



C.A. Pippy Park Commission 2016-17 ANNUAL REPORT

Submitted to:
Honourable Christopher Mitchelmore, Minister
Department of Tourism, Culture, Industry & Innovation
Government of Newfoundland & Labrador

Submitted by:
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CHAIRPERSON'S MESSAGE

On behalf of the C.A. Pippy Park Commission Board of Directors, I am pleased to present the Annual Report of the C.A. Pippy Park Commission for the fiscal year commencing April 1, 2016 and ending March 31, 2017 in accordance with the *Transparency and Accountability Act*. This report outlines the achievements and outcomes of Commission's efforts in relation to the goals established in its 2014-17 business plan. As Chairperson of the Board, my signature indicates the Board's accountability for the activities and results as reported throughout this document.

Let me first begin by taking this opportunity to offer on behalf of the Commission our sincere thanks to our staff, partners, and Park users. The enjoyed achievement and continued success of Pippy Park rests on their efforts and passion. We also thank the Provincial Government for its continued financial and human resource support.

Annually, including in 2016-17, tens of thousands of people visited the Park to enjoy activities they love. People come to the Park to walk, run, snow shoe, cross-country ski, bike, golf, camp, garden, and slide. We appreciate hearing how the Park is a place for people to have fun, relax, rejuvenate, and connect to nature.

The Commission was pleased to be able to complete improvements to the Park in 2016-17, such as renovations to a playground, and support exciting new initiatives, like the Friends of Pippy Park's maple tapping grove and Bicycle NL's Snowbike Festival. As we move into a new three-year business plan cycle, the Commission looks ahead to important infrastructure improvements and enhanced visitor services, and looks forward to furthering its partnerships within the community.



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

GOVERNMENT ENTITY OVERVIEW

Vision

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

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

Mandate

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

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

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

The primary activities of the Commission include:

- Managing and regulating its parklands, which includes the use, development, conservation, maintenance, and improvement of public land in the Park, pursuant with the regulations of the *Act* and policies contained in the Master Plan;
- Regulating consumptive activities, such as construction, hunting, and wood cutting, within the Park;
- Managing and administering operating and capital budgets which entails revenue generation from commercial operations, the ability to borrow funds, the sale and leasing of property, and fulfilling grounds keeping contracts with its institutional partners;
- Operating the largest full service campground in the Province;

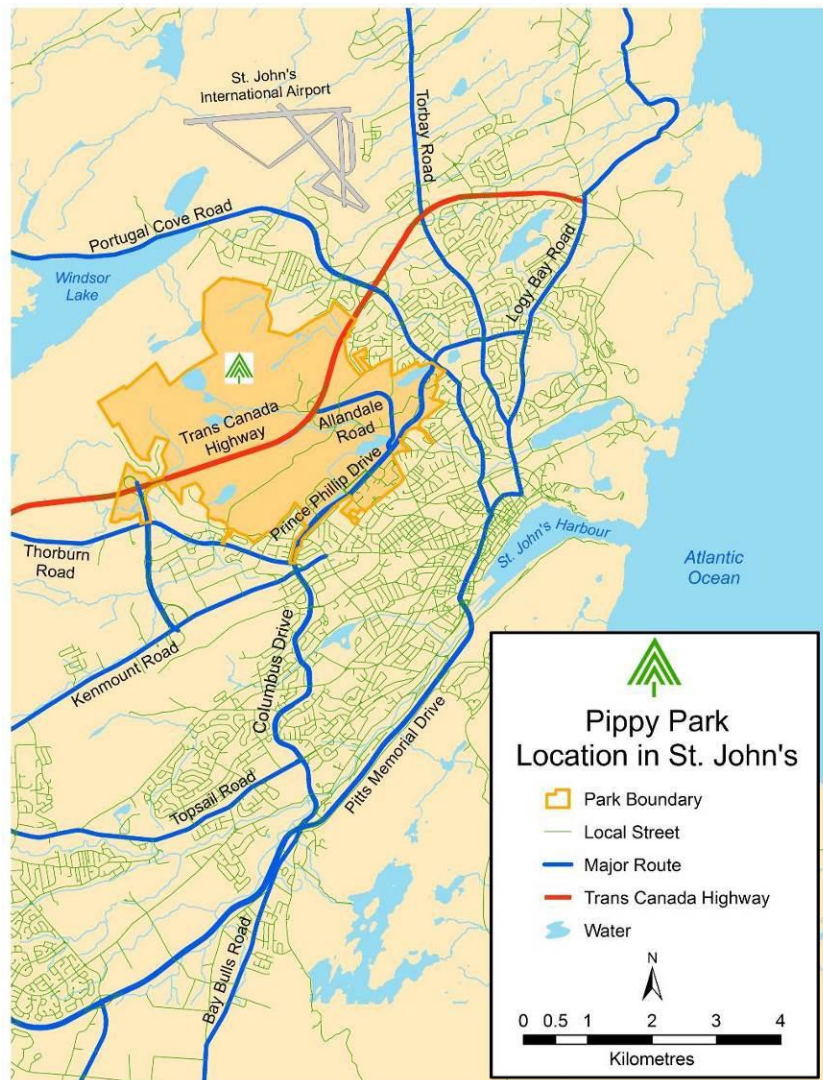
- Operating nine and eighteen-hole golf courses, driving range and banquet facilities;
- Providing recreational opportunities for park users and services to tourists visiting
 - St. John's; and
- Preserving the cultural and natural heritage resources within the Park boundaries.

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

Physical Location

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

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



Key Statistics

Administration and Employment

The Commission employs seven full-time employees, three of which are male and four of which are female, for administration and maintenance. During peak operations, the Commission employs up to 45 employees, both seasonal and student staff, for grounds maintenance and operation of the Pippy Park Campground. The subsidiary, C.A. Pippy Park Golf Course Ltd., employs up to an additional 30 employees to operate the golf operations and the Admirals Green Clubhouse. Two of these employees, one of which is male and the other of which is female, are employed full-time. The remaining employees are employed seasonally.

Permits

The Commission has a broad mandate of responsibilities and powers under the *C.A. Pippy Park Commission Act*, including the power to regulate the development and improvement of both public and private property within the Park's boundaries. Approvals are issued in accordance with the *Act* and in compliance with the Master Plan, by-laws, and related policies.

Institutional and Community Service Facilities

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

Commercial Properties

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

Private & Residential Properties

As of March 31, 2017, 41 privately owned residences were within the Park. The Commission recognizes and encourages the right of the owners of these properties to enjoy the peace and contentment of living in the Park. The Commission manages two residential properties, both of which are occupied by tenants. When the Commission purchased homes from private property owners, it assessed the value of these houses as potential rental units and a source of revenue to support the operations of the Commission. Buildings purchased by the Commission which have no rental or heritage value were demolished and the land restored to the original landscape if possible.

Scientific Research and Monitoring

The Park continues to provide locations for scientific research and monitoring and continues to seek partnerships to study the natural and cultural history of the Park.

Description of Revenues and Expenditures

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

During the fiscal year 2016-17, the Commission operated primarily from revenue generated from its own operations totaling \$2,071,300 and a Provincial Government grant of \$464,300 (Appendix B). The Commission's expenses during the same time period were \$2,519,300.

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

Lines of Business

1. Management and Regulation of Property Development

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

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

2. Grounds Maintenance

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



3. Pippy Park Campground

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



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

4. Golf Courses

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

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



5. Banquet and Meeting Facilities Rentals

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



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

6. Property and Building Leasing

The Commission generates revenue from the lease and rental of residential and other properties within the Park. These leases include: two residential properties, several properties to community service organizations located in the Park, several properties to the telecommunication industry, and the rental of space as an outdoor concert venue. Activities associated with these leases include the collection of payments, snow removal, and general maintenance.

HIGHLIGHTS AND PARTNERSHIPS

The Park is home to the operations of many government, institutional, and community partners.

Government and institutional partners operate and occupy land within Pippy Park, including Memorial University of Newfoundland, the College of the North Atlantic, the Marine Institute, the Provincial Government, the Arts and Culture Centre, and Eastern Health. These partnerships are part of the regularly daily business of the Commission. For example, the

Commission completes ground maintenance and landscaping on most institutional properties and the Commission is responsible for approving land use changes, such as building extensions and new parking lots.

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

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

These organizations have contributed much to the community, Pippy Park, and their clients. Whether it is interpreting freshwater ecosystems or providing recreation for children with disabilities, these entities enjoy the natural and peaceful venues of the Park. While these organizations do not directly generate revenues for the Commission, they do contribute substantially to the mandate and goals for which Pippy Park was established. In addition, the



provision of in-kind services, such as meeting space, training programs, equipment, grooming trails, and advertising each other's events, benefits both the Park and these community partners.

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

Elaboration on the value of these partnerships in the 2016-17 reporting period is provided below.

Campground Improvements

In the 2016 camping season, the Pippy Park campground booked 14,671 camping nights approximately 400 camping nights less than the five-year average. As part of the continuing effort by the Commission to enhance its popular campground, routine maintenance and improvements efforts were completed during the 2016-17 fiscal year. These included water, sewer, and electrical utility repairs, painting, tree and vegetation pruning and planting, and removal of fallen trees.

Golf and Clubhouse Catering

Both the Captains Hill and Admirals Green Golf courses remained popular with the golfing public in 2016-17. Both courses hosted various tournaments and corporate golfing events as well as accommodating league play. Bookings for events and catering at the Admirals Green Clubhouse remained steady during the 2016-17, with 83 separate events held compared to 109 events the previous year. A total of 6,909 guests attended these events.

North Bank Lodge Operations

The popular North Bank Lodge continued to offer bookings for meetings and social events during 2016-17. A total of 160 separate events were booked at the Lodge from April to December 2017. The rental of the facility was similar to previous years (166 events in 2014; 147 events in 2015; 147 events in 2016). From January to March 2017 the facility was used by the City of St. John's to host the Cross Country Ski and Snowshoe Rental Program for the winter.

Walking Trails

The network of walking trails throughout the Park was enjoyed by thousands of visitors during 2016-17. Park staff provided maintenance on all main routes in 2016-17 and look forward to the Grand Concourse Authority returning to providing maintenance duties in 2017-18.

Cross Country Skiing and Snowshoe Rental Program

The Cross Country Skiing and Snowshoe Rental Program operated from January to April 2017 in partnership with the City of St. John's. Pippy Park provides the North Bank Lodge and lighted

campground roads in-kind to the City of St. John's, who run the program. The program is supported by volunteers from the Avalon Nordic Ski Club, and a local sporting goods company, Outfitters Ltd. A total of 3,317 people rented equipment and 1,585 people participated in group programs. Use of the Park for winter recreation is difficult to measure as visitors with their own equipment have access for no charge.

REPORT ON PERFORMANCE

In consideration of the Park's mission, and the financial resources available to achieve it, the following specific goals were identified as key priorities. These goals reflect the long term vision and mission of the Commission and specifically define the indicators pertaining to the 2016-17 reporting period.

ISSUE 1: CAPITAL INVESTMENT IN PARK FACILITIES AND EQUIPMENT

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

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

Report on Objective for 2016-17

Objective: By March 31, 2017, the C.A. Pippy Park Commission will have completed a third washroom building upgrade thus completing its capital investment goal for the 2014-2017 business cycle.*


Indicators	Actual Performance for 2016-17
Cost of repairs and renovation required for the rental property on Mount Scio Road assessed	<p>The Commission's rental property on Mount Scio road was assessed for required repairs. Identified repairs included the kitchen and entrance floor, bathroom tub, lighting, and floor, fireplace chimney, and the garage door and roof.</p> <p>The fireplace chimney was immediately repaired. The remaining repairs have been prioritized and will be completed as resources allow.</p>



<p>Playground equipment and more gravel for the Campground playground purchased and installed.</p>	<p>Playground equipment in a very poor state of repair near the North Bank Lodge was removed in the summer of 2016.</p> <p>Commission staff complied design plans and specifications for material purchases and invited tender bids from established supply companies. The project was awarded to the lowest bidder in the fall of 2016 and equipment was purchased. The new equipment will be installed in the spring/early summer of 2017.</p>
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*Note: renovation of all campground washrooms were completed in 2014-15, ahead of schedule and reported on in the 2014-15 Annual Report and summarized below.



Report of Goal 1 for 2014-17

Goal: By March 31, 2017, the C.A. Pippy Park Commission will have implemented a number of prioritized capital infrastructure improvement projects.

Indicators	Actual Performance for 2014-17
<p>Construction feasibility and cost estimations complied for selected facility improvement projects.</p>	<p>In 2014, Commission staff complied quotes to renovate parts of the four washroom buildings located within the Pippy Park Campground, focusing on fixtures and finishes in the poorest conditions, including the sinks and countertops, urinals, toilets, and interior paint. Based on this preliminary assessment of cost the Commission moved ahead with design plans and the tendering process.</p> 

	<p>In 2014, Commission staff complied estimates and obtained quotes for the material necessary to remove and replace the culverts at Nagle’s Brook/Allendale Road.</p>  <p>In 2015 and 2016 Commission staff complied estimates and obtained quotes for the materials necessary to add new signage to the entrance to Three Pond Barrens and the boundaries of the Park.</p> <p>Both 187 and 226 Mount Scio Road, residential properties owned and once offered as rental properties by the Commission were identified for demolition due to their deterioration. Cost estimates for their demolition were prepared by Commission staff in 2014.</p>
<p>Construction design plans and specifications complied.</p>	<p>In 2014, Commission staff complied design plans and specifications for material purchases to renovate parts of the four washroom buildings located within Campground. The Commission invited tender bids from established contracting companies to complete renovations.</p> <p>In 2014, Commission staff obtained the necessary permits from DFO to remove and replace the culverts at Nagle’s Brook/Allendale Road and designed the project, including culvert size requirements, walkway design, handrail design, green space design, and signage requirements.</p> <p>In 2015, the Commission researched park entrance signage, completed an inventory of existing signage, and designed new signage prototypes. Signage is needed to encourage appropriate use of the Park, inform users about the Park by-laws, assist users to become more familiar with the Three Pond Barrens trails, and assist users to become more familiar with the Park’s boundaries.</p>  <p>Both houses identified for demolition due to their deterioration were assessed for hazardous materials and found to contain</p>

<p>Construction funds accessed and project tendering completed.</p>	<p>hazardous materials such as asbestos and lead.</p> <p>In 2014, the Commission then invited tender bids from established contracting companies to renovate parts of the four washroom buildings located within the Campground. The scope of work was to replace toilets, urinals, countertops, mirrors, faucets, and sinks and paint the interior walls, concrete baseboards, and bathroom and shower partitions and exterior doors in the male and female washroom of each.</p> <p>Quotes were obtained for materials required for upgrades to the culverts at Nagle’s Brook/Allendale Road and new signage in 2014 and 2015.</p> <p>In 2014, the Commission also invited tender bids from established hazardous removal companies to remove the hazardous materials from both houses identified for demolition due to their deterioration.</p>
<p>Construction implementation schedules determined and construction activity commenced.</p>	<p>Tender documents to renovate parts of the four washroom buildings located within the Campground included a time period during which the work needed to be completed. This time period was chosen to avoid summer peak camping periods and when the water is turned off for the winter months. In September 2014, Commission staff met with the contractor to finalize the work schedule. Work began in late September 2014.</p> <p>In 2014, Commission staff removed the existing culverts at Nagle’s Brook/ Allendale Road and replaced them with 24” X 12’ corrugated steel cylindrical culverts. This area marks the entrance to a trail that many visitors to Pippy Park consider to be the main trail within the Three Pond Barrens area of the Park. To enhance safety and aesthetics at this entrance, Commission staff built wooden railing, resurfaced the gravel walkway, sodded an area, added new signage, and added wooden posts, a chain, and rocks to prevent illegal vehicle access.</p>  <p>In 2014 new signage was designed for the entrances to Pippy Park</p>

	<p>Headquarters, the Campground, the Campground registration booth and sites, and the entrance to the North Bank Lodge by Commission staff. In 2015 and 2016 new signage was designed for the entrance to Three Pond Barrens and the boundaries of the Park. Commission staff obtained quotes for these signs and they were printed and installed. A 42" x 56" sign showing an aerial image of the Three Pond Barrens, Park contact information, and a description of key Park by-laws was added to the entrance to the Three Pond Barrens. Fifty 12" x 12" signs showing Park contact information and a description of key Park by-laws was added to entrances to the Park or Park trails. These entrances included all road and trail access points on the Northern boundary of the Park, trails north and south of the Outer Ring Road, trails off Groves Road, and trails off roads in the area of Airport Heights.</p>  <p>Demolition of 187 and 226 Mount Scio Road, residential properties owned and once offered as rental properties by the Commission were identified for demolition due to their deterioration was completed in the fall of 2014 and included the removal of drywall, shingles, flooring, and ceiling material. Between October and December 2014, the Grand Concourse Authority assisted Pippy Park with the demolition of the remaining structures and the disposal of the debris.</p>
<p>Construction projects monitored and completed.</p>	<p>Work began on the campground washrooms in late September 2014 and was finished by December 2014. The project was awarded to the lowest bidder and the project was completed on budget and as scheduled in 2015. In addition, the culverts at Nagle's Brook/ Allendale Road were replaced, the new signage at Pippy Park and Three Pond Barrens was installed, and the demolition of the deteriorating residential properties was completed, all by the end of 2014.</p> 

Discussion of Results

The Commission was pleased with the work completed from 2014-17 on infrastructure repairs and improvements within Pippy Park. Throughout the reporting period the Commission addressed required minor repairs and completed on schedule and budget its major infrastructure projects, including renovations to the Campground washrooms, Headquarters washrooms, and the North Park Lodge Playground. In addition to major infrastructure improvements, the Commission was able to resurface the North Bank Lodge gravel road, extend the paved parking lot at Headquarters, complete floor and countertop repairs at the North Bank Lodge, install speed humps, and remove deteriorating structures.

ISSUE 2: IMPROVED VISITOR SERVICES

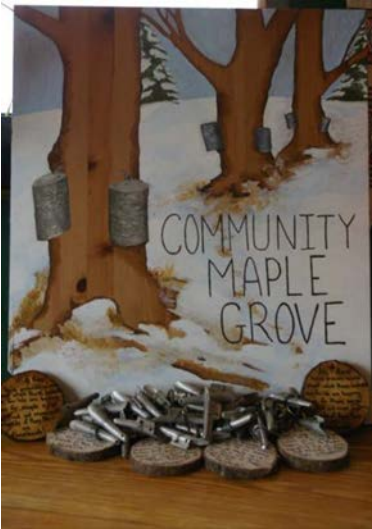
The improvement of visitor services and promotional activities is an on-going enterprise of the Commission that was identified as an operational priority in its previous business plan. During the course of this business cycle the Commission made efforts to: 1) identify and establish improved visitor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

In 2014-17, the Commission improved public awareness of Pippy Park by supporting popular recreational activities such as the winter cross skiing program, family and community gardening, and initiating a computerized mapping data base for student and public use. In addition, the Commission concentrated on specific visitor services and heritage interpretation projects which will increase public appreciation and knowledge about Pippy Park and the role the Commission plays in operating one of the largest urban parks in Canada.

Report on Objective for 2016-17

Objective: By March 31, 2017, the C.A. Pippy Park Commission will have completed all planned visitor services and public awareness activities and projects thus resulting in a greater appreciation of the value of Pippy Park.

Indicators	Actual Performance for 2016-17
Interpretative information about the Pippy Park shared through a digital medium.	During the reporting period, the Commission used the digital medium of social media to share interpretative information about the Park. The Commission maintained its Facebook page to share significant natural and cultural history facts, information about the Park's Campground, rental facilities, golf courses, upcoming events and activities, and to connect with park users. The Park currently has over 670 likes and creates posts regularly. (www.facebook.com/pippypark.68/?fref=ts)

<p>The Park website updated and revised.</p>	<p>During the reporting period, the Park website - www.pippypark.com – was updated to include additional trail and feature maps, new information on fees, new information on forests and wildlife within the Park, and outdated information was removed.</p>
<p>Continued support for family and community agriculture within Pippy Park.</p>	<p>In 2016-17, the Commission continued to support the O’Brien Farm Heritage Foundation by the active participation of its representative on the Foundation board and the provision of office space and meeting space and information sharing.</p> <p>The Commission continued to support the Friends of Pippy Park Family Garden by active participation at meetings, provision of office space, providing staff to shut off and start up water seasonally, weekly mowing the grounds, and assisting with the delivery of lumber, soil, and compost for new raised beds. Commission staff assisted the Friends of Pippy Park build and install table top vegetable beds on a fully accessible deck. This new addition to the Park’s Family Garden will provide opportunities for people with physical impairments to garden.</p>  <p>In 2017 the Friends of Pippy Park, with the support of the Commission, selected an area within the Park that could be used as a community maple tapping grove. The area is an old homestead and contains 10-12 large maple trees. Approximately 70 taps were installed in these trees and sap collected during 11 workshops by over 130 workshops attendees.</p>
<p>Partnerships with recreation associations and groups continued and enhanced.</p>	<p>The Commission continued to support the City of St. John’s and the Avalon Nordic Ski Club, as they offered a winter cross country ski and snowshoe program through the provision of the North Bank Lodge, snow clearing, and sign posting and removal. A total of 3,317 people rented cross-country ski and snowshoe equipment and 1,585 people participated in group programs.</p>



In 2016-17 the Commission worked with Bicycle NL and its partners to plan a Community Bike Day, which was held on May 29, 2016. This fun day of obstacle courses, trail rides, and snacks was held at the North Bank Lodge. The Commission also assisted Bicycle NL, with in sponsors, plan a Snowbike Festival (www.pippysnowbike.com). The event was held on January 29, 2017 and saw 60 participants race “fat bikes” through Three Pond Barrens and 200 other participate in demonstrations. The Commission continues to work with the International Mountain Biking Association (IMBA) towards a biking master plan for the Park.

Report of Goal 2 for 2014-17

Goal: By March 31, 2017, the C.A. Pippy Park Commission will have initiated and completed visitor services and promotional projects that will result in a greater appreciation and awareness among the general public about Pippy Park and thereby enhanced overall visitor services.

Indicators	Actual Performance for 2014-17
The Campground User Map is updated and revised	In 2015-16 the Campground User Map was updated, revised, and printed for distribution at the Pippy Park Campground. A digital copy of the map was added to the Pippy Park website for the benefit of those clients making online reservations. (http://www.pippypark.com/uploads/Campground%20Map.pdf).
The Commission assumes operation of the Campground laundromat from previous lease.	In 2014 the Commission assumed operation of the Campground laundromat from the previous lease. The Commission purchased coin operated washers and dryers, set prices based on market rates, and managed the operation of the laundromat successfully in 2014 and each year since.

<p>Interpretative information about the natural and cultural heritage of Pippy Park shared through a digital medium.</p>	<p>During the reporting period, the Commission used the digital medium of social media to share interpretative information about the Park. In 2015, the Commission created a Facebook page to advertise the Park’s Campground, rental facilities, and golf courses, share natural and cultural historical information, share information on upcoming events and activities, and connect with park users. The Park has over 670 likes and creates posts regularly. (www.facebook.com/pippypark.68/?fref=ts)</p>
<p>The Park website is revised to include more interactive capabilities for hikers and nature enthusiasts.</p>	<p>During the reporting period, the Park website - www.pippypark.com - was updated to include additional trail and feature maps, new information on fees, new information on forests and wildlife within the Park, and outdated information was removed.</p> <p>Through a student partnership with MUN Biology Department, an interactive website was created for Park users to share data from their GPS capable devices, such as smartphone and fitness trackers. This pilot project was created to allow Park users to share information about trails in the Three Pond Barrens area of the Park. (https://pippypark.wixsite.com/trails)</p>
<p>Continued support for family and community agriculture within Pippy Park</p>	<p>During the reporting period, the Commission continued to support the O’Brien Farm Heritage Foundation by the active participation of its representative on the Foundation board, the provision of office and meeting space, information sharing, assistance with snow clearing, assistance to add rock and concrete barricades to close access to farm pathways in order to stop illegal vehicle access to the property, and by participating in the Foundation’s strategic planning sessions.</p>



	<p>As well, the Commission continued to support the Friends of Pippy Park Family Garden by active participation at meetings, provision of office space, providing staff to shut off and start up water seasonally, weekly mowing the grounds, and assisting with the delivery of lumber, soil, and compost for new raised beds. Commission staff assisted the Friends of Pippy Park build and install table top vegetable beds on a fully accessible deck. This new addition to the Park’s Family Garden will provide opportunities for people with physical impairments to garden.</p> <p>In 2015 and again in 2017, the Friends of Pippy Park with the support of the Commission very successfully planned and implemented maple tapping festivals and workshops. Attendees had opportunities to see maple tapping demonstrations, learn about maple tapping equipment, watch a sap boil up, and taste Pippy Park syrup. In 2017 the Friends of Pippy Park, with the support of the Commission, selected an area within the Park that could be used as a community maple tapping grove. The area is an old homestead and contains 10-12 large maple trees. Approximately 70 taps were installed in these trees and sap collected during 11 workshops by over 200 workshops attendees.</p>
<p>Partnerships with recreational associations, such as Avalon Nordic Ski Club and mountain bikers enhanced.</p>	<p>The Commission values partnerships that encourage biking in the Park and over the reporting period supported four biking events. In 2015, the Commission worked with Avalon Cup Newfoundland to hold St. John’s Enruro in the Three Pond Barrens and worked with Bicycle NL, Avalon Mountain Bike Association (AMBA), Canary Cycles, Cychotic, and Fun n’ Fast celebrated Global Fat Bike Day at the North Bank Lodge with demonstrations and group rides. In 2016 the Commission worked with Bicycle NL and its partners to plan a Community Bike Day. This fun day of obstacle courses, trail rides, and snacks was held at the North Bank Lodge. In 2017 the Commission assisted Bicycle NL, with in sponsors, plan a Snowbike Festival (www.pippysnowbike.com). The event saw 60 participants race “fat bikes” through Three Pond Barrens and 200 other participate in demonstrations. The Commission continues to work with the International Mountain Biking Association (IMBA) towards a biking master plan for the Park.</p> <p>The Commission continued to support the City of St. John’s and the Avalon Nordic Ski Club, as they offered a winter cross</p>

	country ski and snowshoe program. Over the reporting period, an average of 3,317 people rented cross-country ski and snowshoe equipment and 1,585 people participated in group programs
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Discussion of Results

During this reporting period, the Commission pushed forward with its goal to complete visitor services and promotional projects that will result in a greater appreciation and awareness among the general public about Pippy Park. Creation of a social media presence, new directional and boundary signage, and updated maps all assisted Park users have a memorable and safe visit to the Park. The Commission was pleased to continue to support partners, such as the O’Brien Farm Foundation, Friends of Pippy Park, Avalon Nordic Ski Club, Bicycle NL, Avalon Mountain Bike Association, and others as they offered events and activities in the Park that added to visitor experience and an awareness in the wider community about the Park.

ISSUE 3: HERITAGE FEATURES INVENTORIES AND MANAGEMENT

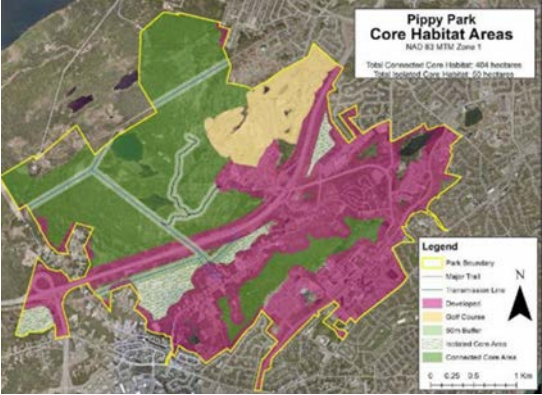

The natural and cultural features of Pippy Park are its enduring legacy. Few urban areas in Canada can claim to possess as large an area of relatively undisturbed landscape and historical significance as Pippy Park. Tracts of mature boreal forest, sub-arctic barren lands, waterways and wildlife are the primary components of the lands within the Park. Cultural features include historic buildings, monuments, sculpture, former crop and pasture lands, and old travel ways. The continued stewardship of this legacy remains one of the primary objectives of the Commission which is supported by the legislation and policies that govern the Park.

Since the establishment of the Park, there have not been many efforts to inventory, document, and catalogue the multifaceted natural and cultural features. The paucity of natural and cultural data was partially alleviated during the previous business planning cycle but additional work needs to be completed.

Report on Objective for 2016-17

Objective: By March 31, 2017, the Commission will have initiated its current heritage feature inventories and completed all Master Plan initiatives relating to the management of natural and cultural heritage values, both supporting the mandate of the Park and an objective of the Department of Environment and Conservation’s 2014-17 Strategic Plan objective to “have continued to implement improvements to enhance the protection of the province’s natural heritage” by March 31, 2017.

Indicators	Actual Performance for 2016-17
Value of the conservation role of the Park is more clearly defined and	During the reporting period the Commission and Memorial University designed and implemented a student research project to assess the conservation value

<p>communicated</p>	<p>of the Park in relation to the effects of disturbances, such as transmission lines, trails, residential developments, and roadways, on temperature, humidity, noise, and wind speed. The resulting zones of connected core habitat were mapped and include 998 hectares of the park. An additional 124 hectares was identified as isolated core habitat.</p>  <p>The map, titled "Pippy Park Core Habitat Areas", shows various zones within the park boundary. A legend indicates: Park Boundary (yellow outline), Major Trail (black line), Transmission Line (red line), Overpass (grey line), Golf Course (green area), 50m Buffer (light green area), Isolated Core Area (dotted green area), and Connected Core Area (solid green area). Statistics on the map show: Total Connected Core Habitat: 998 hectares and Total Isolated Core Habitat: 124 hectares. A scale bar shows 0, 0.25, 0.5, and 1 KM, and a north arrow is present.</p>
<p>Computer mapping, using GIS technology, is reviewed and updated, as required, to assist land management processes</p>	<p>In 2016-17, additional GPS data was collected by Commission staff and Park maps were updated as required to assist land management processes and decisions. The Commission and Memorial University designed and implemented two student research project to collect information on the use of Three Pond Barrens by hikers, bikers, runners, and cross country skiers. Part of these projects was the collection of GPS data for the location of trails. This data will be very valuable in making land management decisions for the Three Pond Barrens area of the Park.</p>
<p>Additional cultural heritage features cataloging and mapping will be initiated</p>	<p>Locational data for cultural features in the Three Pond Barrens areas, include old campsites and trails, were collected and catalogued for Park management issue.</p>  <p>The photograph shows a clearing in a forest with a concrete pad, likely an old campsite or parking area. There are some logs and debris on the pad, and the surrounding area is filled with trees and shrubs.</p>

<p>Master Plan policies and guidelines relating to heritage features implemented and monitored</p>	<p>The Master plan policies and guidelines relating to heritage features could not be implemented and monitored as the current Master Plan does not contain specific policies and guidelines relating to this initiative. However, any future plan will have specific policies and guidelines for the management of cultural and heritage features. The Pippy Park Commission continues to do inventory of all natural cultural and heritage feature in the Park.</p>
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Report of Goal 3 for 2014-17

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

Indicators	Actual Performance for 2014-17
<p>The previously compiled Forest Classification and Biophysical data will be incorporated into the Pippy Park website for public use and scientific research</p>	<p>A copy of the Forest Classification Inventory prepared for the Commission by the Nature Conservancy of Canada was added to the Pippy Park website for public use and citation.</p> <p>Maps of the Park’s elevation and boundary were added to the Pippy Park website. These maps will be helpful to a wide variety of users, including hikers, bikers, land managers, park residents, and other visitors.</p>
<p>Value of the conservation role of the Park is more clearly defined and communicated</p>	<p>During the reporting period the Commission and Memorial University designed and implemented a student research project to assess the conservation value of the Park in relation to the effects of disturbances, such as transmission lines, trails, residential developments, and roadways, on temperature, humidity, noise, and wind speed. The resulting zones of connected core habitat were mapped and include 998 hectares of the park. An additional 124 hectares was identified as isolated core habitat. Information gained from this research was communicated to Park users through the Commission members and Friends of Pippy Park during the 2016-17 year.</p>
<p>Computer mapping, using GIS technology, is reviewed and updated, as required, to assist land management processes</p>	<p>Throughout the reporting period, additional GPS data was collected by Commission staff and Park maps were updated as required to assist land management processes and decisions. In 2016-17, the Commission and Memorial University designed and implemented two student research project to collect</p>

	<p>information on the use of Three Pond Barrens by hikers, bikers, runners, and cross country skiers. Part of these projects was the collection of GPS data for the location of trails. This data will be very valuable in making land management decisions for the Three Pond Barrens area of the Park.</p>
<p>Additional cultural heritage features cataloging and mapping will be initiated</p>	<p>During the reporting period, the Commission continued to make efforts to document cultural heritage features.</p> <p>In 2015-16, the Commission assisted a history student with their preparation of a report on the history of the North Bank, including using aerial photography to map the location of key features on the property.</p> <p>Locational data for culture features in the Three Pond Barrens areas, include old campsites and trails, were collected and catalogued for Park management issue.</p>
<p>Master Plan policies and guidelines relating to heritage features implemented and monitored</p>	<p>The Master plan policies and guidelines relating to heritage features could not be implemented and monitored as the current Master Plan does not contain specific policies and guidelines relating to this initiative. However, any future plan will have specific policies and guidelines for the management of cultural and heritage features. The Pippy Park Commission continues to do inventory of all natural cultural and heritage feature in the Park.</p>

Discussion of Results

During the reporting period, the Commission took steps to meet its goal to enhance protection and cataloguing of natural and cultural features of Pippy Park. The 3,400 acres of the Park contains a rich multitude of cultural and natural features with opportunity to study and catalogue any one of them. The Commission focused efforts during this reporting period on continued support of the agricultural heritage of the Park through support of the O’Brien Farm Foundation and the Friends of Pippy Park, as well as working with innovate agricultural groups (i.e. Common Ground) to consider how new agricultural practices might be showcased in the Park. The Park made efforts to disseminate information on the Forest Classification Inventory of the Park and understand how to best protect its forest resources from fire by learning how to integrate forest fire protection measures through the program FireSmart Canada. The Commission continues to expand and build on connections with Memorial University and other educational institutions in efforts to have additional student projects happen in the Park. Recent highlights of which include student projects to assess the conservation value of the Park and the use of Three Pond Barrens.

OPPORTUNITIES AND CHALLENGES AHEAD

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

Opportunities

- The demand for campground bookings continues to provide opportunity for revenue generation and tourism spin off benefits for the St. John's urban region.
- The continued popularity of the Admiral's Green and North Bank Lodge conference and catering facilities provide rental venue.
- Long lasting relationships with institutional and community services partners remain stable and cooperative and new partnerships continue to be forged with groups.
- Public use of the lands and facilities of Pippy Park continues to increase as urbanization concentrates on the northeast Avalon Peninsula. Our recreation and conservation objectives serve the public well.
- The diverse ecosystems and historical resources within the Park increase its potential for natural and cultural heritage appreciation and interpretation.
- The relatively unspoiled backcountry wilderness located in the northern extremity of the Park provides exciting recreational, tourism, and research opportunities.

Challenges

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

BOARD OF DIRECTORS 2016-17

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

Chairperson and Chief Executive Officer:

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

Vice-Chairperson:

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

Government of Newfoundland and Labrador Representative:

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

Memorial University Representative:

Ms. Ann Browne, Appointed by the Board of Regents of Memorial University of Newfoundland and Labrador.

City of St. John's Representative:

Mr. Danny Breen, Councillor for Ward 1. Appointed by the City of St. John's.

Pippy Family Representative:

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

Pippy Park Landowners and Residents Association (PPLORA) Representative:

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

Member at Large:

Mr. Greg Healy, Appointed by the Lieutenant-Governor in Council. Acting Vice Chairperson.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Commission detail the financial results for the period ended March 31, 2017.

C.A. PIPPY PARK COMMISSION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2017

Management's Report

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

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

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

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

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

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

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



Mr. Ric Mercer
Executive Director



**AUDITOR
GENERAL**
of Newfoundland and Labrador

INDEPENDENT AUDITOR'S REPORT

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

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the C.A. Pippy Park Commission which comprise the consolidated statement of financial position as at March 31, 2017, the consolidated statements of operations, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Independent Auditor's Report (cont.)

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

Opinion

In my opinion the consolidated financial statements present fairly, in all material respects, the financial position of the C.A. Pippy Park Commission as at March 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

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

TERRY PADDON, CPA, CA
Auditor General

August 1, 2017
St. John's, Newfoundland and Labrador

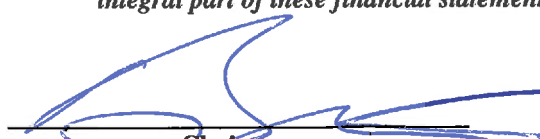

C.A. PIPPY PARK COMMISSION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31

	2017	2016
FINANCIAL ASSETS		
Cash	\$ 1,458,103	\$ 1,238,950
Accounts receivable (Note 4)	17,091	20,467
Inventories held for resale	10,791	14,758
	1,485,985	1,274,175
LIABILITIES		
Accounts payable and accrued liabilities	104,006	141,894
Deferred revenue (Note 5)	206,559	139,556
Obligations under capital leases (Note 6)	114,911	123,773
Employee future benefits (Note 7)	253,752	281,046
Advance from Province of Newfoundland and Labrador (Note 8)	250,000	250,000
	929,228	936,269
Net financial assets	556,757	337,906
NON-FINANCIAL ASSETS		
Prepaid expenses	22,767	19,164
Inventories held for use	15,716	15,353
Tangible capital assets (Note 9)	8,673,887	8,809,674
	8,712,370	8,844,191
Accumulated surplus	\$ 9,269,127	\$ 9,182,097

Contractual obligations (Note 14)

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

Signed on behalf of the Board:

Chairperson

Member

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

	2017 Budget	2017 Actual	2016 Actual
	(Note 16)		
REVENUES (Note 11)			
Province of Newfoundland and Labrador			
Operating grant	\$ 464,300	\$ 464,300	\$ 606,600
Golf course (Note 12)	1,035,400	972,551	987,110
Campground (Note 13)	636,660	609,029	633,057
Services	302,000	308,617	300,077
Rental	54,000	55,057	54,468
Driving range	48,000	40,700	47,286
Miscellaneous	50,333	69,153	59,439
Advertising	11,500	7,637	11,487
Interest	6,000	8,578	8,022
	2,608,193	2,535,622	2,707,546
EXPENSES (Note 11)			
Golf course	1,043,064	1,003,431	938,720
Campground	291,725	277,581	278,886
General park	634,450	632,744	633,949
Administration and other	634,450	605,636	751,160
	2,603,689	2,519,392	2,602,715
Annual surplus before gain on disposal of tangible capital assets	4,504	16,230	104,831
Gain on disposal of tangible capital assets (Note 9)	-	70,800	-
Annual surplus	4,504	87,030	104,831
Accumulated surplus, beginning of year	9,182,097	9,182,097	9,077,266
Accumulated surplus, end of year	\$ 9,186,601	\$ 9,269,127	\$ 9,182,097

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

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

	2017 Budget	2017 Actual	2016 Actual
	(Note 16)		
<u>Annual surplus</u>	\$ 4,504	\$ 87,030	\$ 104,831
Changes in tangible capital assets			
Acquisition of tangible capital assets	-	(84,069)	(133,241)
Net book value of tangible capital asset disposals	-	5,431	3,304
<u>Amortization of tangible capital assets</u>	<u>200,000</u>	<u>214,425</u>	<u>226,056</u>
	<u>200,000</u>	<u>135,787</u>	<u>96,119</u>
Changes in other non-financial assets			
Use of prepaid expenses	-	19,164	23,059
Acquisition of prepaid expenses	-	(22,767)	(19,164)
Net (acquisition) consumption of inventories held for use	-	(363)	735
	-	(3,966)	4,630
Increase in net financial assets	204,504	218,851	205,580
<u>Net financial assets, beginning of year</u>	<u>337,906</u>	<u>337,906</u>	<u>132,326</u>
<u>Net financial assets, end of year</u>	<u>\$ 542,410</u>	<u>\$ 556,757</u>	<u>\$ 337,906</u>

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

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

2017

2016

Cash flows from operating activities

Annual surplus	\$ 87,030	\$ 104,831
Adjustment for non-cash items		
Amortization	214,425	226,056
(Gain) loss on disposal of tangible capital assets	(70,800)	3,304
	230,655	334,191
Changes in non-cash working capital		
Accounts receivable	3,376	(3,007)
Inventories held for resale	3,967	466
Prepaid expenses	(3,603)	3,895
Inventories held for use	(363)	735
Accounts payable and accrued liabilities	(37,888)	35,994
Deferred revenue	67,003	16,172
Employee future benefits	(27,294)	22,956
Cash provided from operating transactions	235,853	411,402
Capital transactions		
Acquisition of tangible capital assets	(84,069)	(133,241)
Proceeds from disposal of tangible capital assets (Note 9)	76,231	-
Cash applied to capital transactions	(7,838)	(133,241)
Financing transactions		
Increase in capital lease obligations	37,795	97,252
Repayment of capital lease obligations	(46,657)	(60,804)
Cash (applied to) provided from financial transactions	(8,862)	36,448
Net increase in cash	219,153	314,609
Cash, beginning of year	1,238,950	924,341
Cash, end of year	\$ 1,458,103	\$ 1,238,950

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

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

1. Nature of operations

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

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

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

2. Summary of significant accounting policies

(a) Basis of accounting

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

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

(b) Financial instruments

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

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

2. Summary of significant accounting policies (cont.)

(b) Financial instruments (cont.)

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

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

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

(c) Cash

Cash includes cash in bank.

(d) Tangible capital assets

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

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

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

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

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

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

2. Summary of significant accounting policies (cont.)

(d) Tangible capital assets (cont.)

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

(e) Inventories held for resale

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

(f) Inventories held for use

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

(g) Prepaid expenses

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

(h) Employee future benefits

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

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

2. Summary of significant accounting policies (cont.)

(h) Employee future benefits (cont.)

- (ii) The employees of the Commission are subject to the *Public Service Pensions Act, 1991*. Employee contributions are matched by the Commission and remitted to Provident¹⁰ from which pensions will be paid to employees when they retire. This plan is a multi-employer defined benefit plan, providing a pension on retirement based on the member's age at retirement, length of service and the average of their best six years of earnings for service on or after January 1, 2015, and, for service before January 1, 2015, the higher of the average of the frozen best 5 years of earnings up to January 1, 2015, or the average of the best 6 years of earnings for all service.

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

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

(i) Revenues

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

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

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

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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2. Summary of significant accounting policies (cont.)

(j) Expenses

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

(k) Measurement uncertainty

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

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

3. Accounting pronouncements

There are several new standards issued by the PSAB that are not yet effective and have not been applied in these consolidated financial statements. These standards and corresponding effective dates are as follows:

Effective April 1, 2017:

PS 2200 Related Party Disclosures – a new standard defining related parties and establishing disclosure requirements for related party transactions.

PS 3210 Assets – a new standard providing guidance for applying the definition of assets and establishing general disclosure requirements for assets but does not provide guidance for the recognition and disclosure of specific types of assets.

PS 3320 Contingent Assets – a new standard defining and establishing disclosure requirements for contingent assets but does not include disclosure standards for specific types of contingent assets.

PS 3380 Contractual Rights – a new standard defining and establishing disclosure requirements for contractual rights but does not include disclosure standards for specific types of contractual rights.

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3. Accounting pronouncements (cont.)

PS 3420 Inter-entity Transactions – a new standard on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

Effective April 1, 2018:

PS 3430 Restructuring Transactions – a new standard on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities.

The Commission plans to adopt these standards by the effective dates and is currently analyzing the impact these standards will have on the consolidated financial statements.

4. Accounts receivable

	<u>2017</u>	<u>2016</u>
Trade	\$ 20,757	\$ 22,116
Harmonized sales tax	2,042	4,059
	<u>22,799</u>	<u>26,175</u>
Less: allowance for doubtful accounts	(5,708)	(5,708)
Net accounts receivable	<u>\$ 17,091</u>	<u>\$ 20,467</u>

5. Deferred revenue

	<u>2017</u>	<u>2016</u>
Golf course	\$ 145,819	\$ 81,573
Clubhouse	26,552	29,517
Rental	8,556	18,570
Campground	14,090	9,896
Other	11,542	-
	<u>\$ 206,559</u>	<u>\$ 139,556</u>

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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5. Deferred revenue (cont.)

Golf course deferred revenue relates to golf packages and gift certificates sold during the fiscal year that relate to the 2017 golf season. Clubhouse deferred revenue relates to deposits received on salon rentals for future periods. Rental deferred revenue relates to deposits received on reservations at the Northbank Lodge and the Courtyard for future periods. Campground deferred revenue relates to deposits received on reservations for the 2017 camping season. Other deferred revenue relates to property lease payments received that relates to the 2017-18 fiscal year.

6. Obligations under capital leases

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

	<u>2017</u>	<u>2016</u>
Obligations under capital leases	<u>\$ 114,911</u>	\$ 123,773

Future minimum lease payments under capital leases are:

2018	\$ 47,324
2019	33,606
2020	29,582
2021	<u>9,369</u>
	119,881
Less: interest portion of payments	<u>(4,970)</u>
	<u>\$ 114,911</u>

The capital leases are secured by equipment having a net book value of \$116,742.

7. Employee future benefits

	<u>2017</u>	<u>2016</u>
Vested severance benefits	<u>\$ 188,245</u>	\$ 170,578
Non-vested severance benefits	27,241	38,165
Provision for accumulating, non-vesting, sick leave	<u>38,266</u>	72,303
	<u>\$ 253,752</u>	\$ 281,046

Pension contributions

The employees of the Commission represented by the NAPE and certain management employees are subject to the *Public Service Pensions Act, 1991* (the *Act*). The Plan is administered by Provident¹⁰, including payment of pension benefits to employees to whom the *Act* applies.

C.A. PIPPY PARK COMMISSION
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7. Employee future benefits (cont.)

The plan provides a pension upon retirement based on the age of its members at retirement, length of service and rates of pay. The maximum contribution rate for eligible employees was 11.85% (2016 - 11.85%). The Commission contributes an amount equal to the employee contributions to the plan. Total pension expense for the Commission for the year ended March 31, 2017, was \$77,383 (2016 - \$78,076).

8. Advance from Province of Newfoundland and Labrador

On March 30, 2001, the Commission received a repayable advance in the amount of \$250,000 from the Province of Newfoundland and Labrador. The Commission and the Province of Newfoundland and Labrador are currently in discussions regarding its repayment terms. The advance payable remained outstanding at year end.

9. Tangible capital assets

Original cost

	Balance March 31, 2016	Additions	Disposals	Balance March 31, 2017
Park				
Land	\$ 5,429,850	\$ -	\$ -	\$ 5,429,850
Furniture and equipment	332,183	12,511	(27,337)	317,357
Vehicles	38,355	-	-	38,355
Equipment under capital lease	39,914	-	-	39,914
Buildings	1,539,908	-	(115,000)	1,424,908
Park improvements	1,793,108	27,714	-	1,820,822
Golf course				
Land	1,809,696	-	-	1,809,696
Golf course improvements	1,346,311	-	-	1,346,311
Buildings	681,591	-	-	681,591
Equipment under capital lease	152,154	37,795	-	189,949
Furniture and equipment	631,645	6,049	-	637,694
	\$ 13,794,715	\$ 84,069	\$ (142,337)	\$ 13,736,447

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

Accumulated amortization

	Balance March 31, 2016	Amortization	Accumulated amortization on disposals	Balance March 31, 2017	Net book value March 31, 2017	Net book value March 31, 2016
Park						
Land	\$ -	\$ -	\$ -	\$ -	\$ 5,429,850	\$ 5,429,850
Furniture and equipment	299,333	11,761	(27,337)	283,757	33,600	32,850
Vehicles	30,405	2,523	-	32,928	5,427	7,950
Equipment under capital leases	23,290	4,987	-	28,277	11,637	16,624
Buildings	1,380,201	15,644	(109,569)	1,286,276	138,632	159,707
Park improvements	1,333,295	45,968	-	1,379,263	441,559	459,813
Golf course						
Land	-	-	-	-	1,809,696	1,809,696
Golf course improvements	914,930	43,138	-	958,068	388,243	431,381
Buildings	408,003	27,377	-	435,380	246,211	273,588
Equipment under capital leases	47,898	36,946	-	84,844	105,105	104,256
Furniture and equipment	547,686	26,081	-	573,767	63,927	83,959
	\$ 4,985,041	\$ 214,425	\$ (136,906)	\$ 5,062,560	\$ 8,673,887	\$ 8,809,674

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2017

9. Tangible capital assets (cont.)

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

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

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

(b) Title to Commission property

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

(c) Assets not yet in service

Equipment with a net book value of \$27,714 was not amortized as it is not yet in service.

(d) Loss of assets due to fire

On December 3, 2016, a fire destroyed a building belonging to the Commission, with a net book value of \$5,431, as well as various equipment that was fully depreciated. The Commission made a claim through its insurance, and received \$76,231 for the destroyed building and equipment, which was based on its insured value. This resulted in a gain on disposal of \$70,800.

10. Related party transactions

- (a) During the year, the Commission received an operating grant of \$464,300 (2016 - \$606,600) from the Province.
- (b) Services and rental revenue include revenues from the Province in the amount of \$254,787 (2016 - \$327,621) as a result of ongoing contracts.

C.A. PIPPY PARK COMMISSION
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11. Segmented information

The Commission reports its revenue and expenses by program area.

	Golf course		Campground		General park		Administration		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues										
Province of Newfoundland and Labrador operating grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464,300	\$ 606,600	\$ 464,300	\$ 606,600
Golf course (Note 12)	972,551	987,110	-	-	-	-	-	-	972,551	987,110
Campground (Note 13)	-	-	609,029	633,057	-	-	-	-	609,029	633,057
Services	-	-	-	-	308,617	300,077	-	-	308,617	300,077
Rental	-	-	-	-	-	-	55,057	54,468	55,057	54,468
Driving range	40,700	47,286	-	-	-	-	-	-	40,700	47,286
Miscellaneous	8,621	8,688	-	-	-	-	60,532	50,751	69,153	59,439
Advertising	7,637	11,487	-	-	-	-	-	-	7,637	11,487
Interest	1,235	895	-	-	-	-	7,343	7,127	8,578	8,022
	1,030,744	1,055,466	609,029	633,057	308,617	300,077	587,232	718,946	2,535,622	2,707,546
Expenses										
Advertising and promotion	1,150	2,732	537	1,821	-	-	178	1,797	1,865	6,350
Amortization	133,542	57,293	-	-	-	-	80,883	168,763	214,425	226,056
Bank charges	26,205	21,865	-	-	-	-	18,510	17,692	44,715	39,557
Building maintenance	46,469	51,953	17,015	9,133	5,159	8,473	20,561	39,303	89,204	108,862
Course maintenance	51,702	51,143	-	-	-	-	-	-	51,702	51,143
Driving range	3,938	3,752	-	-	-	-	-	-	3,938	3,752
Equipment maintenance	43,469	37,058	-	-	56,525	38,103	-	-	99,994	75,161
Fuel	30,934	31,893	-	-	29,513	27,415	-	-	60,447	59,308
Heat, light and telephone	46,522	49,088	40,126	42,215	14,657	12,962	26,346	28,356	127,651	132,621
Honoraria	-	-	-	-	-	-	420	280	420	280
Insurance	24,953	24,057	-	-	-	-	41,681	39,748	66,634	63,805
Interest on capital lease obligations	6,943	5,388	-	-	-	-	78	78	7,021	5,466
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	3,304	-	3,304
Miscellaneous	4,437	3,143	211	813	3,878	2,400	532	1,766	9,058	8,122
Office	8,776	7,762	495	600	-	-	9,352	9,811	18,623	18,173
Professional fees	3,119	3,250	1,020	1,200	-	-	4,860	6,371	8,999	10,821
Salaries and employee benefits	565,891	583,260	211,684	214,812	501,785	525,209	397,947	429,005	1,677,307	1,752,286
Supplies	5,381	5,083	6,493	8,234	21,227	18,706	4,090	4,828	37,191	36,851
Training	-	-	-	58	-	681	198	58	198	797
	1,003,431	938,720	277,581	278,886	632,744	633,949	605,636	751,160	2,519,392	2,602,715
Annual surplus (deficit) before gain on disposal of tangible capital assets	\$ 27,313	\$ 116,746	\$ 331,448	\$ 354,171	\$ (324,127)	\$ (333,872)	\$ (18,404)	\$ (32,214)	\$ 16,230	\$ 104,831
Gain on disposal of tangible capital assets (Note 9)	-	-	-	-	-	-	70,800	-	70,800	-
Annual surplus (deficit)	\$ 27,313	\$ 116,746	\$ 331,448	\$ 354,171	\$ (324,127)	\$ (333,872)	\$ 52,396	\$ (32,214)	\$ 87,030	\$ 104,831

C.A. PIPPY PARK COMMISSION
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12. Golf course revenue

Course operations

	2017 Budget (Note 16)	2017 Actual	2016 Actual
Green fees	\$ 645,000	\$ 624,806	\$ 612,345
Rentals	170,000	165,211	158,476
	815,000	790,017	770,821
Proshop sales	15,000	10,700	12,133
Less: cost of goods sold	(6,800)	(4,114)	(5,129)
	8,200	6,586	7,004
Course operations	823,200	796,603	777,825
Clubhouse operations			
Salon rentals	48,200	34,550	46,486
Catering commissions	50,000	42,180	49,580
	98,200	76,730	96,066
Salon sales	186,000	158,394	182,495
Less: cost of goods sold	(72,000)	(59,176)	(69,276)
	114,000	99,218	113,219
Clubhouse operations	212,200	175,948	209,285
	\$ 1,035,400	\$ 972,551	\$ 987,110

C.A. PIPPY PARK COMMISSION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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13. Campground revenue

	2017 <u>Budget</u> (Note 16)	2017 <u>Actual</u>	2016 <u>Actual</u>
<u>Registration fees</u>	\$ 636,660	\$ 586,961	\$ 612,012
Sales	-	47,544	47,201
<u>Less: cost of goods sold</u>	-	<u>(25,476)</u>	<u>(26,156)</u>
	-	22,068	21,045
	\$ 636,660	\$ 609,029	\$ 633,057

14. Contractual obligations

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

2018	\$ 1,244
2019	<u>311</u>
	<u>\$ 1,555</u>

15. Financial risk management

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

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Commission's main credit risk relates to cash and accounts receivable. The Commission's maximum exposure to credit risk is the carrying amounts of these financial instruments. The Commission is not exposed to significant credit risk with its cash because this financial instrument is held with a Chartered Bank. Also, it is not exposed to significant credit risk related to the harmonized sales tax receivable due to its nature. The Commission is exposed to credit risk related to its trade accounts receivable. Any estimated impairment of accounts receivable has been provided for through an allowance as disclosed in Note 4.

15. Financial risk management (cont.)

Liquidity risk

Liquidity risk is the risk that the Commission will be unable to meet its financial liabilities and contractual obligations. The Commission's exposure to liquidity risk relates mainly to its accounts payable and accrued liabilities, its obligations under capital leases as disclosed in Note 6, the advance from the Province of Newfoundland and Labrador, and its contractual obligations as disclosed in Note 14. The Commission manages liquidity risk by monitoring its cash flows and ensuring that it has sufficient resources available to meet its financial liabilities. The Golf Course has an authorized line of credit totaling \$5,000, which is unused as at March 31, 2017.

Market risk

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

16. Budgeted figures

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

17. Non-financial assets

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

18. Comparative figures

Certain comparative figures have been restated to conform to the current year's presentation.