets	17,400	-
Cash Flow from Investing Activities	<u>(564,601)</u>	<u>(519,707)</u>
FINANCING ACTIVITIES		
Proceeds (repayment) of Bank Indebtedness	204,452	(488,938)
Proceeds from Obligations Under Capital Lease	47,939	-
Repayment of Obligations Under Capital Leases	(67,928)	(59,587)
Cash Flow from (used by) Financing Activities	<u>184,463</u>	<u>(548,525)</u>
INCREASE (DECREASE) IN CASH FLOW	232	(5,080)
CASH AND BANK, BEGINNING OF YEAR	<u>3,000</u>	<u>8,080</u>
CASH AND BANK, END OF YEAR	<u><u>\$ 3,232</u></u>	<u><u>\$ 3,000</u></u>
CASH CONSISTS OF:		
CASH	<u><u>3,232</u></u>	<u><u>3,000</u></u>

The accompanying notes are an integral part of these financial statements
BDO Canada LLP, Chartered Accountants

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
As at April 30, 2014

1. Description of Operations

The Organization is an "Other Government Organization" (OGO) incorporated under the Corporations Act of Newfoundland and Labrador. Its affairs are managed by a Board of Directors appointed by the Lieutenant Governor in Council. The Province of Newfoundland and Labrador holds 100% of the issued common shares. The Corporation is a non-for-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

2. Management's Responsibility for the Financial Statements

The financial statements of the Other Government Organization are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards.

3. Significant Accounting Policies

a) Basis of Accounting

These financial statements have been prepared using Canadian public sector accounting standards.

b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand.

c) Inventory

Inventory is valued at cost

d) Tangible Capital Assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly

Area Improvements	30 years
Buildings	15-40 years
Computer Equipment	3 years
Equipment under Capital Lease	10 years
Furniture and fixtures	5 years
Lifts	30 years
Rental Equipment	3 years
Signs	5 years
Vehicles	3-20 years

e) Government Assistance and Other Contributions

Provincial government grants and other contributions related to the acquisitions of capital assets are accounted for as contributed surplus. Federal government grants and other contributions related to the acquisitions of capital assets are recorded as deferred government grants and amortized to income in relation to the amortization of the asset involved. Government assistance and other contributions related to capital assets retired from service are credited against the related capital asset in the year of retirement.

Government grants related to operations are accounted for as revenue or as a reduction of the expense to which the grant relates.

f) Government Transfers

Government transfers, which include legislative grants, are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amount can be made.

g) Revenue Recognition

Revenue from sales is recognized when the significant risks and rewards of ownership have been completed and there are no significant obligations remaining, the sales price is fixed and determinable, persuasive evidence of an arrangement exists and collectibility is reasonably assured. This usually occurs at the time the services are provided.

h) Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Organization, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases and the rental costs are expensed as incurred.

i) Use of Estimates

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

4. Accounts Receivable

	2014	2013
Trade	\$ 33,066	\$ 55,275
Deferred Revenue	(21,500)	(28,165)
	<u>\$ 11,566</u>	<u>\$ 27,110</u>

The deferred revenue account records any deposits on events for the upcoming year

5. Deferred Charges

During the year the organization purchased uniforms for its employees in the amount of \$27,783. As discussed with management, these uniforms will be amortized over a period of three years. The amount amortized in 2014 \$9,261.

6. Prepaid Expenses

	2014	2013
Lease of Assets	\$ 1,651	\$ 7,210
Computer Support	3,738	-
Automation	4,311	5,260
Property Agreement	-	16,000
	<u>\$ 9,701</u>	<u>\$ 28,470</u>

7. Bank Indebtedness

The line of credit is authorized in the amount of \$2,087,000 and bears interest at the rate of bank prime. It is secured by a Provincial Government guarantee and letter of indemnity and overdraft agreement signed by the Board of Directors

8. Accounts Payable and Accrued Liabilities

	2014	2013
Trade	\$ 183,158	\$ 356,307
HST Payable	(8,287)	(9,952)
Payroll Deductions Payable	15,228	12,485
	<u>\$ 190,099</u>	<u>\$ 358,840</u>

9. Deferred Government Assistance - Capital Assets

	2014	2013
Balance, beginning of year	\$ 5,896,290	\$ 5,733,513
Plus: Deferred government assistance received for the year	450,000	500,000
Less: Amount transferred to income by reduction of the amortization expense for the year	(360,003)	(337,223)
	<u>\$ 5,986,287</u>	<u>\$ 5,896,290</u>

10. Government Assistance and Other Contributions - Operations

	2014	2013
Administrative Operating Grant	\$ 390,000	\$ 390,000
Capital Grants	450,000	450,000
Marketing Grants	150,000	150,000
	<u>\$ 990,000</u>	<u>\$ 990,000</u>

11. During the year the operating grant for the 2014/2015 fiscal year was received. This has been set up as a deferred grant to be taken into revenue over the next fiscal year.

12. Obligations under Capital Lease

	2014	2013
National Leasing repaid during the year	-	7,036
National Leasing bearing interest at 5.65% per annum, repayable in monthly blended payments of \$4,960. The lease matures on November 1, 2016 and is secured by a charge over specific equipment.	195,426	242,449
National Leasing repaid during the year	-	6,295
National Leasing bearing interest at 6.5% per annum, repayable in monthly blended payments of \$1461. The lease matures on November 1, 2016 and is secured by a charge over specific equipment.	40,360	-
	<u>\$ 235,785</u>	<u>\$ 255,780</u>
Amounts payable within one year	(65,113)	(57,929)
	<u>\$ 170,672</u>	<u>\$ 197,851</u>

13. Contingent Liability

As at April 30, 2014, a supplier had claimed that the Organization owed it approximately \$70,005 for services rendered. The Organization's management feels the claim is unfounded and the likelihood of any loss resulting therefrom is undeterminable. Therefore, the Organization has not recorded a provision for losses that may result from the claim.

14. Related Party Transactions

During the year ended April 30, 2014, director's fees of \$4,255(2013 - \$4,475) were paid in aggregate to the Board of Directors of the Organization.

15. Long Term Debt

Department of Innovation, Rural Development and Trade loan secured by a chattel mortgage on specific equipment. The repayments required to meet retirement provisions are based on available cash flow which is defined as net profit plus amortization less principal payments on long term debt and capital leases. The Organization has until 2015 to repay the loan in full.

	<u>2014</u>	<u>2013</u>
	\$300,000	\$300,000

16. Capital Management

The organization's capital consists of shareholder equity. The organization's primary objectives in managing its capital consist of safeguarding its ability to continue as a going concern and sourcing sufficient capital to provide its services. The organization's primary policy in regards to managing capital is a requirement that committed future expenditures do not exceed current capital resources. The corporation's primary process for managing capital consists of the ongoing assessment of current capital resources against budgeted events and administrative expenditures. The organization is not subject to any externally imposed capital requirements. There have been no changes in the corporation's objectives for managing capital or the definition thereof as compared to the previous year.

17. Patrol Operating Expenses

	<u>2014</u>	<u>2013</u>
Labour	\$ 74,339	\$ 59,446
Supplies	8,162	4,924
Telephone	714	350
Radio Rental	1,240	540
Sundry	3,734	3,641
	<u>\$ 88,189</u>	<u>\$ 68,901</u>

Marble Mountain Development Corporation
SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year Ended April 30, 2014

(Schedule 1)

Cost											Totals		
	Area Improvements	Buildings	Computer Equipment	Equipment Under Capital Lease	Furniture and Fixtures	Lifts	Rental Equipment	Signs	Vehicles	2014	2013		
Opening costs	\$ 10,721,693	\$ 10,611,966	\$ 67,258	\$ 643,389	\$ 805,585	\$ 5,378,421	\$ 111,521	\$ 96,782	7,697,005	\$ 36,133,620	\$ 35,613,916		
Additions during the year	35,507	-	51,748	40,257	21,077	23,151	17,832	-	392,430	582,001	519,704		
Disposals and write downs	-	-	-	(26,589)	-	-	-	-	(15,699)	(43,258)	-		
Closing costs	<u>10,757,200</u>	<u>10,611,966</u>	<u>119,006</u>	<u>657,057</u>	<u>826,662</u>	<u>5,401,572</u>	<u>129,353</u>	<u>96,782</u>	<u>8,072,736</u>	<u>36,672,333</u>	<u>36,133,620</u>		
Accumulated Amortization													
Opening accum'd amortization	6,830,216	4,388,728	33,007	294,677	805,585	3,186,177	111,521	96,782	6,299,153	21,965,846	20,712,508		
Amortization	357,982	265,300	31,044	68,390	2,108	174,596	2,972	-	378,999	1,281,391	1,279,338		
Disposals and write downs	-	-	-	(22,157)	-	-	-	-	(8,349)	(30,506)	-		
Closing accum'd amortization	<u>7,188,198</u>	<u>4,654,028</u>	<u>64,051</u>	<u>340,910</u>	<u>807,693</u>	<u>3,360,773</u>	<u>114,493</u>	<u>96,782</u>	<u>6,609,803</u>	<u>23,236,731</u>	<u>21,985,846</u>		
Net Book Value of Tangible Capital Assets	<u>\$ 3,569,002</u>	<u>\$ 5,957,938</u>	<u>\$ 54,955</u>	<u>\$ 316,147</u>	<u>\$ 19,969</u>	<u>\$ 2,040,799</u>	<u>\$ 14,860</u>	<u>\$ -</u>	<u>\$ 1,462,933</u>	<u>\$ 13,435,602</u>	<u>\$ 14,147,774</u>		

The accompanying notes are an integral part of these financial statements
BDO Canada LLP, Chartered Accountants

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

Lift Operations

(Schedule 2)

Year Ended April 30, 2014

	2014	2013
Revenue		
Lift Ticket Revenue	\$ 589,112	\$ 558,160
Season Pass Revenue	611,371	565,841
Children Center Revenue	9,319	8,082
Miscellaneous Revenue	62,865	50,040
	<u>1,272,667</u>	<u>1,182,123</u>
Expenditures		
Children's centre	11,523	14,777
Communications	7,684	4,902
Management contract	100,800	103,600
Equipment rental	1,462	8,882
Heating and electricity	160,150	151,059
Insurance	94,769	117,748
Interest and bank charges	52,727	46,981
Labour	450,703	387,558
Lift repairs	98,279	136,821
Maintenance		
Building	47,172	30,824
Slopes	29,148	40,591
Miscellaneous	20,540	19,803
Municipal fees	40,000	24,000
Security	299	299
Patrol expenses (Note 17)	88,189	68,901
Snowclearing	29,400	40,690
Snowmaking		
Electricity	97,541	87,589
Labour	30,865	23,065
Equipment maintenance	34,919	67,632
Supplies	32,394	28,659
Vehicle operating		
Repairs	78,609	37,708
Fuel	79,733	62,340
Uniforms	4,535	8,079
	<u>1,591,441</u>	<u>1,512,508</u>
Income from operations	<u>\$ (318,774)</u>	<u>\$ (330,385)</u>

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
Repair Shop
Year Ended April 30, 2014

(Schedule 3)

	2014	2013
Revenue	\$ 54,015	\$ 48,418
Expenditures		
Labour	19,104	16,218
Supplies	1,412	1,046
	20,516	17,264
Income from operations	\$ 33,499	\$ 31,154

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

Rental

(Schedule 4)

Year Ended April 30, 2014

	2014	2013
Revenue	\$ 187,039	\$ 178,201
Expenditures		
Communications	231	231
Labour	49,162	42,499
Supplies	1,558	1,122
	50,951	43,852
Income from operations	\$ 136,088	\$ 134,349

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
Cafeteria
Year Ended April 30, 2014

(Schedule 5)

	2014	2013
Revenue	\$ 257,802	\$ 220,316
Cost of sales	<u>130,531</u>	<u>104,468</u>
Gross profit	<u>127,271</u>	<u>115,848</u>
Expenditures		
Communications	527	949
Labour	90,185	75,101
Miscellaneous	2,867	503
Repairs and maintenance	12,855	2,831
Supplies	<u>10,649</u>	<u>6,904</u>
	<u>117,082</u>	<u>86,288</u>
Income from operations	<u>\$ 10,189</u>	<u>\$ 29,560</u>

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
Bar
Year Ended April 30, 2014

(Schedule 6)

	2014	2013
Revenue	\$ 183,650	\$ 151,466
Cost of sales	<u>64,888</u>	59,890
Gross profit	<u>118,762</u>	<u>91,576</u>
Expenditures		
Communications	290	168
Entertainment	4,475	3,750
Labour	37,230	30,419
Licenses and fees	800	-
Repairs and maintenance	78	1,238
Security	3,082	943
Special Events - Bar	-	8,226
Supplies	4,692	3,525
Utilities	<u>2,019</u>	<u>1,467</u>
	<u>52,666</u>	<u>49,736</u>
Income from operations	\$ 66,096	\$ 41,840

MARBLE MOUNTAIN DEVELOPMENT CORPORATION

Ski School

(Schedule 7)

Year Ended April 30, 2014

	2014	2013
Revenue	\$ 137,510	\$ 127,641
Expenditures		
Communications	1,004	410
Krunchers Club	3,008	5,199
Labour	113,011	95,988
Miscellaneous	3,056	1,081
Supplies	897	2,079
Training	2,694	3,238
Uniforms	-	-
	123,669	107,995
Income from operations	\$ 13,841	\$ 19,646

MARBLE MOUNTAIN DEVELOPMENT CORPORATION**Events****(Schedule 8)****Year Ended April 30, 2014**

	2014	2013
Revenue		
Events	\$ 225,124	\$ 154,412
BBQ	11,538	6,544
	<u>236,662</u>	<u>160,956</u>
Cost of sales		
Events	62,306	35,554
BBQ	4,792	2,043
	<u>67,098</u>	<u>37,597</u>
Gross profit	<u>169,564</u>	<u>123,359</u>
Expenditures		
Communications	526	233
Interest and bank charges	-	5,137
Labour	94,974	73,576
Labour - BBQ	4,762	10,475
Maintenance	916	4,670
Miscellaneous	5,524	2,685
Security	-	1,442
Supplies	2,844	3,385
Supplies - BBQ	2,388	5,023
	<u>111,935</u>	<u>106,626</u>
Income from operations	<u>\$ 57,629</u>	<u>\$ 16,733</u>

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

BDO Canada LLP, Chartered Accountants

MARBLE MOUNTAIN DEVELOPMENT CORPORATION**Marketing****(Schedule 9)****Year Ended April 30, 2014**

	2014	2013
Revenue		
Sponsorships	\$ 38,477	\$ 22,000
Marketing Revenue - Advertising	25,558	\$ 14,070
Marketing Grant	150,000	196,000
	<u>214,035</u>	<u>232,070</u>
Expenditures		
Advertising		
Internet	-	-
Partnership Contributions	2,049	1,933
Print	3,374	-
Digital Media	211	-
Communications	3,457	3,435
Labour	78,009	49,921
Marketing agency	155,000	208,800
Membership fees	4,173	2,588
Office and postage	-	17
Ski shows and familiarization tours		605
Supplies	10,176	5,196
Travel and meetings	2,876	-
Uniforms	1,713	-
	<u>261,038</u>	<u>272,495</u>
Income from operations	<u>\$ (47,003)</u>	<u>\$ (40,425)</u>

MARBLE MOUNTAIN DEVELOPMENT CORPORATION
Marble Villa
Year Ended April 30, 2014

(Schedule 10)

	2014	2013
Revenue	\$ 326,445	\$ 285,728
Expenditures		
Cable television	5,540	5,168
Communications	6,159	6,036
Heat and light	41,209	35,538
Labour	62,936	68,187
Insurance	5,097	6,019
Interest and bank charges	10,902	1,213
Laundry	510	497
Marketing	3,550	4,725
Miscellaneous	742	1,002
Repairs and maintenance	24,203	22,245
Supplies	16,747	6,421
	177,595	157,051
Income from operations	\$ 148,851	\$ 128,677

Appendix E – Visitor Statistics

Historical Overview of Selected Key Indicators 2008-09 to 2013-14

Indicator	08-09	Annual % ⁴	09-10	Annual % ⁴	10-11	Annual % ⁴	11-12	Annual % ⁴	12-13	Annual % ⁴	13-14	Annual % ⁴
Skier Visits ¹	90,705	- 4.8	84,962	- 6.3	72,551	- 14.6	72,470	-0.11	66,069	-8.8	67,078	1.5
Ski Days ²	104	- 13.3	86	- 17.3	82	- 4.7	100	+22	83	-17	85	2.4
Average Per Ski Day ³	872	+ 9.8	988	+13.3	885	-10.4	725	-18	796	+9.8	789	0.9

Glossary

¹ A "skier visit" is an industry term used to denote one visit by a guest. A couple visiting Marble Mountain for one day would be two skier visits. Total skier visits are calculated by adding day pass sales to visits from season passes (see below detailed statistics)

² A 'ski day' is an industry term to denote the number of days that Marble Mountain was available (open) for guests to ski.

³ Average Per Ski Day is the number of skier visits divided by the number of ski days open

⁴ Annual % is the Increase (+) or Decrease (-) compared to the previous year.

Start Dates

2008-09: December 26

2009-10: January 9

2010-11: January 18

2011-12: December 26

2012-13: December 31

2013-14: December 26

All start dates from 2000-01 to 2007-08 were in the third week or last week of December capturing the high visitation, high-yield Christmas-New Year holiday period, traditionally a peak with winter resorts.

The average annual increase/decrease over the six year period 2008-09 to 2013-14 is as follows:

- Skier Visits: -5.9%
- Ski Days: -4.0%
- Average Per Ski Day: -2.0%

Detailed Statistics 2010-11 to 2013-2014

	2010-11	2011-12	% Change	2012-13	% Change	2013-14	% Change
Season Passes	2,183	2,119	-3%	1,940	-8.4	2,060	6.2
Day Lift Tickets	22,700	23,733	+4.5%	21,449	-9.6	19,698	-8.2
Total Skier Visits	72,551	72,470	-0.11%	66,069	-8.8	67,078	1.5

* Total skier visits are calculated by adding day pass sales to visits from season passes. Season pass visitation at Marble Mountain is calculated by multiplying the number of season passes sold by 23. This is the average visits per season pass and this figure was derived by surveying season pass holders.

Season Pass Sales

	2010-11	% of Total	2011-12	% of Total	2012-13	% of Total	2013-14	% Total
Student	619	28%	614	29%	440	22.7%	166*	8.1%*
Senior	40	2	52	2.5	46	2.4	70	3.4
Family	601	28	667	31.5	654	33.7	821	39.9
Adult	488	22	448	21	411	21.2	442	21.5
Child (5-12)	364	17	305	14.5	349	18	526	25.7
Under 5	46	2	33	1.5	40	2	30	1.5
Unknown	25	1	0	0	0	0	0	0
Total	2,183		2,119		1,940		2,060	

*The significant decrease in Student season passes can most likely be attributed to families purchasing season passes with at least one student-aged family member. In the future, there will be a separate product and cost for adding a student to a family pass. This will provide a better illustration of the number of students purchasing season passes.

Season Pass Holder Origin

	2010-11	% Total	2011-12	% Total	2012-13	% Total	2013-14	% Total
Local (2 hours)	1,804	83%	1,763	83%	1,597	82.3%	1,697	82.4%
St. John's (metro)	275	13	289	14	262	13.5	275	13.3
Rest of NL	30	1	29	1	41	2.1	45	2.2
Atlantic Canada	26	1	13	0.6	12	0.6	12	0.6
Rest of Canada	7	0.3	10	0.4	8	0.4	11	0.5
UK/Ireland	10	0.5	9	0.5	0	0	0	0
International	6	0.2	6	0.5	10	0.5	0	0
Unknown	25	1	0	0	11	0.5	20	1.0

Night Skiing Visitation

	2010-11	2011-12	% Change	2012-13	% Change	2013-14	% Change
Night Riding Tickets	510	714	40%	500	-29.97%	819	63.8%
Numbers do not include Season Pass holders or complementary tickets. Figures are based on total night riding revenues per season. Please note that the figure for 2013-14 also includes 360 visits resulting from Grenfell Whiteout.							

Day Lift Ticket Customer Origin

	2010-11	% Total	2011-12	% Total	2012-13	% Total	2013-14	% Total
Local (2 hours)	11,245	50	11,733	40	12,975	60.5	11,290	57.3
Rest of NL	8,191	36	8,270	35	6,098	28.1	6,189	31.1
Atlantic Canada	1,225	5	1,219	5	737	3.4	787	4.0
Rest of Canada	395	1.7	225	1	240	1.1	246	1.2
USA	13	.05	27	0.1	26	0.1	19	0.1
Britain	395	1.7	699	2.9	346	1.6	321	1.6
International (other)	299	1.3	450	1.8	265	1.2	211	1.1
Comp	358	1.5	547	2	325	1.5	428	2.2
Unknown	579	2.5	563	2	437	2	207	1.1

Skier Visits

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Season Pass	65,642	63,158	50,209	48,737	44,620	47,380
Resident	20,552	18,190	19,436	20,003	19,073	17,479
Non-Resident	4,498	3,599	2,327	2,620	1,614	1,584
Unknown/Comps	13	15	579	1,110	762	635
TOTAL	90,705	84,962	72,551	72,470	66,069	67,078

Appendix F – Catering Statistics

Weddings and Events

	2009-10	2010-11	2011-12	2012-13	2013-14
# of Weddings	16	19	17	10	18
# of Events	12	18	16	12	14
Grand Total All Events	28	37	33	22	32
Revenues Weddings	\$121,754	\$137,248	\$124,083	\$40,156.99	\$138,694
Revenues Events	\$81,475	\$146,061	\$124,199	\$100,527.36	\$86,432
Grand Total All Revenues from Above	\$203,230	\$283,309	\$248,282	\$140,684.35	\$225,126