

The Niagara Parks Commission – Three Year Business Plan

April 1, 2015 – March 31, 2018



NPC - Three Year Business Plan

**Approved by The Niagara Parks Commission
March 27, 2015**

Contents

1.0	EXECUTIVE SUMMARY	2
2.0	MANDATE	7
3.0	STRATEGIC DIRECTIONS.....	10
4.0	OVERVIEW OF CURRENT & FORTHCOMING ACTIVITIES/ PROGRAMS	15
5.0	RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES	25
6.0	ENVIRONMENTAL SCAN	27
7.0	HUMAN RESOURCES.....	35
8.0	PERFORMANCE MEASURES	41
9.0	RISK IDENTIFICATION ASSESSMENT AND MITIGATION STRATEGIES.....	44
10.0	FINANCIAL BUDGET AND STAFFING	45
11.0	INFORMATION TECHNOLOGY/ELECTRONIC SERVICE DELIVERY PLAN	55
12.0	INITIATIVES INVOLVING THIRD PARTIES.....	58
13.0	IMPLEMENTATION PLAN	62
14.0	COMMUNICATION PLAN	66
	APPENDIX A - RISK MANAGEMENT ASSESSMENT	75
	APPENDIX B - ATTENDANCE SUMMARY	87

1.0 EXECUTIVE SUMMARY

The Niagara Parks Commission (NPC) was created in 1885 as a result of the Ontario Government wishing to seek “the public good” in balancing public and private interests in management of one of the great “Wonders of the World”. Many of the issues of balancing preservation of vistas, natural and architectural heritage against the pressures of sustainability remain. As an agency of the Ontario Government, NPC is one of the longest-standing agencies of the province with a proud history of service to the public.

The Niagara Parks Commission continues as one of the key drivers of economic prosperity and tourism in the Region. The Commission therefore is required to continuously adapt to societal and financial changes, while preserving reasonable access to NPC facilities and services.

NPC continues to steward a great internationally known icon – the Niagara Falls and 56 kilometres of adjoining parkland, traversing three local municipalities within the Region of Niagara. Ontario’s Economic and Fiscal Review in November 2014 points to positive signs that Ontario’s economy is gaining momentum, supported by the resurgence in the U.S. economy. The global economic environment remains challenging and NPC cannot depend on the US and international traveler for incremental new revenues. There will be a continued focus on the domestic traveler and creating value and reasons for repeat visits especially from GTA visitors who now make up a majority of visitors. Tourism infrastructure investments are required for Niagara to remain competitive and offer a diversity of products/services to meet the needs of visitors. NPC must focus more on the visitor, including understanding motivation for visits and length of stay, as well as meaningful elements of desired experiences.

It is critical that NPC continue to work constructively with many stakeholders and partners to protect the natural and cultural heritage along the Niagara River for the enjoyment of visitors while maintaining self-sufficiency.

NPC’s mandate will be carried out with a continued emphasis on our Values:

- Transparency and accountability
- Cooperation and collaboration
- Innovative practices
- Responsiveness and sensitivity
- Diversity

Employees will be fully engaged in our vision: *Ontario Niagara Parks – PRESERVING a rich heritage, CONSERVING natural wonders, INSPIRING people, worldwide!*

To achieve this vision, each business area has detailed work plans and outputs that support a balanced portfolio using seven critical foci in its strategy and emphasizing use of benchmarking, best practices and continuous improvement. These foci are as follows:

- FINANCE – Align financial resources to efficiently deliver products and services
- HUMAN RESOURCES – Create an operating culture in which innovation is encouraged
- PRODUCTS & SERVICES – Deliver a wide range of educational, recreational and environmental tourism opportunities
- FACILITIES & TECHNOLOGY – Maintain state of the art infrastructure and equipment
- IMAGE – Generate interest and excitement in the NPC Brand

- PARTNERSHIPS – Negotiate and maintain mutually beneficial operating partnerships and
- RESEARCH & DEVELOPMENT – Ensure that Commission and administrative decisions are evidence based

For the 12 months ended October 31, 2014, NPC achieved a surplus in its operating results of \$1.092 million. This was a positive variance of \$2.169 million from budget including a savings of \$928 thousand in operating expenditures, as well as a \$1.08 million improvement in revenues over budget. Strong performance from the new retail outlet at Grand View and increased attendance at NPC's Journey Behind the Falls attraction which celebrated its 125th anniversary, contributed to the positive results. Highlights of the financial results for NPC for the recently completed 12 months ended October 31 and the projection to the new year-end of March 31, 2015 are summarized in Table 1.1. below.

NPC's peak operating season traditionally extends from May to October, and October 31 has been the traditional fiscal year end for NPC. During 2013, the Commission approved a change in its fiscal year end from October 31 to March 31, with the transitioning fiscal year to be November 1, 2013 to March 31, 2015 (17 months). The March 31 year end coincides with the Province of Ontario's fiscal year end and provides efficiencies in financial reporting as well as business plan reporting and capital planning.

It is important to understand the impact of the change in year end from October 31 to March 31 on the 17 month transition budget and the 17 month projection in Table 1.1 below. The 17 month transition budget includes two 5 month periods of traditionally low revenue production, being November 1, 2013 – March 31, 2014 as well as November 1, 2014 to March 31, 2015. NPC's revenue producing operations experience peak season activity typically from June to September. Revenues for the 5 months of November to March usually represent approximately 12% of revenue for a normal year, while operating expenses for those same 5 months normally represent approximately 30% of operating expenses in a normal year. The deficit reflected for the 17 months ended March 31, 2015 is resulting from including two low seasons and one peak season within the same fiscal year – the transition year.

Table 1.1 Nov 1, 2013 - March 31, 2015 ACTUAL AND FORECASTED OPERATING RESULTS						
<i>(in thousands of dollars)</i>	RESULTS REFLECTING OLD YEAR END OF OCTOBER 31			YEAR END TRANSITION BUDGET & PROJECTION		
	Nov.2013 - Oct. 2014	Nov.2013 - Oct. 2014	Nov.2013 - Oct. 2014	Nov.2013 - Mar.2015	Nov.2013 - Mar.2015	Nov.2013 - Mar.2015
	YTD	YTD	YTD			
	12 months Actual	12 months Budget	12 months Variance	17 month Projection	17 month Budget	17 month Variance
Revenues	\$ 84,059	\$ 82,979	\$ 1,080	\$ 93,588	\$ 92,508	\$ 1,080
Operating Expenses	75,873	76,801	(928)	98,716	99,644	(928)
Net surplus (deficit) for the period before undernoted items (EBID)	8,186	6,178	2,008	(5,128)	(7,136)	2,008
Loan interest	1,718	1,701	17	2,427	2,427	-
Amortization of capital assets and capital funding	6,949	7,013	(64)	9,936	9,936	-
	(481)	(2,536)	2,055	(17,491)	(19,499)	2,008
Contributed Asset - Boat Plaza Building	2,197	2,124	73	2,197	2,124	73
Net increase in Power Plant Obligation	(624)	(665)	41	(925)	(925)	-
Net surplus/(deficit) for the period	\$ 1,092	\$ (1,077)	\$ 2,169	\$ (16,219)	\$ (18,300)	\$ 2,081

In Table 1.2 below NPC returns to a normal 12 month fiscal period, with budgets for the next three 12 month fiscal periods beginning April 1, 2015 and ending March 31, 2018.

For 2016 – 2018, the revenue and expense forecast has been prepared based on attendance for the previous three years, expected guaranteed revenues from the new boat tour lease agreement, revenues from a potential Zip Line Program commencing in 2016, and other assumptions which are outlined in Section 10.

Table 1.2 2016 - 2018 REVENUE AND EXPENSE BUDGET					
<i>(in thousands of dollars)</i>	YEAR END TRANSITION BUDGET		BUDGETS REFLECTING NEW YEAR END OF MARCH 31		
	Nov.2013 -	Nov.2013 -	Apr. 2015	Apr. 2016	Apr. 2017
	Mar.2015	Mar.2015	Mar.2016	Mar.2017	Mar.2018
	17 month	17 month	12 month	12 month	12 month
	Projection	Budget	Budget	Budget	Budget
Total Revenue, excluding Zip Line Program	\$ 93,588	\$ 92,508	\$ 87,374	\$ 88,942	\$ 90,367
Total Expenses	98,716	99,644	79,105	80,339	81,545
Earnings before interest, amortization and Zip Line	\$ (5,128)	\$ (7,136)	\$ 8,269	\$ 8,603	\$ 8,822
Interest Expense	2,427	2,427	1,646	1,538	1,426
Amortization of capital assets and capital funding	9,936	9,936	7,363	7,400	7,450
Net increase in Power Plant Obligation	925	925	705	658	482
Net deficit for the year before Zip Line Program	\$ (18,416)	\$ (20,424)	\$ (1,445)	\$ (993)	\$ (536)
Contributed Asset	\$ 2,197	\$ 2,124			
Revenue from Potential Zip Line Program	\$ -	\$ -		\$ 2,163	\$ 2,263
Net surplus/(deficit) for the period	\$ (16,219)	\$ (18,300)	\$ (1,445)	\$ 1,170	\$ 1,727

The following are the highlights of some of the key accomplishments of NPC during 2013/2014:

- Successfully transitioned the Boat Tour cruise to the new tenant Hornblower Niagara Cruises
- Completed renovation of retail space at Grand View Marketplace in advance of the new Boat Tour launch
- Completed repairs to Falls Incline, after heavy water damage from regional watermain break in December 2013, and opened Incline for business in time for 2014 peak season
- War of 1812 Bicentennial Events: Battle of Chippawa, Siege of Fort Erie
- Published new annual Visitor Guide
- Celebrated Journey Behind the Falls 125 Anniversary
- Hosted two major Golf Canada tournaments at Legends
- Hosted Parks & Recreation Ontario (PRO), Canadian Association of Municipal Administrators (CAMA), Federation of Canadian Municipalities (FCM) and Canadian Urban Transit Association (CUTA) conference tours
- Introduced Sound & Light Show, at Queen Victoria Park in August - Onguiarra
- Completed enhancements to Website (AODA compliant)
- Introduced Golf Mobile Application
- Completed Floral Showhouse site plan
- Constructed new all season pedestrian pathway at CNP bridge with technology that eliminates the need for snow and ice removal during the winter months
- Introduced a new Adventure Pass product with a Nature theme
- Held an Open House to market NPC's Wedding products, resulting in increased bookings
- Constructed multi-use parking/event site at Floral Show House (The Grove)
- Installed people counters at Table Rock, Grand View & Nature Centre to track usage patterns
- Completed in Park Surveys of visitors for the second year as part of NPC's market research
- Entered into a new contractual arrangement for Pay and Display parking, through a competitive procurement, which has resulted in an improved revenue share for NPC

- Introduced new parking pass products to offer affordable options to repeat visitors and visitors attending multiple NPC attractions
- Implemented the new Human Resources business model and several human resources initiatives, including assistance with action plans on employee survey results, introduction of a mid-term appraisal for non-union staff, met all requirements of the Accessible Employment Standard, introduced a new Corporate Excellence Awards Program
- Implemented new budgeting/salary planning tool (FMW)
- Planted 24 acres at Legends, as part of the Trees Ontario planting partnership
- Implemented several technology enhancements - New fibre optic lines between Oak Hall and Table Rock; WiFi installation at Administrative facilities and Public WiFi at Grand View Plaza, Internal Video Production, secure facilities for servers
- Winter Festival of Lights enhancements

The following key priorities for 2015 - 2018 are outlined below, categorized by strategic focus element:

Research & Development

- Conduct planning for redevelopment of Queen Victoria Place
- Examine service delivery model of Quick Serve & Retail at Table Rock
- Examine service delivery model of Digital Photography Service

Human Resources

- Develop and implement action plans to employee survey to support fundamental culture change
- Implement new Human Resources Business Partner model
- Implement automated Applicant Tracking System to replace manual system
- Implement new training model, including leadership and supervisory training and automated training software to facilitate effective tracking of training
- Investigate and implement new technologies for processing, tracking and analyzing timekeeping, payroll and Human Resources information
- Complete non-union job evaluation project
- Review succession planning and implement leadership development plans in each department

Partnerships

- Prepare for welcoming of participants and visitors associated with the Pan Am and Para Pan Am Games
- Implement Ontario/Emerald Ash Borer replanting program
- Review use of NPC Foundation
- Develop Sponsorships
- Conduct updated assessment of Power Plants

Image

- Continue development of mobile device applications for ticketing and scanning
- Investigate Adventure Pass and Wayfinding improvements

Products and Services

- Attraction Renewal – Journey Behind the Falls, Incline Lower Plaza, Falls Illumination
- Implement new Zip Line Program
- Implement Culinary Brand Strategy
- Conduct Procurement for Digital Photography Revenue Generating Operations
- Develop Summer Sound & Light Show Program

Finance

- Implement change in fiscal year end
- Upgrade of finance software and automation of procurement processes
- Implement Open Text Document Management Software and continue with Records Management Program

Facilities & Technology

- Continue with development of detailed Asset Management Plan
- Conduct Energy Audit and implement efficiencies
- Conduct space planning study for Administrative Facilities and develop plans for alternative space on NPC property to replace leased Dunn St administration building
- Oakes Garden Theatre restoration
- Canopies and chillers at Table Rock
- Awning replacement at Queen Victoria Place
- Police radio replacement
- Conduct environmental assessment and market study analysis for Miller's Creek Marina development alternatives and commence competitive procurement process

These current and forthcoming projects and activities are more fully described in Section 4 of this Business Plan, and implementation plans for these projects are outlined in Section 13. Resources are available to implement these priorities in NPC's operating and capital budgets.

These priorities align with the Ministry of Tourism, Culture and Sport's vision to strengthen the economy and help stimulate economic growth. As NPC implements the priorities in this business plan, NPC will continue to maintain fairness in the implementation of the Boat Service Lease and Operating Agreement with Hornblower Niagara Cruises, which commenced on January 1, 2014. NPC will maintain transparency with the Miller's Creek marina redevelopment project and will progress with studies to update the condition assessments of the obsolete generating stations.

The Zip Line Program, installed and operated through a third party, is a new venture that is being considered by the Board. The procurement process is still in progress, and a lead proponent has been identified. Should the Zip Line Program proceed as proposed, a net surplus is being forecast for 2017. Achievement of a positive financial position is one of the objectives identified in NPC's 2013-2017 Strategic Plan. Should the Zip Line Program not proceed, NPC will adjust its capital program accordingly.

A prioritized and strategic capital plan self-funded from operations is vital to NPC's survival. NPC's capital plan is prioritized and based on funding available from operations. NPC recognizes the importance of long term asset planning and has incorporated an analysis of asset condition, forecasted needs and replacement strategy in Section 10 of this Business Plan.

2.0 MANDATE

In 1885, Sir Oliver Mowat's government tabled a Bill entitled *An Act for the Preservation of the Natural Scenery about Niagara Falls*. Two years later, the Legislature passed *The Queen Victoria Niagara Falls Park Act*. This Act established The Niagara Parks Commission (NPC) outlined its powers and duties and defined its mandate to manage, control and develop the Parks.

The Niagara Parks Act

NPC operates today under the provisions of *the Niagara Parks Act, R.S.O. 1990, Chapter N.3*. Section 4 of the Act sets forth the General Powers and Duties of the Commission. Specifically, the Legislation indicates "It is the duty of the Commission to manage, control and develop the Parks..." Section 4 then provides a list of 15 general powers and duties. Among these are the power to "layout, plant and enclose the Parks" and the ability to "appoint such auditors, officers, clerks, keepers, gardeners, and other persons that may be required."

Founding Principles

In addition to these specific legal powers and duties, Niagara Parks was established on two founding principles, which continue to guide its operations to this day. These two principles are:

1. The Park should not become a permanent financial burden on the Province. The Park operates in a self-supporting manner without the aid of any government funding for operations.
2. Access to the Park is to remain as free to the public as possible.

Agency Establishment and Accountability Directive

NPC operates within the accountability framework of the Province as set out in the new "Agencies and Appointments Directive". This Directive outlines the various accountability mechanisms that are to be established between an agency and its relevant Ministry. Included in this is the development of a Memorandum of Understanding, the tabling of Quarterly and Annual Reports, the preparation of a Business Plan and Risk Assessments, a requirement for external audits to be completed and procedures for financial reporting and periodic reviews that will take place.

In accordance with this Directive, NPC has been classified as an *Operational Enterprise Agency* of the Ministry of Tourism, Culture and Sport. An *Operational Enterprise* is an agency that has the financial and operating authority to carry on a business with revenues received from its commercial activities. NPC is further categorized by the Ministry of Finance as an *Other Governmental Organization*, which "...maintains its operations and meets its obligations from revenues generated outside of the government reporting entity." NPC is required to report financial information to the Ministry of Finance and its operations are included in the Province's summary financial statements.

Operational Enterprise Classification

NPC's classification as an Operational Enterprise reaffirms the Government's intent and expectations for NPC to pursue sound fiscal management strategies. Over time NPC has established commercial facilities. By operating its own commercial facilities and by negotiating partnership agreements with others, NPC has been able to both control commercialism and at

the same time generate the profits necessary to fulfill its self-sufficiency principle and its significant stewardship responsibilities.

Stewardship

The stewardship role assumed by NPC remains significant to its accountabilities since its inception. As guardian of a national trust, NPC is expected to preserve and commemorate the historical, cultural and environmental significance of the Niagara River corridor. In fulfilling this important public mission, NPC provides a myriad of public and community services and assumes an important stewardship role on behalf of the Province of Ontario, all at no cost to the taxpayer.

As well, by structuring NPC as an economic self-sufficient organization reporting to the Ministry of Tourism, Culture and Sport with oversight and control placed in the hands of an appointed Board, NPC effectively operates for the benefit of the people of Ontario.

Mission Statement

It is important that the mission of Niagara Parks is consistent with the mandate which is contained in the Niagara Parks Act. The mission must recognize the location of the mandate (i.e. along Niagara River), for whom the mission is fulfilled (the visitors), and the accountability in fulfilling the mission (financial self-sufficiency).

Niagara Park's mission is to protect the natural and cultural heritage along the Niagara River for the enjoyment of visitors while maintaining financial self-sufficiency.

The vision of NPC was revised in 2010 to better capture the intent of NPC:

Ontario's Niagara Parks – PRESERVING a rich heritage, CONSERVING natural wonders, INSPIRING people, worldwide!

The catch phrase of NPC has become – preserving, conserving, inspiring. These are the evaluative criteria for the initiatives and means by which NPC fulfills its duties.

This catch phrase is reinforced by the visuals which were adopted in 2011 – four images which capture the essence of NPC. These visuals are used throughout the park, in its print material, on its website, and in the signature of NPC emails.



Part of the Ministry of Tourism, Culture and Sport's mandate is to play a central role in attracting investment and international visitors to the Province. The Ministry vision is to work

with the tourism and culture sectors to strengthen Ontario as an internationally recognized tourism destination.

NPC supports the Ministry's vision by undertaking market research and product development and by actively promoting Niagara in Canadian and International markets through its many partnerships.

NPC encourages private sector development and new product development to expand Ontario's tourism sector. In 2012, the finalization of a new Boat Tour agreement with Hornblower Canada is an example of encouraging private sector investment to attract new visitors and enhance the visitor experience. During 2013, NPC began the competitive procurement process of investigating a new Zip Line Attraction Program potentially to be built and managed by a private sector partner.

Events, exhibits and golf tournaments are regularly held to increase visitation to Niagara Parks and the Niagara Region. NPC works with regional hotel properties to increase overnight stay through affiliate programs that cross-sell products such as the Adventure Pass program, golf stay & play, weddings and numerous events and exhibits. NPC has staff dedicated to marketing, sales and event coordination.

Examples of exhibits and events which result in a significant influx of visitation to Niagara Region include the New Year's Eve event (estimated attendance of 60,000 people) and Festival of Lights.

NPC continues to support and integrate with the marketing efforts of the Regional Tourism Organization (RTO) for out of destination advertising support within the GTA, other Ontario and near U.S. markets. The RTO was developed in 2010 by the Ministry of Tourism and Culture, which created 13 industry-led, not-for-profit RTOs responsible for building and supporting competitive and sustainable tourism. This will support the Ministry's responsibility to "support the delivery and marketing of high-quality tourism experiences".

3.0 STRATEGIC DIRECTIONS

NPC's achievements in 2014 and focus in the 2015-2018 Business Plan supports the priorities of the Ministry of Tourism, Culture and Sport through several initiatives. These include market research and brand development, including international tourism trends, renewal of NPC's existing tourism attractions and launch of new attractions, preservation and enhancement of heritage assets and collaboration with the local community through participation in marketing partnerships, NPC's visitor transportation system, and NPC Welcome to Athletes and Visitors to the Pan/Parapan American Games in 2015.

In its 2012-2015 Business Plan, NPC identified seven areas of strategic focus that it considered to be critical to its continued success. On April 26, 2013, NPC's Board adopted a new Strategic Plan which also references these seven focus areas. These focus areas are as follows:

- FINANCE – Align financial resources to efficiently deliver products and services
- HUMAN RESOURCES – Create an operating culture in which innovation is encouraged and rewarded
- PRODUCTS & SERVICES – Deliver a wide range of educational, recreational and environmental tourism opportunities
- FACILITIES & TECHNOLOGY – Maintain state of the art infrastructure and equipment
- IMAGE – Generate interest and excitement in the NPC Brand
- PARTNERSHIPS – Negotiate and maintain mutually beneficial operating partnerships
- RESEARCH & DEVELOPMENT – Ensure that Commission and administrative decisions are evidence based

In addition to the seven focus areas, the goals of positive engagement, asset renewal, as well as service and program enhancement and several key initiatives to support these goals were identified in the 2013–2016 Business Plan.

Progress on these initiatives during 2014 is summarized below.

2014 Strategic Initiatives and Achievements

Research & Development

- Completed Floral Showhouse site plan
- Installed people counters at Table Rock, Grand View & Nature Centre to track usage patterns
- Completed in Park Surveys of visitors for the second year as part of NPC's market research

Human Resources

- Implemented the new Human Resources business model and several human resources initiatives, including assistance with action plans on employee survey results, introduction of a mid-term appraisal for non-union staff, met all requirements of the Accessible Employment Standard, introduced a new Corporate Excellence Awards Program

Partnerships

- Hosted two major Golf Canada tournaments at Legends

- Hosted PRO, CAMA, FCM and CUTA conference tours
- Winter Festival of Lights enhancements

Image

- Published new annual Visitor Guide

Products and Services

- Successfully transitioned the Boat Tour cruise to the new tenant Hornblower Niagara Cruises
- Completed renovation of retail space at Grand View Marketplace in advance of the new Boat Tour launch
- War of 1812 Bicentennial Events: Battle of Chippawa, Siege of Fort Erie
- Celebrated Journey Behind the Falls 125th Anniversary
- Introduced Sound & Light Show, at Queen Victoria Park in August - Onguiarra
- Introduced a new Adventure Pass product with a Nature theme
- Held an Open House to market NPC's Wedding products, resulting in increased bookings
- Introduced new parking pass products to offer affordable options to repeat visitors and visitors attending multiple NPC attractions

Finance

- Entered into a new contractual arrangement for Pay and Display parking, through a competitive procurement, which has resulted in an improved revenue share for NPC

Facilities & Technology

- Completed repairs to Falls Incline, after heavy water damage from regional watermain break in December 2013, and opened Incline for business in time for 2014 peak season
- Completed enhancements to Website (AODA compliant)
- Introduced Golf Mobile Application
- Constructed new all season pedestrian pathway at CNP bridge with technology that eliminates the need for snow and ice removal during the winter months
- Constructed multi-use parking/event site at Floral Show House (The Grove)
- Implemented new budgeting/salary planning tool (FMW)
- Planted 24 acres at Legends, as part of the Trees Ontario planting partnership
- Implemented several technology enhancements - New fibre optic lines between Oak Hall and Table Rock; WiFi installation at Administrative facilities and Public WiFi at Grand View Plaza, Internal Video Production, secure facilities for servers

Environmental Scan

NPC continues to steward a great internationally known icon – the Niagara Falls and 56 kilometres of adjoining parkland, traversing three local municipalities within the Region of Niagara. Ontario's Economic and Fiscal Review in November 2014 points to positive signs that Ontario's economy is gaining momentum, supported by the resurgence in the U.S. economy.

The global economic environment remains challenging and NPC cannot depend on the US and international traveler for incremental new revenues. There will be a continued focus on the domestic traveler and creating value and reasons for repeat visits especially from GTA visitors who now make up a majority of visitors. Tourism infrastructure investments are required for Niagara to remain competitive and offer a diversity of products/services to meet the needs of

visitors. NPC must focus more on the visitor, including understanding motivation for visits and length of stay, as well as meaningful elements of desired experiences.

It is critical that NPC continue to work constructively with many stakeholders and partners to protect the natural and cultural heritage along the Niagara River for the enjoyment of visitors while maintaining self-sufficiency.

2015 – 2018 Strategic Focus

NPC's 2013-2016 Strategic Plan recognizes the need for NPC to reposition itself, to refine its image, define its core business, align to its original mandate, address significant trends in tourism and to capitalize fully on its assets. The following key priorities for 2015 - 2018 are outlined below, categorized by strategic focus element:

Research & Development

- Conduct planning for redevelopment of Queen Victoria Place
- Examine service delivery model of Quick Serve & Retail at Table Rock
- Examine service delivery model of Digital Photography Service

Human Resources

- Develop and implement action plans to employee survey to support fundamental culture change
- Implement new Human Resources Business Partner model
- Implement automated Applicant Tracking System to replace manual system
- Implement new training model, including leadership and supervisory training and automated training software to facilitate effective tracking of training
- Investigate and implement new technologies for processing, tracking and analyzing timekeeping, payroll and Human Resources information
- Complete non-union job evaluation project
- Review succession planning and implement leadership development plans in each department

Partnerships

- Prepare for welcoming of participants and visitors associated with the Pan Am and Para Pan Am Games
- Implement Ontario/Emerald Ash Borer replanting program
- Review use of NPC Foundation
- Develop Sponsorships
- Conduct updated assessment of Power Plants

Image

- Continue development of mobile device applications for ticketing and scanning
- Investigate Adventure Pass and Wayfinding improvements

Products and Services

- Attraction Renewal – Journey Behind the Falls, Incline Lower Plaza, Falls Illumination
- Implement new Zip Line Program
- Implement Culinary Brand Strategy
- Conduct Procurement for Digital Photography Revenue Generating Operations
- Develop Summer Sound & Light Show Program

Finance

- Implement change in fiscal year end
- Upgrade of finance software and automation of procurement processes
- Implement Open Text Document Management Software and continue with Records Management Program

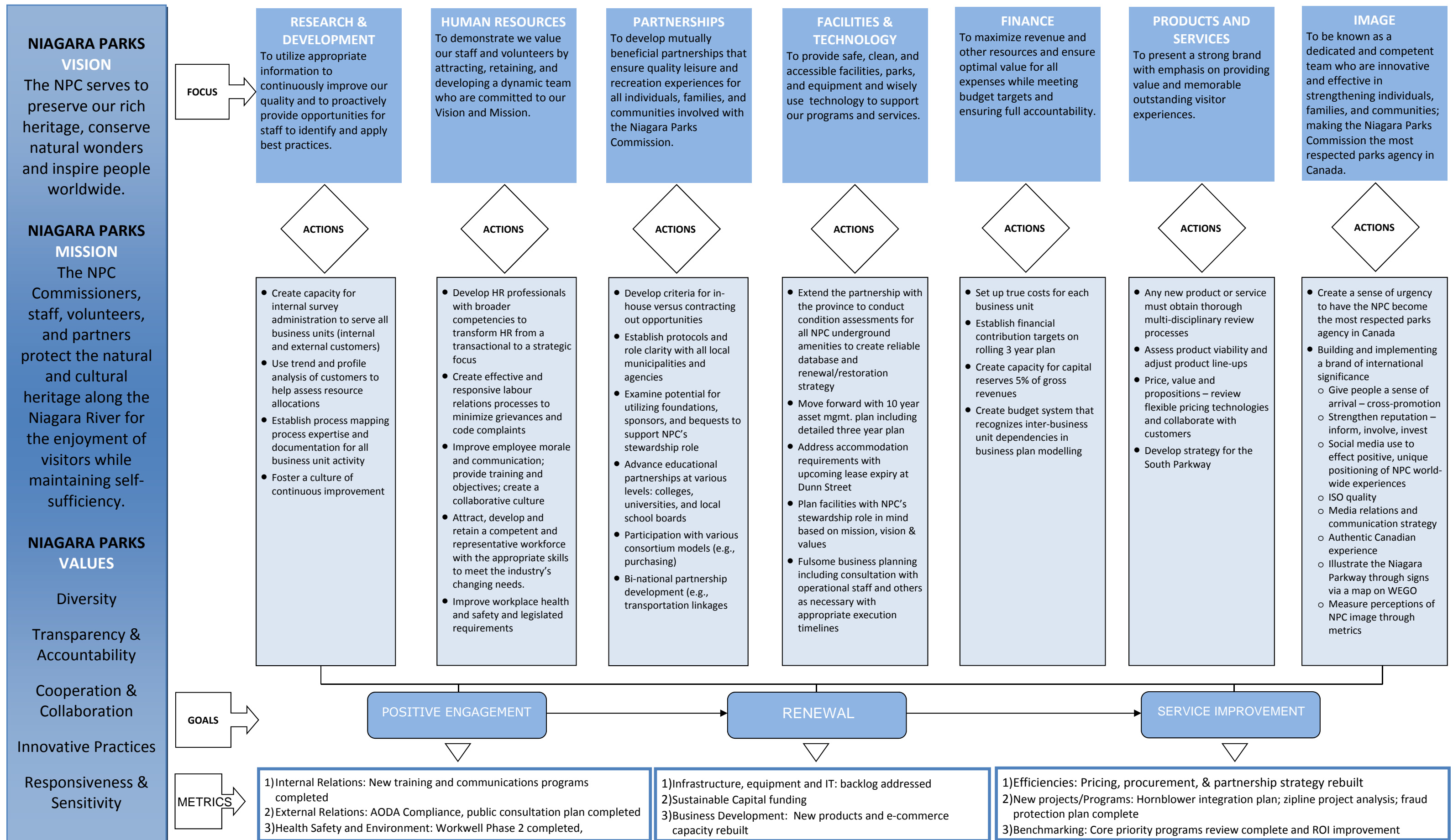
Facilities & Technology

- Continue with development of detailed Asset Management Plan
- Conduct Energy Audit and implement efficiencies
- Conduct space planning study for Administrative Facilities and develop plans for alternative space on NPC property to replace leased Dunn St administration building
- Oakes Garden Theatre restoration
- Canopies and chillers at Table Rock
- Awning replacement at Queen Victoria Place
- Police radio replacement
- Conduct environmental assessments and market study analysis for Miller's Creek Marina development alternatives and commence competitive procurement process

These current and forthcoming projects and activities are more fully described in Section 4 of this Business Plan, and implementation plans for these projects are outlined in Section 13. Resources are available to implement these priorities in NPC's operating and capital budgets.

THE NIAGARA PARKS COMMISSION

2015 – 2017 STRATEGIC FOCUS



4.0 OVERVIEW OF CURRENT & FORTHCOMING ACTIVITIES/PROGRAMS

The 2015 – 2018 Business Plan reflects the results of the Strategic Plan update that was approved in April 2013. The programs and activities outlined within this section are a continuation of projects underway during 2014/2015 and new initiatives for the 2015 – 2018 planning period. While numerous strategic initiatives are highlighted in Section 3, this section provides additional details on the most significant projects. This section also provides details on upcoming Revenue Generating Opportunities (RGO's) within the planning period.

Attraction Renewal

During 2016, NPC will undertake planning and investigation to revitalize several of its attractions:

Journey Behind the Falls (JBTF)(Cost \$250k (funded by NPC operations); Completion date May 2015): The JBTF project is being triggered by the need to redesign the concourse level of the attraction to enhance and highlight the JBTF customer experience and increase attendance to The Niagara Parks Commission's main attraction. The scope of work includes the redesign of the existing concourse level, which services as the entrance / staging area / main ticket and customer service counter for the JBTF attraction. The key deliverables include improving functionality, accessibility, customer flow and overall visibility and attractiveness of the area to enhance and provide a superior experience for visitors.

Illumination Tower (Cost \$4 million to be funded by others; completion date December 2016): Working with the Bi-National Illumination Board, NPC is investigating the feasibility of substantial lighting improvements for the American and Horseshoe Falls at an estimated cost of \$4 million to be shared by other members. The existing lighting system is deemed dull and old, dating back to use of World War II searchlight luminaire housings (75 years old), with the last substantial bulb upgrades dating back to 1998.

Falls Incline Railway – Lower Plaza: (Budget \$500k (funded from NPC operations); Completion Date May 2015) This improvement project is being triggered by the need to provide all season barrier-free pedestrian walkways from the Falls Incline Railway to the Bridge of Flowers and on to the Table Rock Welcome Centre.

The scope of work includes the creation of a new heated concrete pedestrian plaza at the lower terminal of the Falls Incline Railway complete with seating, landscaping and decorative fencing to create a more welcoming and comfortable public space. The space will be people centric, improve accessibility, customer flow and will enhance the connectivity of the Falls Incline Railway to the Table Rock Welcome Centre and during the Pan Am and Parapan Am Games, act as a focal point for special events and information.

Zip Line Program (Implementation Date: April 2016 Capital costs to be funded by third party operator as part of lease agreement)

Working with a preferred proponent, identified through a competitive procurement process, NPC has completed a draft agreement and operating lease for the operation of a new Zip Line Attraction at the Falls, as well as an Aerial Adventure Course at NPC's Thompson Point location. The business case and draft agreements have been submitted to the Province and are awaiting approval by OIC.

Asset Management/Deferred Maintenance

The amount available to fund NPC's capital needs and the prioritization process is identified in Section 10.3. There is a significant gap between funding available through operations, and the cost of addressing deferred capital maintenance. During 2015/2016, NPC will continue the development of a long term asset management plan, including various background studies required to further assess condition of assets, options for restoration and cost estimates. Several projects have been identified to address the most urgent improvements required, based on data contained in the VFA condition assessment database as well as assets which are critical to operations and near the end of useful life.

Table Rock: Building Systems Replacement (Budget: \$500k; Completion Date: December 2015)

Currently the Table Rock chillers are operating at less than 60% capacity. The chillers have exceeded their life expectancy and are very inefficient. They operate on a restricted refrigerant which makes repairs very costly and is considered an environmental risk.

The refrigeration at Table Rock (fridges and freezers) are designed to operate on these chillers but due to the limited capacity there is a need to operate on city water to cool them to allow all available cooling for building comfort. The water cooling of the compressors is very costly and is in violation of bylaws requiring all water cooled equipment to be of a recirculating type and not direct to drain. The installation of a new system is very complex. This system is a physically large custom system which could not be quickly replaced on an emergency basis if the system were to fail.

This project would include all engineering, including mechanical and electrical design, sourcing of equipment, logistics and installation (wall removals, craning and timing to allow minimal visitor disruption due to its location). The project is a high priority and should commence immediately to mitigate environmental issues, product and revenue losses and staff and customer discomfort.

Table Rock: Exterior Canopies (Budget \$150k; Completion Date: April 2015)

The design and construction of new exterior canopies will provide a permanent solution to protect visitors from ice falling from the roof of the Table Rock Complex. This project has been identified as a health and safety concern.

The scope of work includes the design of four (4) new permanent exterior canopies at the Table Rock Welcome Centre at the Grand Hall Entrance at the Falls. The identified locations include the lower restaurant entrance, the north side of the Bridge of Flowers and the south side of the Bridge of Flowers. The canopies will include new lighting, security cameras, snow and ice melting systems, and a robust structure capable of withstanding excessive snow and ice loads.

Queen Victoria Place: Awning Replacement (Budget \$150k; Completion Date: April 2015)

The QVP awning is over 13 years old and well past its life expectancy. The U.V. light has deteriorated the fabric to the point that it has cracked causing multiple water leaks. The canopy has been repaired multiple times and can no longer be efficiently repaired. The color is faded and no longer appealing. NPC has received several comments and complaints from potential customers about booking the location for an event. The facility and culinary team has requested side curtains which will enhance business (wedding/events). In order to accomplish this request the canopy frame/structure will need to be re-engineered to accept current wind load design specifications.

Police Radio Replacement Project (Budget \$350k; Completion Date: April 2015)

The Niagara Parks Police Service (NPPS) is presently operating a Motorola conventional radio system using radio channels. This system has reached both the end of its useful lifecycle and the manufacturer's support cycle. A Voice Radio Communication System is vital to the Service's ability to provide adequate and effective policing and to ensure the safety of our members and the public.

The legacy radio system was purchased in 2003, when The Niagara Parks Commission approved the capital expenditure of approximately \$500,000 for a new voice radio project for the NPPS. The purchase leveraged the infrastructure of the Niagara Regional Police Service (NRPS) voice radio project of the day. The NRPS project was initiated following a comprehensive tender process and approval from the Regional Municipality of Niagara Police Services Board while working with the Region. Leveraging the Region's efforts made it possible for the Niagara Parks Police Service, through The Niagara Parks Commission, to afford a state of the art voice radio system. The Niagara Parks Police Service seeks to duplicate the process and therefore recognize cost savings towards a new radio system in 2014/15.

Space Planning Study–Administrative Facilities (2016 Budget \$100k; Completion Date: June 2015)

This project includes all the planning and design work required to repurpose a portion of NPC's Distribution Centre warehouse building for more efficient use of space and additional employee offices. The Niagara Parks Commission is currently leasing 37,000 sq. ft. of office space from Niagara College at an approximate cost of \$162,000 per year and it is envisioned that the Distribution Centre will be an appropriate and sustainable location to replace the Niagara College leased facilities.

The scope of work includes the redesign of the interior space at the Distribution Centre to accommodate approximately 35 employees from the leased space at the Niagara College Maid of the Mist campus which is coming due at the end of 2016 (with possible extension to 2017). The redesign will include new open work areas, private offices, meeting rooms, washrooms, kitchenettes, amenity spaces and services complete with new mechanical systems, electrical systems, life safety systems, communication systems, office furniture, architectural finishes and all required accessibility features.

Niagara Parks Marina (Miller's Creek) Redevelopment (2016 Operating Budget for planning studies \$100k; Completion Date: December 2015)

The enhancement of The Niagara Parks Marina at Miller's Creek will create a regionally unique, recreation destination appropriate to its parkway and historical river setting. Based on an exceptional public marina facility, it will develop in an economically and environmentally sustainable manner, and will provide an easy and convenient access point to all the attractions along the Niagara Parkway. This destination will reinforce The Niagara Parks Commission brand and maintain the pre-eminence of the Niagara Parkway, serving the boating and recreational community across the international Niagara region including patrons, tourists and visitors.

Given the input and feedback provided by both residents and stakeholders groups, NPC will now initiate a market demand and environmental study of the site, to determine the best enhancement development options. They will be based upon the guiding principles established during the consultations of including maximizing water-based recreation and related amenities; enhancing public access and activities along the Niagara River shoreline;

conforming to planning policy and regulation, while following good planning principles; and ensuring financial sustainability and providing community benefit.

The NPC will continue to provide daily operations and maintenance of the marina through a third party. An updated agreement to provide these services will be procured by April, 2015.

Business Rationalization—Finance, Procurement, Human Resources and Technology

During 2016-2018, NPC will continue with the modernization of its technology and Corporate Services support systems as well as the introduction of a Corporate-wide records management initiative. Modernization projects will continue in the areas of Technology, Procurement, Financial Reporting & Budgeting and Revenue Collection, including PCI Compliance, Payroll and timekeeping services & Human Resources data management. The modernization process involves documentation of existing systems in a standard format, user friendly forms, gap analysis, development of work plans, staff training, introduction of new or upgraded technologies and new records management processes. The majority of the modernization program is funded with existing staff, and through the additional capacity provided by ongoing efficiencies.

Progress continues on the formal records management program which commenced in 2014. NPC plans to implement Open Text as its Document Management Software, and will be working with Ministry of Government Services, Central Agencies Cluster, through a financial letter of agreement, to utilize the Enterprise Records and Document Management Service (ERDMS).

The ERDMS will provide a cost effective means to capture, manage, store, preserve, and deliver content and documents related to NPC processes, built on a fully scalable infrastructure, by allowing NPC access to licenses for Open Text Software through the Province's contractual arrangement (VOR) with the software provider. During fiscal 2015, ERDMS is providing NPC with access to its professional expertise through the Quick Start Program, to initiate implementation of the Open Text software. The scope of the services provided by ERDMS includes:

- Solid Information Management Foundation (expertise in records management and experience with Open Text in the Ontario provincial environment)
- Shared work spaces for document collaboration and tools to improve your ability to find information
- A Secure platform
- Standard login component
- Use of Provincial Common Business Functions
- Full consultation to complete Community, Information and Security Modelling/Design and Records Management Model

The Quick Start Program is being provided to NPC at a cost of \$10,000 to initiate the software implementation. On an ongoing basis, the annual licensing costs are expected to be approximately \$25,000 per year, and NPC has included these costs in its 2016 budget.

The third party operational review of information technology services conducted in 2012 resulted in a number of recommendations to ensure dependable hardware, software and connectivity. Since that time, equipment has been upgraded and the network has been stabilized. NPC is reducing its dependency on outsourced IT expertise by incorporating

additional skill set requirements when filling its IT staff vacancies and introducing a formal training program for IT staff.

NPC Brand Development *(to be funded within existing operating budget and conducted through the marketing division and cross departmental teams)*

NPC will be continuing implementation of its three year brand development program, including the development of brand guidelines. NPC will leverage its membership with key tourism organizations, the new boat tour service and the introduction of new attractions such as a potential Zip Line Program to generate renewed interest in Niagara Parks.

NPC will continue to conduct ongoing market research through regular surveys to ensure products, programs, services and attractions have unique characteristics that distinguish NPC from other tourist operators. NPC will continue to monitor visitor use of the Niagara Glen and other natural areas through counters located along the trail and through feedback during guided tours.

Power Plants – Adaptive Re-use of Historical Ontario Power Generating (OPG) Assets

NPC is the custodian of three historic power generating buildings: Ontario Power Generating Station (OPGS), Canadian Niagara Power Generating Station (CNP), Toronto Power Generating Station (TPGS), as well as Ontario Power Gatehouse (OPGH). All of these facilities are over 100 years old and have historical significance, and they are no longer able to produce hydroelectricity. These three historic power generating facilities and their associated structures (gatehouse, surge tanks, weirs, tunnels and elevators), all of which are located in a significant area adjacent to Niagara Falls, may be suitable for adaptive re-use, however further studies will be required during 2015-2018 to assess the next steps to be taken. The implementation plan section (Section 13) of this Business Plan outlines the proposed next steps for 2016-2018.

To provide background on how NPC came to be the custodian of these facilities, following is an excerpt from Section 2.3.3 of a September 27, 2013 report by Ontario Power Generation, regarding the Niagara Tunnel Project and the Niagara Exchange Agreement which resulted in the transfer of three obsolete generating stations to the NPC:

The *Niagara Parks Act* (Ontario) assigns The Niagara Parks Commission ("NPC") the authority to grant certain rights to use the waters of the Niagara River for purposes of power generation.

In 1892, the NPC granted a franchise agreement to the Canadian Niagara Power Company Limited ("CNP") for the construction and operation of the Rankine Generating Station ("Rankine GS") and for the taking of water from the Niagara River. The current owner of CNP is Fortis Ontario Inc. ("Fortis"). The franchise granted Fortis the right to generate 74.6 MW by taking approximately 283 m³/s of water from the Niagara River for power production until April 30, 2009. The NPC also granted two other franchise agreements in 1900 and 1903 respectively for Toronto Power Generating Station ("Toronto Power GS") and Ontario Power Generating Station ("Ontario Power GS"). These two stations and their respective franchise agreements came to be owned by OPG.

When the Province approved the construction of Sir Adam Beck Generating Stations 1 and 2, it gave the predecessor of Ontario Hydro the rights and authorities to build, operate and use the waters of the Niagara River under specific legislation passed in 1916, 1917 and 1951. As a result, two parallel systems now exist for the granting of rights to use water from the Niagara

and Welland Rivers. The rights granted under NPC's authority are treated as having priority over the Sir Adam Beck rights because these rights were granted first.

Based on the two streams of water power granting authority, there existed ambiguities with regard to water rights at Niagara and the ability of third parties to gain rights to generate power at Niagara.

The negotiations regarding the Niagara Exchange Agreement ("NEA") were initiated by Ontario Hydro in 1998 with NPC and Fortis. In 2003, several agreements were reached between the NPC, Fortis, and OPG in order to secure and protect OPG's water rights on the Niagara and Welland Rivers through 2056.

As part of these agreements, OPG was required to transfer ownership of the Toronto Power Generating Station (GS) and the Ontario Power GS to NPC to develop the structures for purposes other than hydroelectric generation, including as a visitor attraction. As conditions of the transfer, OPG was required to conduct environmental assessments, perform required environmental remediation and make specific structural improvements to the buildings including removal of equipment, filling of the inner forebay at Toronto Power GS and sealing of the conduits at the Ontario Power GS gatehouse. In accordance with the agreements, Fortis' Rankine station reverted to the NPC at the expiration of the franchise agreement on April 30, 2009.

In consideration of Fortis relinquishing its rights and future claims to water from the Niagara River, Fortis was given access to 74.6 MW of production from OPG, which is equivalent to the permitted output of the Rankine GS, through April 30, 2009 and was to be allowed to purchase three OPG hydroelectric stations on the Trent River: Sills Island GS (2 MW), Frankford GS (3.2 MW) and Sidney GS (4.5 MW).

In order to facilitate this arrangement, on May 1, 2003, the Province issued an Order in Council ("OIC") approving a policy directive for NPC to participate in the above agreements. The policy directive required NPC to not grant or permit any person other than OPG the right to take water from the Niagara River and Welland River for the period beginning on April 22, 2003 and ending in 2056; grant OPG rights or interests in lands as are necessary for the construction of the Sir Adam Beck Tunnel on terms and conditions having regard to the Commission and its programs; consent to the transfer of Fortis' right to take water from the Niagara River to OPG; and accept the transfer of Toronto Power GS and Ontario Power GS in the condition specified in the OIC.

The Province also issued another OIC under which the Lieutenant Governor-in-Council expressly waived its option to extend the Fortis water franchise beyond April 30, 2009.

The parties converted the policy directives into contractual agreements, but these contracts failed to win governmental approval prior to the provincial election in October 2003. Following the election, provincial policy no longer supported the sale or lease of generating assets.

With the option of a sale or lease no longer on the table, the Province and Fortis entered into a series of negotiations, which resulted in a Ministry of Energy direction to OPG to negotiate fair compensation with Fortis for its participation in the NEA. These negotiations resulted in OPG paying \$10M as fair compensation on February 18, 2005. OPG issued an RFP for the environmental, remediation and structural work necessary for the transfer of Toronto Power GS and Ontario Power GS to NPC. While the original budget for the work was estimated at about \$10.4M plus a contingency of \$2M based on engineering estimates provided by an external consultant, responses to the RFPs came in higher than the estimate due to construction market conditions at that time and the respondents' pricing of the risk allocation in the RFP. Nine

companies initially indicated they had a desire to participate in the RFP process and to receive RFP packages, but only two companies submitted proposals. OPG determined that the lack of response from the other contractors was a reflection of the strength of the marketplace, the unique nature of the work, and the perceived risk profile associated with the work.

Following negotiations, OPG ultimately selected Peter Kiewit Sons Co. as the contractor and approved a contract cost of up to \$20M. Klohn Crippen Berger Ltd. was selected as the Owner's Representative. Work on the two sites was completed in July 2007 and they were turned over to NPC on August 1, 2007. At \$17.8M, the final cost of the work completed by Peter Kiewit Sons Co. was below the approved budget.

The total cost of the NEA was estimated in the original business case summary ("BCS") for the NTP at approximately \$32.4M. This amount included all assessment work, the remediation work on the Toronto Power GS and Ontario Power GS and the settlement payment to Fortis, as well as interest and contingency. Table 2 below shows the original budgeted amounts for the NEA work and the amounts ultimately spent.

As shown in Table 2, the ultimate cost of the NEA work was \$43.9M. The higher than anticipated costs are found in three areas:

- engineering and project management due to the increased scope and duration of the project;
- construction and remediation because of higher than anticipated bids from contractors due to market conditions at the time of the RFP and allocation of risk to contractor; and
- interest as a result of the additional costs and longer duration of this component and the entire NTP.

Table 2 – Niagara Exchange Agreement Costs					
Niagara Tunnel Project Niagara Exchange Agreement Analysis					
	Original BCS	Act'l June 30/13	Delta	%Diff	Variance Explanation
NPG Support	202,129.53	162,466.99	(39,662.54)	-20%	Reduced requirement for NPG Contract Monitor
Enviro Consultant	225,000.00	198,508.38	(26,491.62)	-12%	Reduced scope (i.e. eliminated filing Record of Site Condition)
OR/Eng	726,000.00	1,178,116.95	452,116.95	62%	Additional scope and extended duration for the OR/Eng Services
Construction	10,394,858.00	17,826,058.50	7,431,200.50	71%	Market conditions at the time the RFP was issued resulted in higher than estimated proposals.
Remediation	1,000,000.00	500,627.49	(499,372.51)	-50%	Reduced requirement for remediation
Fortis	10,000,000.00	10,000,000.00	0	0%	
Interest	7,777,135.62	14,001,260.42	6,224,124.80	80%	Increased costs associated with Niagara Exchange Agreement work and longer duration for NTP.
Contingency	2,040,304.28	0	(2,040,304.28)	-100%	All contingency spent. Additional variance was funded from other elements of the NTP.
Total	32,365,427.43	43,867,038.73	11,501,611.30	36%	

OPG entered into the NEA to assure its exclusive right to use the water from the Niagara River and Welland Canal for power generation through 2056. This assurance contributes to the economic viability of the NTP. As such, all costs associated with the NEA are project development costs because they were incurred to ensure water availability for the NTP. These costs have been capitalized as part of the overall costs of the NTP and are included in the overall amount sought for recovery in this application.

The Ventin Group (TVG) was retained by the Province after the Niagara Exchange Agreement was completed transferring these assets and liabilities to NPC. The Ventin Group conducted formal analyses of the facilities and their reports were received by the Ministry of Tourism, Culture and Sport and presented to NPC in November 2008. NPC subsequently received \$1.55 million in 2009, and has been using the funding to undertake urgent rehabilitation repairs and make plans for the facilities' future use. As of October 31, 2014, there remains \$158,205 of this

funding. NPC is currently awaiting top-up funding from the Province, which will then be used to proceed with planning and procuring potential redevelopment.

There still is considerable risk of further asset degradation and financial obligation associated with these facilities, as identified through the facility condition review undertaken by VFA in 2013. The financial obligation for Power Plants was quantified at approximately \$28.1 million in NPC's 2013 audited financial report. This obligation is beyond the means for NPC to undertake without the assistance of the Provincial government or a third party.

During 2013, NPC received input from leading authorities on industrial heritage and archaeology regarding adaptive re-use of the facilities, and a procurement process has been developed to seek proposals that would preserve the heritage nature and the development of sites of world class caliber.

The Board has authorized the retention of consultants to undertake Base "Record of Site Condition" Building Information and to develop a Community Vision of the OPG Buildings.

Oakes Garden Theatre (*Budget \$100k 2015; \$500k 2016*)

This spectacular garden is the entrance-way to Queen Victoria Park, the key central area of Niagara Parks that showcases the Falls. Located at the foot of Clifton Hill, this is the perfect spot for a superb panoramic view of the American and Horseshoe Falls. Concerts and special events are held in the gardens throughout the summer.

The gardens of Oakes Garden Theatre (OGT) are outstanding examples of strong design and architecture specifically to:

- Act as gateways to Canada
- Encourage visitors to the Niagara Parks system
- Provide an opportunity for enjoyment, relaxation and entertainment
- Showcase Canadian art, architecture and craftsmanship

OGT was designed in a classical form using principles and methods from the Beaux-Arts school of design. These included separation of spaces, using strong axes throughout the park, and designing spaces to penetrate one another (Milosvoroff, CHH, 1989). The design was intended to take advantage of the natural sloping topography of the site. The site was intended to be used as a garden theatre and serve as a gateway to Canada.

In 2014 repairs and restorations to Oakes Garden Theatre included underground electrical repairs to restore walkway and security lighting to the North corner of the stairs. Additional LED lighting was also installed to enhance safety. A layout and plan for an exposed aggregate accessible pathway leading from the North West entrance to the lower theatre is in process.

Architectural and engineering reports and layouts were completed for the replacement of the Pergola wall and trellis including an exploration dig to establish proper footing details. Removal of a portion of the parkway facing retaining wall and an exploratory excavation was completed for engineering details for future wall reconstruction.

The plan for 2015 includes the construction of the accessible pathway, additional staircase lighting, and detailed engineering specifications for the retaining wall replacement that runs along the Niagara River Parkway. The addition of railings for accessibility, and preparation of

the specifications for the pergola wall replacement are planned within the March 2016 capital budget. NPC will assess the full status of the condition of Oakes Garden Theatre and implications of the pergola wall restoration within the overall restoration plan.

Tree Planting Initiatives & Emerald Ash Borer *(cost to replace tree cover over 10 years is estimated at \$300 thousand)*

Emerald Ash Borer (EAB) has been found throughout Niagara Parks resulting in a decline of ash tree health. Specimen ash trees within Queen Victoria Park (QVP) and the Botanical Gardens Arboretum have been and will continue to be treated with Treeazin to protect these trees and reduce safety risks in these high traffic areas. Due to the high density of ash trees in South Parks, including the Legends on the Niagara Golf Course, NPC is working with the Niagara Peninsula Conservation Authority and the Niagara Restoration Council to carry out best forestry practices on these EAB infested areas. NPC staff is investigating options for harvesting some of the existing ash trees while they are still merchantable (useful for lumber, firewood, etc.), then replanting the areas with other native tree species. NPC will also continue with its tree planting programs to offset the loss of ash trees and with its research work with the Canada Food Inspection Agency and Trees Ontario.

Originally signed in 2012, NPC will be renewing a Memorandum of Understanding (MOU) with Trees Ontario to continue to offer the successful community tree planting events, Tree Seed Collectors Certification workshops, and undertake tree propagation research. NPC is also working with Trees Ontario and their tree planting agents to secure funding through the Province's 50 Million Trees Program to facilitate the planting of 10,000 trees on NPC property in recognition of the athletes and delegates expected to participate in the Pan Am/ Parapan Am games in 2015.

The "Plant a Tree" Program was introduced in 2011 to school groups for the first time presenting NPC's young guests with a hands-on experience, planting young saplings under the direction of staff from NPC's Horticulture staff. In 2015-2016, we will continue to provide the program which includes information on the importance of NPC's stewardship roles in preserving and protecting our parklands. NPC is extending the offering through sales to other groups visiting our parks and to local companies looking for team building opportunities.

Additionally, NPC will further promote and provide opportunities for the general public to donate to tree planting initiatives including the impacts of EAB.

Revenue Generating Opportunities Plan – Upcoming Renewals

NPC has several RGO's that are provided by third parties. NPC's RGO policy requires development of a business case, reporting to the Board and inclusion in the Annual Business Plan for any anticipated renewals or new RGO ventures being planned.

In addition to the proposed new Zip Line Program, Millers Creek Marina, and Power Plant initiatives which have been described in this Section, following are the renewals anticipated within the planning period:

RGO	Current Vendor	Date for New Contract
Horsedrawn Carriage Rides	Sentineal Carriages Inc.	April-2015
Currency Exchange Booth	Vacant	May-2015
Automated Bank Machines	Direct Cash Management	May-2015
Photo Concession	Digital Attractions Inc.	December-2015
Niagara River Access License	Smugglers Cove Boat Club	December-2015
View Finder	CPC Vending	February-2016
Bicycle Rental Tours	Zoom Leisure Inc.	May-2016
Glow in the Dark Items	Glow in the Park	May-2016
Quick Service Coffee Shop (TR)	TDL (Tim Horton's)	July-2016
Coin Press	Coin Press Canada	November-2016
Jet Boating at Whirlpool	Niagara Gorge Jet Boating	December-2016
Art Corner	Multiple vendors	December-2016
Golf Academy Operator at Legends	Rick Smith Operator	December-2017
Japan/Asian QSR Kiosks	Au So Sushi	May-2018
TRQS New Pizza Unit	Pizza Pizza	May-2018
Bus Tour Operator	Double Deck Tours	December-2018
Solar Parking	Parktoria	May-2019

5.0 RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

NPC implemented a streamlined management structure (See Section 7.0 Human Resources). The structure is designed to assure greater accountability and build more capacity within the organization to manage specific service areas as well as better manage 3rd party relationships and the hundreds of external contracts each year.

Financial and human resource requirements for the priority projects identified in Section 4.0 of this Business Plan are being achieved within the existing staff complement, budget and partnerships, with the exception of additional funding required for the implementation of improvements to the Adaptive Re-use of the Defunct Generating Stations. The VFA cost estimate to address remediate above ground deficiencies to these three facilities was recently estimated to be approximately \$21.299 million. These cost estimates, as well as estimates for underground capital repairs will require external funding.

Following are the resources included in the 2016 budget for strategic initiatives:

Attraction Renewal

2016 Renewal	2016 Budget	Completion or Implementation
Journey Behind the Falls	\$250k – funded from operations	May 2015
Illumination Tower	funded by others	Dec 2016
Falls Incline Railway – Lower Plaza	\$500k – funded from operations	May 2015

Infrastructure Renewal

One of NPC's most pressing challenges is to effectively manage the balance required in its preservation and economic development roles.

Management conducted a full inventory of facility assets during 2012/2013 with assistance from Provincially funded VFA consultants. The preliminary cost estimate to address deficiencies is approximately \$137.5 million, including Power Plant facilities. VFA is continuing the asset condition assessment project in 2016, with an intent to review underground infrastructure.

The need to invest in infrastructure was highlighted by the Provincial Government in its Tourism Competitiveness Report published in 2009 (The Sorbara Report). Recommendation 13 of the Report calls on Government to ensure: *"Anchor attractions that help drive business in the surrounding area should be a funding priority for future tourism infrastructure investment. A number of issues need to be addressed including: overdue need for state-of-good-repair improvements, lack of new construction, increased maintenance costs, dated and aging attractions, limited partnerships and lack of appeal to broad demographic groups."* Further, the Report concluded that NPC was among the top five Ontario public products that had the potential to increase their tourism product offerings and economic activity.

Business Rationalization

Funding for these activities is included in the 2016 operating budget.

The following Provincial Approvals are anticipated during 2016/2017:

- Line of Credit renewal by April 2016
- Appointment of Auditor renewal for 2016 fiscal year
- Appointment of Banker by April 2016
- Business Plan by June 2015
- Use of Generating Station capital by October 2016
- Capital funding requests that are within the Business Plan by October 2016

Documentation to request these approvals is anticipated to be forwarded to the Ministry by July 2015.

6.0 ENVIRONMENTAL SCAN

Year in Review

A tremendous sense of accomplishment can best describe the 2014 tourism year for The Niagara Parks Commission (NPC), as work on initiatives such as the transition of the boat tour operations and the successful conclusion of the bicentennial celebrations of the War of 1812, helped to improve the financial performance of the organization.

Heading into 2014, a successful transition in boat tour providers was identified as being the number one business priority for the Commission. As such, both Niagara Parks and Hornblower Niagara Cruises made significant investments in their products and services in anticipation of the launch of this new boat tour service.

For its part, NPC invested close to \$1 million in renovations to its Grand View Marketplace, to provide visitors with distinctive new Niagara Parks' shopping, dining and entertainment options, at this most important gateway facility. Results from this re-investment, the first since the complex was constructed in 1990, have already been realized with retail sales at Grand View growing by 5.1% or an additional \$215,000 from its opening in May until the end of September, 2014.

As home to the greatest concentration of War of 1812 battlefield sites within Canada, Niagara Parks was also pleased to play a leading role in the major bicentennial commemorations planned for and undertaken this past year. In July and August, re-enactments of both the Battle of Chippawa and Siege of Old Fort were a great success, drawing large numbers of re-enactor participants, as well as thousands of spectators who gathered to pay tribute to the sacrifices made by the British, Canadian and American soldiers and native allies during the conflict.

As part of this commemoration effort, Niagara Parks and the Niagara 1812 Legacy Council was pleased to play host to a visiting delegation from the community of Ghent, Belgium. It was here that a friendship, forged in fire some 200 years ago, would soon take root when the United States and Great Britain signed the Treaty of Ghent, ending hostilities between both sides on December 24, 1814. As part of this visit, representatives of the Treaty of Ghent Association, led by Governor Jan Briers, presented Niagara Parks with a newly established Peace Rose planted at both Old Fort Erie and Queenston Heights. These roses will serve not only as a poignant reminder of what occurred on those lands now protected by NPC, but will also serve as a symbol of the endearing friendship now firmly established between two great countries and the community of Ghent and its citizens.

The past year also saw Niagara Parks undertake a concerted effort in further promoting and establishing its brand as a provincial agency to promote not only tourism visitation to Niagara and Niagara Parks, but also the preservation and enhancement of the lands and historic sites it is entrusted to protect. As part of these efforts, a newly developed marketing and promotional campaign was undertaken, with concentration placed on the creation of a new magazine style Visitor Guide, the first in 14 years, with over 750,000 copies circulated widely (Canadian and U.S. markets) to promote all that Niagara Parks had to offer, as a unique and inviting tourism destination.

Not limiting itself to marketing initiatives alone, Niagara Parks continues to take a leading role in the development of events and promotions to further enhance and encourage visitation to Niagara and Niagara Parks. In August, Niagara Parks presented a new exciting family entertainment experience, Onguiaahra or Thunder of Waters, which combined the power of water, sound and laser light to showcase the beauty, mystery and magic of Niagara Falls.

During this month, Niagara Parks was also proud to celebrate the 125th anniversary of its Journey Behind the Falls attraction. To help mark this important occasion, a month-long celebration was planned to highlight the popular tourism site and its importance to NPC and visitors from throughout the globe. As part of its celebratory plans, NPC created an engaging new interpretive program to share more of the Journey's unique history with its visitors. Niagara Parks also made use of social media avenues (Website/Facebook, Twitter) to engage its visitors and encourage them to share their stories, thoughts and images of this popular tourism attraction.

In addition to hosting its own events, Niagara Parks has continued to play a leadership role within the destination and in dealing with local stakeholders groups and governments on joint promotional efforts, including an expanded Falls fireworks program, revitalized Winter Festival of Lights organization and programming and the traditional New Year's Eve concert held within Queen Victoria Park.

During the summer, Niagara Parks golf was busy hosting two prestigious Golf Canada events, which showcased some of the best golfers in Canada. In June, the Canadian Women's Tour made as its second stop of its season, the Battlefield Course of NPC's Legends on the Niagara Golf complex. The winner of the tournament was 16-year old amateur Brooke Henderson, of Smiths Falls Ontario, who only days earlier had finished 10th in the Ladies Professional Golf Association (LPGA) U.S. Open; quite an accomplishment for this Team Canada golfer, who is now ranked as the number one female amateur golfer heading into the 2015 season. In July, the future of Canadian men's golf was then on display, as NPC's Legends again played host this time to the 2014 Canadian Junior Boys Championship. In winning the tournament, 18-year old Austin James of Bath, Ontario would go on to break the course record at Battlefield, only to have that record broken by 16-year old Tony Gil of Vaughn, Ontario, who would go on to finish second in the tournament.

Despite this overall success, Niagara Parks Whirlpool Golf Course was impacted greatly by the severe winter weather experienced in Niagara and across Ontario in 2014. This resulted in NPC having to rebuild several of the course greens, leading to a delay in course opening until late June 2014 (in comparison Legends on the Niagara Golf Complex opened in early April, with no damage). While it would have been possible to open earlier, with a shorter course layout, fairways and greens, NPC decided not to take this approach instead adopting to ensure the integrity and reputation of the Course was maintained and opening only when it was ready to do so.

Entering the spring, NPC was able to restore operation on its new Incline Railway, which had been impacted by a regional water main break, necessitating a closure from December of 2013 to May 2014. The rehabilitation and re-entry into service of the Incline Railway was an important development for Niagara Parks and its tourism partners, as the new fully-accessible and year-round service will vastly improve the links between Niagara Parks and the Fallsview tourism area.

In 2014, NPC's culinary team initiated several steps to meet customer needs, while improving financial performance. Exciting new changes including, menu engineering and a trend toward more locally grown fare and produce, as well as promoting locally produced craft beers, was resounding success. These efforts help lead NPC to join the Ontario Tourism Culinary Alliance in 2014, as Niagara Parks shares in the Alliance's ambition to support the culinary industry in Ontario, while contributing to the Ontario government's overall goal of doubling tourism revenue in the province by 2020, as described in the Greg Sorbara Report, *Discovering Ontario: A Report on the Future of Tourism*.

In order to reach this Provincial goal of doubling tourism revenues by 2020, increased visitation will be required to both Ontario and Niagara, over the next several years. In fact, according to the Travel Industry Association of Canada (TIAC), domestic travel within the country is responsible for 80% of all demand in term of tourism visitation. For Canada, Ontario and Niagara to succeed, an increase in international visitation, particularly those from the United States is required, as international visitors spend more, thereby driving investment and profitability across the industry.

Statistics provided by the Ontario Ministry of Tourism, Culture and Sport indicate American visitation to this Province in 2014 failed to replicate the increases experienced in 2013, as U.S. border crossings into Ontario declined by 2.0% over the first ten months of the year. While overall American visitation to Ontario has continued to decline, U.S. visitors to the Park still represent the second largest segment of NPC's visitor mix. In fact, 37% of all respondents to NPC's customer survey, conducted in the spring and summer of 2014, identified themselves as being a resident of the United States.

Domestic visitation to NPC, primarily from visitors from the Greater Toronto Area (GTA), represented NPC's largest market segment, with 50% of all respondents to NPC's customer survey, identifying themselves as being from Canada. However, the strength of the Canadian dollar in 2014 continued to draw additional visitation and spend away from Niagara and into the United States. According to the Ministry, while Canadian visitors returning from the U.S. into Ontario dropped over the first 10 months of 2014, over 18 million Canadian residents returned home from the U.S., which is more than double the number of Americans (8 million) who entered Ontario over the same period.

The growth of overseas visitation to Ontario continues to be a bright spot, as international visitation continues to rise. Of the 17 countries monitored for travel into Canada, only 1 reported a decline in visitation over the first 10 months of 2014.

This visitation, coupled with the efforts and initiatives undertaken by the Commission in 2014, helped NPC experience a 6.3% increase in gross revenues over the first 10 months of the fiscal year versus 2013 actuals. This increase, 1.2% above budgeted forecasts, is reflective not only of the new Hornblower agreement with NPC, but also takes into account the general increase in retail sales and visitor spend experienced by NPC's culinary operations.

Overall attendance at NPC's attraction venues was up 1% over the first ten months of the fiscal year, resulting in a slight increase in gross revenues of 0.5%, or above budget by 6.2% Year to Date (YTD). NPC's retail operations meanwhile experienced a 3.2% increase in gross revenues over the first ten months of the fiscal year, or up 0.2% from budget, while gross revenues by NPC's culinary operations were also up 1.3% YTD.

Despite hosting several high profile golf events, NPC's golf department experienced a 16.1% decline in rounds played in 2014, leading to a 13.2% drop in gross revenues or off budget forecast by 19.8%. Inclement winter weather resulting in higher than expected maintenance costs and a later opening at Whirlpool, led to less overall rounds than in 2013.

In this, the final year of celebrations of the Bicentennial of the War of 1812, visits to NPC's heritage venues experienced a slight decline of 5.4% for regular heritage venues. The successful hosting of bicentennial re-enactment campaigns did allow the unit to increase its gross revenues over the first 10 month of the year by 1.3%, and did allow Old Fort Erie attendance to remain relatively stable for the year. However, sustained visitation expected at other NPC sites failed to materialize, resulting in the unit missing its budgeted forecast of \$263 thousand by \$49 thousand, or 19%.

2014 External Overview

Entering 2015, continued economic growth in the U.S. economy is a positive sign, not only for its possible impact and support for future U.S. tourism visitation to Canada, but also as it relates to assisting in the recent growth and resurgence of the Ontario economy.

According to the Ontario Ministry of Finance, in its November economic update, Ontario's economy has shown signs of strong momentum, with the recent decline in the Canadian dollar and oil prices helping to improve Ontario's overall competitive position. As such, the Provincial Government is forecasting real Gross Domestic Product growth (GDP) within of Ontario as being 2.4% for both the 2015 and 2016 fiscal years. This assessment was supported by recent comments from the Economic Development Corporation of Canada, which indicated a low Canadian dollar and surging U.S. economy will help drive Ontario's key export sectors for the rest of this year and into 2015.

In terms of the overall Canadian economy, the Federal Government in its most recent economic update in November expects real GDP growth to reach 2.6% in 2015 and 2.4% per year to 2018. As the Department of Finance indicates, Canada's economy has been performing relatively well, and remains resilient despite the challenges posed by a weak and uncertain global economic environment. This performance has been driven by a solid domestic economy and is poised to grow further as a lower Canadian dollar and improving U.S. economy will only help boost growth in the Canadian manufacturing and export sectors.

This continued domestic growth bodes well for the future of the Canadian tourism scene and coupled with a continued decline in the value of the Canadian dollar, increased visitation and spend by both Canadian and U.S. visitors will result.

Despite the continued drop in Canadian visitation to the U.S., the actual spend by Canadian south of the border is quite considerable. According to Statistics Canada, Canadian spending in the U.S. reached \$8 billion alone in 2012. As David Wilkes, the Senior Vice-President of the Retail Council of Canada remarked, Canadians are voting with their wallets because there are some structural challenges in the Canadian economy (taxes/regulation/tariffs) that create an un-level playing field. According to Visit Buffalo Niagara, the destination marketing organization of Erie County, Buffalo welcomes 3.1 million Canadian visitors to the Region annually spending \$933 million in the county alone.

Both the Bank of Nova Scotia Global Forecast and TD Economics project little in the way sustained economic growth in Europe in 2015, with both forecasting tepid growth of between 1.4% (Bank of Nova Scotia) and 1.5% (TD Economics) for the coming year.

While higher growth levels continue in the emerging economies of Asia (China and India) and Central America, most notably Mexico, this too has eased. According to TD Economics, several risk factors continue to make the environment of the emerging economies unpredictable. Global political risks and low oil prices are major sources of uncertainty. But risks also continue to stem from an uneven global recovery that sees the U.S. growing at a strong pace, against the lacklustre recovery in the Eurozone and risks of a hard landing in China. This assessment coincides with forecasts from the Federal Finance Department, in November economic update, when it stated that growth in China is slowing, Brazil is in a recession and the Russian economy has declined sharply.

2015 Internal Overview

Looking towards the future, Niagara Parks has identified several projects and initiatives that it will be undertaking over the course of this three-year business plan. Chief among these is the continued need to examine its products and services to ensure Niagara Parks relevance as an agency responsible for the promotion and preservation of the heritage and lands it is entrusted to protect, all along the Niagara River corridor.

In 2015 this will include examination for improvements to the Journey Behind the Falls attraction, both in terms of its ticketing and front of house appearance, but also in relation to the ability to move patrons, quickly and safely from Table Rock Complex to the Journey viewing platform at the base of Niagara Falls.

Based on the success of the Onguiaahra or Thunder of Waters sound and light show, NPC will once again approach the Province for Celebrate Ontario funding to allow the Commission to host an expanded version of the show over several more days. Celebrate Ontario funding is also being sought to support NPC's efforts to host a candle lit tour of Old Fort Erie during the Annual Siege of Fort Erie event, which has grown to become the largest historical re-enactment weekend in all of Canada.

During the Pan Am and Parapan Am games in July and August 2015, NPC will be working with local cultural and sports agencies utilizing Celebrate Ontario funding to host commemorative events throughout the region during the games. Should such funding be provided, NPC would be able to help create new programming and events that could be hosted in the Park, to showcase Niagara and Niagara Parks to the more than 10,000 athletes and officials, as well as their families who will be visiting Ontario and Niagara, as part of the Games, estimated to be 225,000 to 250,000 in total.

As part of its ongoing role to support the destination and promote increased visitation to the region, Niagara Parks and the Niagara Falls Illumination Board have issued a Request for Qualifications (RFQ), to investigate new lighting technology and capabilities to improve the overall illumination of both the Canadian Horseshoe and American Falls. It has been almost 20 years since the Illumination Board made a major investment in lighting technology and the success of events such as the Wallenda Walk and Red Bull Crashed Ice have shown the tremendous potential increased lighting can provide in showcasing Niagara to visitors from throughout the world.

NPC will also be looking to conclude its work on a new Zip Line attraction within the Parks. Work on final agreements with NPC's preferred proponent continues. It is the Commission's hope that it secure Government Order in Council authorization early in 2015, so that work to implement and build these new attractions at NPC's Grand View Marketplace and Thompson Point locations can take place.

Despite the improved financial performance of Niagara Parks in 2015, needed investments into capital maintenance and facility infrastructure are not as sufficient as they should be, resulting in the continual erosion of the Commission's net worth, while also negatively impacting the overall image of Niagara Parks as a premiere tourism destination worth visiting. In 2015, NPC will be in a position to allocate \$3.5 million toward its capital works projects, when in reality almost \$17 million is needed immediately to undertake the needed capital projects requiring NPC's attention. In fact, according to capital planning consultants VFA Canada Corporation, the firm retained by the Ontario government to conduct an audit of all of NPC's capital assets, over \$116 million in capital projects have been identified and could be undertaken by NPC, if it had the funds to do so.

In comparison, given the economic impact Canadian visitation has had on the economy of Western New York, local and New York State officials have made considerable investments in both the State Parks and community of Niagara Falls, New York itself. Since 2012, New York State has invested almost \$40 million in improvements to repair six of its state parks in Western New York, with the lion's share of resources allocated to the State Park in Niagara Falls, New York. As well, in 2013, the State pledged another \$40 million toward a development competition geared toward the revitalization of downtown Niagara Falls, New York, all in order to ensure that region's ability to compete and attract future visitation to its community.

Add to this, the future of three now defunct power plants transferred to the Commission. The Toronto Power Generating Station (TPGS) and the Ontario Power Generating Station (OPGS) were transferred to NPC by Ontario Power Generation Inc. (OPG) in August 2007. The Canadian Niagara Power Generating Station (CNP), formerly owned by Fortis Ontario, was later transferred to Niagara Parks in April of 2009.

These aging assets, built at the turn of the 20th century, represent a large financial liability which the Commission is in no reasonable position to assume fiscally. Simply adding these plants to NPC's books, has reduced Niagara Parks overall net worth by over \$28 million in 2014 and these facilities will only continue to depreciate, while studies related to their infrastructure and possible adaptive reuse are undertaken.

In terms of NPC's business operation in 2014, Niagara Parks' sales team also placed a focus on its return to the international travel trade scene, in order to promote and secure increased sales from this growing and high spending overseas tourism market. The Commission also implemented changes to its consignment programs to strike an appropriate balance with local business partners on their offerings of NPC products to their visitors.

NPC is also focusing on training with the Ontario Tourism Education Corporation (OTEC) to get its brand message and service availabilities to new markets, as well as learn about new trends in the tourism industry, so that it can better serve its clients. NPC managers are also working alongside employees to create Action Plans for accountability and guidance, based on the input received during the 2013 NPC employee survey.

NPC is also working to ensure it is continually meeting the needs of its changing visitor base. In Park surveys were once again initiated in 2014 and further psychographic research and consumer profiles are required to ensure NPC can continue to deliver on what its visitors want. The use of technology in customer-focused organizations is also essential and must keep pace with advancements in the use of mobile devices, social media, and payment devices and for the communication of and future sales of new products and offerings. NPC already has a significant presence on-line through Facebook, Twitter, "Trip advisor" and other social media platforms and work in these areas will continue. Better integration of technology for tourism opportunities, such as the use of mobile "smart" technology to make purchase decisions, is becoming the norm and is an expectation of international and domestic travelers.

2015 Economic and Visitation Forecast

Global Forecast Update as at October 1, 2014

REAL GDP	Scotiabank Group 2015 Forecast October 1, 2014	TD Economics 2015 Forecast September 25, 2014
Canada	2.5%	2.7%
U.S.	3.2%	3.0%
Mexico	3.7%	3.6%
Eurozone	1.4%	1.5%
United Kingdom	2.5%	2.5%
Germany	1.7%	1.7%
France	1.1%	0.9%
Japan	1.2%	1.1%
China	7.2%	7.0%
India	5.8%	6.0%
Brazil	1.1%	1.2%

2015 – 2017 Visitation Forecasts – Total U.S. Visits

In its most recent forecast of U.S. visitors to Ontario, the Ministry of Tourism, Culture and Sport has projected an overall increase in U.S. visitation to Ontario for the 2015 tourism year. With an economic recovery finally beginning to take hold, it is hoped American discretionary spending will increase, resulting in a slight increase in visitation and spend in the Province for 2015 and beyond.

2015 – 2017 Visitation Forecasts – Visits from the United States to Ontario

According to the Ministry, U.S. visitation during the course of this Three-Year Plan is expected to grow by:

- 2015 – 11,535 million visits (2.8% growth projected for year)
- 2016 – 11,783 million visits (2.1% growth projected for the year)
- 2017 – 12,010 million visits (1.9% growth projected for the year)

2015 – 2017 Visitation Forecasts – Ontario Visits within Province

Over the course of the next three years, the Ministry is forecasting minor growth in visitation from Ontario residents travelling within the Province:

- 2015 – 128,813 million visits (1.6% growth projected for the year)
- 2016 – 130,612 million visits (1.4% growth projected for the year)
- 2017 – 133,160 million visits (2.0% growth projected for the year)

2015 – 2017 Visitation Forecasts – Visits from the Rest of Canada

Visits from the rest of Canada to the province of Ontario are expected to increase over the course of this Three-Year Plan, as the Ministry forecasts Canadian visits to Ontario to rise by:

- 2015 – 7,089 million visits (3.8% growth projected for the year)
- 2016 – 7,313 million visits (3.2% growth projected for the year)
- 2017 – 7,546 million visits (3.2% growth projected for the year)

2015 – 2017 Total Overseas Visits to Ontario

In terms of the overseas market, total visitor numbers remain modest in size, yet significant in terms of the revenues generated for the Commission. According to the Ministry, overseas visitation to Ontario will continue to grow by:

- 2015 – 2,670 million visits (10.0% growth projected for the year)
- 2016 – 2,844 million visits (6.5% growth projected for the year)
- 2017 – 3,075 million visits (8.1% growth projected for the year)

These forecasts are helpful in assessing the reasonability of NPC attendance projections used in the Business Plan for the 2016 – 2018 budget. NPC has referenced its actual attendance experience from 2012 – 2014 to prepare its financial forecasts with modification for recent changes in operations such as the renovation of the Grand View Retail Area and a new Zip Line operation in Spring of 2016.

7.0 HUMAN RESOURCES

NPC had a total workforce in 2014 of 1,678 employees comprised of up to 299 full time staff complement and 1,379 seasonal employees. With part-time staff included, the FTE count was approximately 900 positions.

Strengthening Service Delivery of the Human Resources Function

In 2014, NPC commenced implementation of a consultant report relating to a review of the structure and model of the Human Resources department. This included identification of gaps and a positioning of the department to better meet future needs. This review resulted in the identification of the need for a new Business Partner model and the development of a three year plan to modernize the Human Resources function.

Labour Relations

Labour relations efforts continued to be strengthened in 2014 through various initiatives to invite input and measure engagement.

Through the employee survey conducted in 2013, NPC established departmental teams comprised of union and non-union staff to review survey results and develop department-specific action plans to address identified issues and needs. Action plan implementation is underway and will be completed in late 2015 with a new employee survey being conducted in the summer of 2016 to measure progress against the issues of 2013 survey concerns.

NPC and OPSEU local 217-Park Employees completed negotiations and signed a new four year contract which will expire October 31, 2017. Contract negotiations commenced with Workers United Canada Council, Local 2347 which represents Restaurant Servers. It is anticipated that those negotiations will be completed in early 2015.

NPC continues to work with the union to resolve outstanding issues. Two grievance mediation sessions were held in 2014 in order to address several outstanding issues. These sessions were very successful in settling 17 outstanding cases. Current grievance activity is at its lowest levels in over a decade. As well, meetings were also held on a quarterly basis with both union executives in order to discuss concerns and proactively develop solutions to issues. These meetings were in addition to regular Labour/Management meetings that are held to address specific collective agreement and operational issues.

In 2014, NPC launched a new NPC Corporate Awards of Excellence program to recognize employee and team contributions in the areas of Customer Service and Business Innovation. The Chair's Award of Excellence was also established to recognize exceptional performance and overall contribution to the NPC. A cross-functional team of union and non-union staff was established to review all nominations and recommend worthy teams and individual candidates to the Senior Executive Team. Awards were presented at the annual Employee Town Hall meeting in October. Along with the Corporate Awards program, departments held a number of recognition events within departmental work teams to celebrate employee service with NPC.

Employee Training

Training continued to be a priority for the Commission in 2014 as there were over 2100 registrations for a variety of programs. This included 950 registrations for internal courses such

as NPC Orientation, Health and Safety training, Code of Conduct, Human Rights, Accessibility and Report Writing; over 900 registrations for the new corporate Customer Service program; 71 registrations through lunch and learns conducted by NPC's Employee Assistance Program provider; over 70 registrations for professional seminars and conferences and approximately 150 staff registrations for pre-retirement sessions conducted by OPSEU Pension Trust and the Ontario Pension Board. Licences were also purchased for Lynda.com to provide a wide variety of on-line training resources and self-paced learning modules.

In 2014, NPC continued its Speaker Series to further equip management staff with leadership skills and knowledge of current best practices. The President of Niagara College, Dan Patterson, was the keynote speaker in 2014 on the topic of Organizational Excellence.

NPC also initiated a procurement to obtain a new Learning Management System to enhance on-line training capabilities and provide a more effective means for tracking and managing the NPC's training efforts.

Health and Safety

A number of Health and Safety initiatives were pursued in 2014. NPC continued its review of policies, procedures and initiatives in order to strengthen its overall health and safety program.

As part of its membership in WSIB Safety Groups, an audit was undertaken in August of 2014 to review NPC's progress in the areas of Health and Safety Orientation, Joint Health and Safety Committees, Housekeeping, Physical Demands Information and Slips/Trips/Falls. NPC scored 100% in the audit and was commended by WSIB for its diligence in Health and Safety programming. NPC received two rebates in 2014 for its safety performance. One from WSIB Safety Groups in the amount of \$39,000 and the other for the WSIB NEER program in the amount of \$207,000.

In 2014, meetings were held with all Joint Health and Safety Committees to share knowledge and key learnings to help strengthen NPC's safety efforts. All committees provided reports on their activities and had discussion on suggestions for improvements. These sessions included presentations from the Health/Safety and Engineering departments to keep committees current with the corporate health and safety initiatives.

NPC continues to develop and monitor its contractor safety program. Forty-eight (48) spot checks were carried out in 2014 with no violations identified. As well, there were three Ministry of Labour visits to NPC with no orders being issued.

Recruitment, Selection and Organization Structure

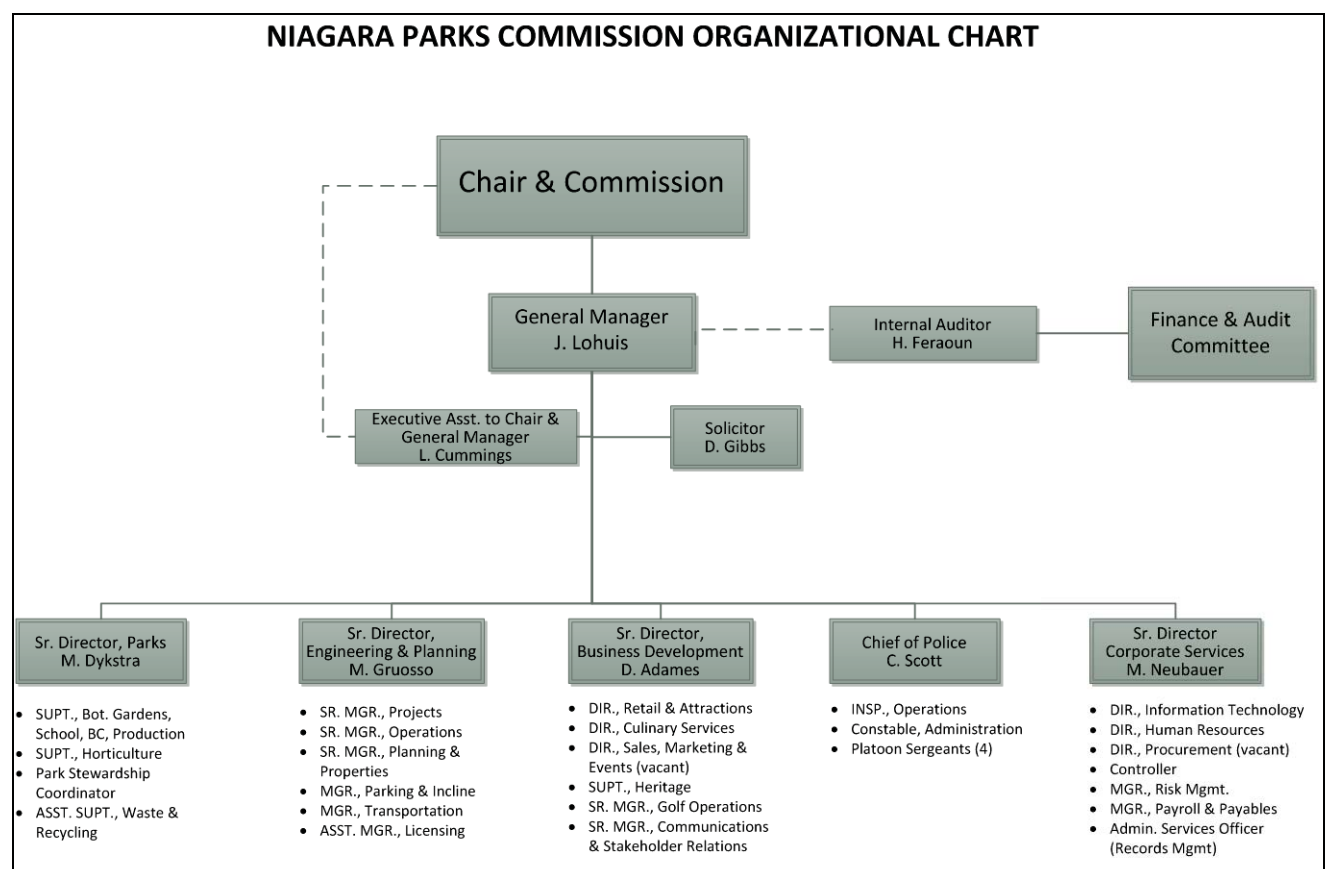
In 2014, NPC coordinated 32 posted job competitions for full time, temporary and apprenticeship positions. In addition, a number of departmental reorganizations took place to achieve efficiencies and shape new operating models.

The vast majority of NPC's hiring each year is for seasonal positions to meet visitor needs during the spring and summer months. In 2014, NPC received 2,100 applications for seasonal employment. This is a decrease of 360 applications for the same period in 2013, which is attributed to fewer high school students in the area and also the opening of a new Outlet Mall, employing 1,500 employees. NPC's 1,379 seasonal staff were comprised of 733 students, 24 Apprentices and 622 non-student staff. Seven new Apprentices were hired including a Truck

and Coach Mechanic apprentice, a Welding apprentice and five Cook apprentices. Of the total seasonal compliment, 268 were new employees to the NPC, which is indicative of the economic impact that the organization has on the local community.

As part of its due diligence with respect to the recruitment process, NPC implemented a new employment background check program in 2014 to mitigate any potential risks within the hiring process.

NPC also developed updated organization charts to identify all full time and seasonal positions by department. This information is critical as NPC reviews its potential retirements and succession plans over the next several years. As the result of the changes to post-retirement benefits, it is anticipated that NPC will experience a significant workforce adjustment by the end of 2016.



Compensation Strategy

NPC's compensation strategy is to be a competitive employer which offers fair wages, salaries and benefits in relation to the comparative market. In doing so, NPC benchmarks its salary structure at the fiftieth (50th) percentile for its full time positions. Seasonal student positions are set in relation to the provincial minimum wage with additional upward wage rates to recognize increased responsibility. Seasonal union rates are negotiated with the local bargaining agents.

In 2014, NPC launched a project to update the job evaluation system for its non-union full time and significant contract positions. This will include a market study in 2015 to measure competitiveness.

NPC offers a benefit package to its full time and significant contract staff similar to that of other public sector employees. Seasonal unionized staff receive a payment in lieu of benefits as negotiated between the parties.

Accessibility for Ontarians with Disabilities

NPC fully implemented the Accessible Employment Standard in 2014. This was in addition to the Early and Safe Return to Work and Workplace Accommodation programs which are already in place at NPC. With regard to this and the other Accessible Standards, NPC continues to work with an Accessibility Consultant to assist in identifying and achieving all accessibility requirements throughout the organization.

In August 2014, NPC was audited by the Accessibility Directorate to determine progress on the various Standards which are in effect. Overall, the Directorate was pleased with NPC's efforts and materials provided. However two areas were identified for improvement as follows:

- To update the accessibility plan to identify the process for managing, evaluating and taking action on customer feedback.
- To update the accessibility plan describing the procedure for dealing with the failure of accessibility equipment on our respective types of vehicles.

Procedures are in place for both of these items, and will be included in the documented Accessibility Plan for the Fall public information session.

NPC has also delivered training to staff with regard to the Accessible Employment Standard and related on-line Human Rights training.

Future Initiatives to meet NPC's Mandate and Strategic Plan

NPC has developed a three year Human Resources plan to address the needs of the organization. Key Human Resources issues to be addressed to achieve NPC's mandate and strategic plan include:

1. A new strategic HR business model to provide more effective/proactive partnerships and support to business units
2. Modernization of HR processes, technology and reporting
3. A new training model to support upskilling and effective tracking
4. Succession planning to address anticipated workforce retirements
5. Employee engagement and recognition
6. Stronger labour relations
7. Update of job evaluation systems
8. Renewed Health and Safety/Wellness initiatives
9. Renewed corporate culture

Key Human Resources Priorities and Actions

2015

Technology

- Implement Applicant Tracking System
- Document Payroll processes, business rules from end to end/evaluate Payroll solution
- Support implementation of replacement payroll solution
- Research HRIS solutions, conduct RFI's
- Identify modernization priorities based on best practice benchmarking

Learning and Development

- Implement a Learning Management System (LMS) to track training and provide internal training programs on-line to meet department needs
- Implement Supervisor training for first line or intermediate managers or individuals wishing to become supervisors or managers.
- Research training needs of business (ongoing)

Performance Management/Succession Planning

- Renew and review performance appraisal program to focus on targets and objectives
- Develop a succession toolkit for expected vacancies
- Implement new non-union job evaluation system to include internal equity, market research and benchmarking to ensure NPC is competitive

Employee/Labour Relations

- Complete contract negotiations with Park Police
- Complete contract negotiations with Server Union
- Implement HR/H&S Employee Survey action plans
- Focus on culture change

Health/Safety/Wellness

- Enhance EAP reporting, analytics and trending to measure NPC wellness against industry
- Development and implement updated tracking systems for H&S Programs
- Formalize/Conduct Health and Safety Job Risk Assessment Program Analyze feedback/determine priorities/establish actions.

2016-2018

Technology

- Implement new HRIS system
- Implement self-service capabilities
- Update employee website; create ability to build/store resources online
- Eliminate seasonal contracts where feasible and institute a layoff and recall system in its place

Learning and Development

- Create new Manager HR Manual
- Revamp Employee Handbook
- Research and provide other training and upskilling options (i.e. Collective Agreement, performance management, strategy development, coaching, time management)

- Ensure HR staff are cross-trained to create capacity and capability in other functional areas for appropriate assistance and relief

Performance Management/Succession Planning

- Review succession toolkit

Employee/Labour Relations

- Conduct new employee survey
- Review Employee Recognition programs
- Establish formal mentoring program
- Complete contract negotiations with Park Employees 2017
- Utilize on-line survey tool for key HR issues as required (e.g. exit interviews, pulse surveys)

Health and Safety

- Formalize/Conduct Health and Safety Job Risk Assessment Program - Implement action items
- Conduct gap analysis of department safety practices
- Assess compliance of safety performance against current policies
- Develop and implement action plans from assessment of 2016 safety performance compliance review
- Achieve a positive WSIB rebate
- Create a formalized disability management program
- Develop corporate wellness program

8.0 PERFORMANCE MEASURES

Following are Key Performance Measures that NPC uses in its operations to assess performance.

Contribution from Revenue Producing Operations

For the 12 months ended October 31, 2014, NPC improved the contribution from Revenue Producing Operations (RPO) by \$1.408 million. For the 2016 Budget NPC has established a target contribution of \$20.205 million from Revenue Producing Operations, an estimated increase of \$1.515 million. (See Table 10.2.1 in section 10). NPC has re-classed its Events Service area as an RPO during the current year, and therefore Events will be included in the 2016 KPI's.

Contribution from Revenue Producing Operations (Revenues less Cost of Goods Sold less Direct Operating Expenses) (Thousand of \$'s)								
	Retail	Attractions	Parking & WEGO	Incline Railway	Heritage	Culinary	Golf	Total
Nov 1, 2013 - Oct 31, 2014	\$ 4,411	\$ 10,146	\$ 3,987	\$ 783	\$ (864)	\$ 1,270	\$ (1,043)	\$ 18,690
Nov 1, 2012 - Oct 31, 2013	\$ 4,337	\$ 10,225	\$ 3,695	\$ 242	\$ (835)	\$ 261	\$ (643)	\$ 17,282
\$ increase in contribution	\$ 74	\$ (79)	\$ 292	\$ 541	\$ (29)	\$ 1,009	\$ (400)	\$ 1,408

Attendance

Statistics are an important KPI for NPC, and a comparative listing of Attendance for the 12 months ended October, 2014, 2013 and 2012 is contained in Appendix B. The Board reviews attendance statistics on a monthly basis.

Attendance for attractions and historic sites in 2014 was similar to 2013 levels at 3.1 million paid admissions. Golf experienced a 12% decline from 2013. Severe weather damage to golf greens significantly impacted golf operations with a delayed start to the season, and additional expenses to repair the damage. The most notable variation in attendance was the Falls Incline Railway with 213,766 admissions in 2013 vs. 643,270 in 2014. This related to the Railway being under construction in 2013 and reopening in August 2013 as well as closing due to a water main break in December 2013 and reopening in May 2014.

Customer Survey

A Customer Survey was undertaken during the summer for 2013 and 2014.

Target: Increase repeat visitation:	Results: levels rose to 51% in 2014 vs. 44% in 2013
Target: Increase length of stay:	Results: visitors stay rose to 89.2% in 2014 vs. 81% in 2013
Target: Achieve visitor satisfaction:	Results: WEGO: 93.1%, Butterfly Conservatory: 100%, Journey Behind the Falls: 97.8%, Niagara's Fury: 98.6%, Whirlpool Aero Car: 100%, White Water Walk: 100%, Retail: 90%, Culinary: 96%

Human Resources – A Quarterly report of dashboard indicators is provided to NPC's Governance, Ethics and Human Resources (GEHR) Committee. These measures include:

Appraisal return rates

Target: 100% by deadline established by management

Results: Seasonal return rate by deadline: 81%;
Full time return rate: 100%: this is a remarkable improvement from the return rates two years ago.

New interim appraisal process for all non-union staff completed in June 2014, with primary focus being progress on Strategic Initiatives; the targeted appraisal return rate for 2016 is 100% for all departments.

Health & Safety

Targets: Conduct contractor spot checks, implement Health & Safety staff training, reduce First Aids, Medical Aids and Lost Time Incidents.

Results: 58 contractor spot checks by Health & Safety, for compliance with proper procedures, with positive results.
214 staff trained in various Health & Safety programs.
Refund of WSIB premiums for positive claims experience = \$207k.
*Cumulative experience for past 6 years has resulted in total net rebate of \$580k.

Sick Leave

Target: Improve average sick day from 2013.

Results: 2014 average sick days 4.54 days per person improved from 2013 average of 5.66 days per person.

Earned Media

Earned media refers to the publicity and coverage NPC has obtained through its own promotional efforts other than being purchased through advertising – via broadcast, newsprint and online channels.

Month	Total Media Value	Total Circulation: Potential Viewership
November 2013	\$131,190.72	14,909,769
December 2013	\$690,574.33	120,038,656
January 2014	\$1,311,986.64	206,334,754
February	\$3,354,657.21	492,827,488
March	\$330,612.43	46,618,680
April	\$1,174,419.78	167,908,575
May	\$2,689,844.70	548,094,318
June	\$2,478,986.39	523,189,365
July	\$2,084,623.91	1,055,665,491
August	\$1,465,784.67	498,796,772
September	\$418,224.25	114,534,920
October	\$1,278,485.08	191,362,967
TOTAL	\$17,409,390.11	3,980,281,755

The total of \$17 million represent the value that NPC would have had to purchase for the coverage it received via various media channels for the stories and events that were covered during the past year.

The value is calculated by NPC's media monitoring firm – and is provided to NPC on each story that is covered.

Asset Condition

NPC's Depreciable Assets as at October 31, 2013				
<i>(millions)</i>	Buildings & Structures	Equipment	Vehicles	Total
Historical Cost	\$220	\$40	\$4	\$264
Useful Life	7 – 40 years	3-10 years	10-12 years	
Annual Amortization Charge	\$6	\$1.5	\$.3	\$7.8
Net Book Value	\$121	\$5	.7	\$126.7
Net Book Value as a Percentage of cost	55%	12.5%	17.5%	

Many of NPC's assets are fully depreciated and still in use beyond their expected useful life – they have \$0 book value. As part of the Asset Management Plan, NPC will develop an Asset Replacement Strategy to improve the average age of its assets.

Information Technology Modernization

Help Desk Tickets	3,917 IT Helpdesk tickets up 3.5 % from prior year with an expected decrease in 2015 due to a new payment processor and network renovations
Service Levels	IT Service level equates to 65% same day resolution and 85+%
Hardware	Hardware refresh in 2014 saw 64 XP based PC's and laptops replaced that were over 5 years in age and 31 replacements are projected in 2015
	IT has been virtualizing servers via VMWare in 2014 however 6 Aloha POS servers could not be virtualized and saw a hardware refresh

Finance

NPC exceeded its net income target for the 12 months ending October 31, 2014 by \$2.169 million including savings of \$928 thousand in operating expenditures as well as a \$1.08 million improvement in revenues. Further details are provided in Section 10.

9.0 RISK IDENTIFICATION ASSESSMENT AND MITIGATION STRATEGIES

NPC provides updates on risks in the quarterly reports submitted to the Ministry. The risk categories are the same as what the Ministry is required to report on to Treasury Board/Management Board of Cabinet (Strategic, Accountability/Governance, Operational, Workforce, Information Technology & Infrastructure, Other).

NPC's risk assessment and mitigation strategies for this business planning period are reported using this format, and are included as **Appendix A** to this business plan.

NPC has retained a professional internal auditor who reports directly to the Finance and Audit Committee of the Board. The Board has approved governing policies for Enterprise Risk Management and Internal Control. Regular risk assessments and reporting to the Board are part of the internal audit program.

10.0 FINANCIAL BUDGET AND STAFFING

NPC is expected to be a self-sustaining Operational Enterprise. NPC generates revenues from a variety of operations. The largest source of revenue earned is from the Commission's commercial activities. For the 12 months ended October 31, 2014 this source generated \$76.5 million or 91% of total revenues. The remaining \$7.5 million or 9% is generated from water/land rentals, fees, sundries and premium earned on U.S. funds.

This revenue is intended to allow NPC to operate in a self-reliant manner while covering the expenditures needed to support the work in the maintenance, parks and administrative departments, operate its own police force, and permit NPC to reinvest in its infrastructure.

Staffing - Summary of Staff Complement

NPC employed approximately 299 full-time and 1,379 seasonal staff (full-time equivalent approximately 900 positions) during the 2014 peak season. There are 639 unionized employees and 847 students, part time contract and other non-union staff. Of the unionized staff, OPSEU represents 559 Park and Police employees and Workers United Canada Council represents 80 restaurant servers. This staffing complement is expected to remain relatively constant during the planning period.

Seasonal staff members are traditionally employed during the high season of May through October. A limited number of staff then continues employment during the shoulder seasons, to assist at high volume sites and during major community events held on NPC property.

Overall staffing levels increased slightly in 2014 over 2013. While NPC continues to reorganize to ensure optimal efficiencies, NPC is not planning for significant increases or decreases in its overall staff levels over the next three years.

Further details on current human resources initiatives and a corporate organization chart is provided in Section 8 of the Business Plan.

Summary of 2015 Results and 2016 – 2018 Budgets

For the 12 months ended October 31, 2014, NPC achieved a surplus in its operating results of \$1.092 million. This was a positive variance of \$2.169 million from budget including a savings of \$928 thousand in operating expenditures, as well as a \$1.08 million improvement in revenues over budget. Strong performance from the new retail outlet at Grand View and increased attendance at NPC's Journey Behind the Falls attraction which celebrated its 125th anniversary, contributed to the positive results. Highlights of the financial results for NPC for the recently completed 12 months ended October 31 and the projection to the new yearend of March 31, 2015 are summarized in Table 10.1. below.

NPC's peak operating season traditionally extends from May to October, and October 31 has been the traditional fiscal year end for NPC. During 2013, the Commission approved a change in its fiscal year end from October 31 to March 31, with the transitioning fiscal year to be November 1, 2013 to March 31, 2015 (17 months). The March 31 year end coincides with the Province of Ontario's fiscal year end and provides efficiencies in financial reporting as well as business plan reporting and capital planning.

It is important to understand the impact of the change in year end from October 31 to March 31 on the 17 month transition budget and the 17 month projection in Table 1.1 below. The 17 month transition budget includes two 5 month periods of traditionally low revenue production, being November 1, 2013 – March 31, 2014 as well as November 1, 2014 to March 31, 2015. NPC's revenue producing operations experience peak season activity typically from June to September. Revenues for the 5 months of November to March usually represent approximately 12% of revenue for a normal year, while operating expenses for those same 5 months normally represent approximately 30% of operating expenses in a normal year. The deficit reflected for the 17 months ended March 31, 2015 is resulting from including two low seasons and one peak season within the same fiscal year – the transition year.

Table 10.1 Nov 1, 2013 - March 31, 2015 ACTUAL AND FORECASTED OPERATING RESULTS						
<i>(in thousands of dollars)</i>						
	Nov.2013 - Oct. 2014 YTD 12 months Actual	Nov.2013 - Oct. 2014 YTD 12 months Budget	Nov.2013 - Oct. 2014 YTD 12 months Variance	Nov.2013 - Mar.2015 17 month Projection	Nov.2013 - Mar.2015 17 month Budget	Nov.2013- Mar.2015 17 month Variance
Revenues	\$ 84,059	\$ 82,979	\$ 1,080	\$ 93,588	\$ 92,508	\$ 1,080
Operating Expenses	75,873	76,801	(928)	98,716	99,644	(928)
Net surplus (deficit) for the period before undemoted items (EBID)	8,186	6,178	2,008	(5,128)	(7,136)	2,008
Loan interest	1,718	1,701	17	2,427	2,427	-
Amortization of capital assets and capital funding	6,949	7,013	(64)	9,936	9,936	-
	(481)	(2,536)	2,055	(17,491)	(19,499)	2,008
Contributed Asset - Boat Plaza Building	2,197	2,124	73	2,197	2,124	73
Net increase in Power Plant Obligation	(624)	(665)	41	(925)	(925)	-
Net surplus/(deficit) for the period	\$ 1,092	\$ (1,077)	\$ 2,169	\$ (16,219)	\$ (18,300)	\$ 2,081

In Table 10.2 below NPC returns to a normal 12 month fiscal period, with budgets for the next three 12 month fiscal periods beginning April 1, 2015 and ending March 31, 2018.

Table 10.2 2016 - 2018 REVENUE AND EXPENSE BUDGET					
<i>(in thousands of dollars)</i>	YEAR END TRANSITION BUDGET		BUDGETS REFLECTING NEW YEAR END OF MARCH 31		
	Nov.2013 - Mar.2015 17 month Projection	Nov.2013 - Mar.2015 17 month Budget	Apr. 2015 Mar.2016 12 month Budget	Apr. 2016 Mar.2017 12 month Budget	Apr. 2017 Mar.2018 12 month Budget
Total Revenue, excluding Zip Line Program	\$ 93,588	\$ 92,508	\$ 87,374	\$ 88,942	\$ 90,367
Total Expenses	98,716	99,644	79,105	80,339	81,545
Earnings before interest, amortization and Zip Line	\$ (5,128)	\$ (7,136)	\$ 8,269	\$ 8,603	\$ 8,822
Interest Expense	2,427	2,427	1,646	1,538	1,426
Amortization of capital assets and capital funding	9,936	9,936	7,363	7,400	7,450
Net increase in Power Plant Obligation	925	925	705	658	482
Net deficit for the year before Zip Line Program	\$ (18,416)	\$ (20,424)	\$ (1,445)	\$ (993)	\$ (536)
Contributed Asset	\$ 2,197	\$ 2,124			
Revenue from Potential Zip Line Program	\$ -	\$ -		\$ 2,163	\$ 2,263
Net surplus/(deficit) for the period	\$ (16,219)	\$ (18,300)	\$ (1,445)	\$ 1,170	\$ 1,727

Table 10.2.1 below provides a further breakdown of the contribution from Revenue Producing Operations for the 3 year forecast.

Table 10.2.1 Revenue Producing Operations (RPO)- 3 Year Forecast

(In thousands of dollars)

		2016		2017		2018
		Budget		Budget		Budget
Attractions	\$	17,288	\$	17,856	\$	17,880
Retail		18,224		18,823		18,848
Culinary		15,852		16,373		16,395
Parking/WEGO/Incline		10,615		10,964		10,979
Golf		3,923		4,052		4,057
Events		728		752		753
Heritage		421		435		435
Total	\$	67,051	\$	69,254	\$	69,348
Cost of Goods Sold		11,207		11,423		11,595
Operating Expenses for RPO's		35,639		36,810		36,860
Contribution from RPO's	\$	20,205	\$	21,021	\$	20,893

November 1, 2013 to March 31, 2015

The most significant impact to revenue producing operations in the current year has been the severe winter weather in 2014, which increased winter control costs (sand, salt & overtime) and caused a 2 week delay in the scheduled opening of the new Hornblower Boat Tour from the May 1, 2014 target date, to the official opening date of May 15, 2014. The severe weather also caused heavy ice damage to Whirlpool Golf Course greens, leading to a delay in the course opening until late June 2014. The impact resulted in reduced revenues for the 2014 season, and a total reduction in revenues to the golf budget of \$744 thousand.

A watermain break at the Incline Railway in December 2013 required extensive repairs. NPC has business interruption insurance coverage on the new Incline Railway, and therefore was able to recover lost revenues and other costs during the closure period of the Incline Railway, which lasted until late May 2014.

To offset lower revenues in the early part of the season, a number of initiatives and filling of vacant staff positions were deferred until later in the season. This resulted in a reduction in expenditure of \$928 thousand, compared to budget for the 12 months ended October 31, 2014.

Favourable weather through the 2014 summer season resulted in increased revenues at most venues. Strong performance from the redesigned retail outlet at the Grand View Plaza and increased attendance at the Journey Behind the Falls attraction (which celebrated its 125th anniversary), have contributed to the positive results since the May 1, 2014 opening.

April 1, 2015 – March 31, 2018 Operating Forecast

The 2016 Operating budget reflected in Table 10.2 above, provides earnings before interest, depreciation/amortization and potential Zip Line revenues of \$8.269 million.

The three year forecast reflects a positive trend with revenues at a level which are expected to cover all costs, including depreciation and amortization of power plants in fiscal 2017. This forecast is contingent upon revenues from the successful start-up of the new Zip Line attractions in early Spring 2016. This revenue level will permit NPC to undertake a number of crucial repairs, upgrades to its facilities and operational activities that have been deferred due to lack of funding. Scheduling of capital works improvements will include contingency planning should revenues not reach expected levels.

The Zip Line Program, installed and operated through a third party, is a new venture that is being considered by the Board. Provincial approval of the draft lease agreement is in progress, and a lead proponent has been identified. Should the Zip Line Program proceed as proposed, a net surplus for 2017 is being forecast. Achievement of a positive financial position is one of the objectives identified in NPC's 2013-2017 Strategic Plan. Should the Zip Line Program proceed, NPC will be able to undertake additional capital projects which have been deferred to 2018.

Assumptions

The following assumptions were used in preparing the forecast:

- The forecasts are conservative and based on revenues and attendance at similar levels to the three year average (2012–2014) actual attendance.
- The increase in boat tour revenues each year are based on the new boat tour lease arrangement with Hornblower. These revenues are guaranteed to NPC for the planning period.
- Adventure pass sales are presumed to remain at the same levels as in 2014 operating season (225,000 passes).
- Revenues include projected new revenues from the phasing of a potential Zip Line program commencing in Spring 2015.
- Revenues budgeted for second level Table Rock operations are based on a full year of operation for the Falls Incline.
- Revenues earned from Attractions are based on prices approved at December 2014 Commission meeting.
- Revenue operations reflect recently negotiated third party agreements and anticipated new agreements to be negotiated in 2016-2017, as identified in Section 4 of this Business Plan.
- Retail revenues are assumed to increase over 2014 levels with a longer operating season and extended hours at the Grand View Boat Tour plaza, as well as merchandise and fixture changes at Table Rock and Victoria Park retail outlets.
- Parking fare and licensing revenues reflect the implementation of a new parking strategy, including additional solar units.
- The budget reflects the use of ambassadors to enhance visitor experience.
- The Human Resources budget incorporates resources to implement the recommendations of the operational review conducted in 2013.
- Salary & Wage assumptions include a 2.5% increase from the OPSEU Collective Bargaining Agreement effective November 2015, legislated increases to minimum wage, and contingency allowance for potential non-union cost of living increases along with changes which may result from a the job re-evaluation project.
- General rate of inflation at 2% for expenditures, except where prices are fixed by existing contracts.
- Utilities increases: 5% hydro; 1% water/wastewater; 20% natural gas

- Insurance premiums reflect increases mainly due to re-valuation of insured properties and October 2014 renewal premiums.

2016 - 2018 Capital Works Plan

Specific capital works to be completed in the 2016 – 2018 planning period are identified below in Table 10.3:

Table 10.3 Capital Projects By Asset Type and Priority								
Project Title	(Thousands of \$'s)			2016 Priority Criteria				
	2016	2017	2018	Safety & Regulatory	Strategic Initiative	Revenue Generating Operations	Supported by an ROI	Asset Life Cycle Maintenance Operational Requirement
Journey Behind the Falls - Attraction Renewal	\$ 250	\$ 500	\$ 250				\$ 250	
Falls Incline Railway - Lower Plaza Redevelopment	\$ 500				\$ 500			
Table Rock - Mechanical Systems	\$ 500			\$ 500				
Administrative Facilities - Dunn St & DC space planning study	\$ 100	\$ 1,250	\$ 750				\$ 100	
Police Radios	\$ 350			\$ 350				
Oakes Garden Theatre	\$ 100	\$ 500			\$ 100			
Table Rock - New Exterior Canopies	\$ 250			\$ 250				
Information Technology	\$ 600	\$ 600	\$ 600					\$ 600
Culvert/Drainage Improvements/Roads	\$ 100	\$ 250	\$ 500	\$ 100				
Trail - Addition with matching funds	\$ 45				\$ 45			
Aerocar 100th Anniversary - Attraction Renewal	\$ 100					\$ 100		
Queen Victoria Place - Awning Replacement	\$ 150							\$ 150
Fleet - Life Cycle	\$ 200	\$ 300	\$ 300					\$ 200
Heavy Equipment (2016: Bucket Truck)	\$ 200	\$ 200	\$ 200					\$ 200
Facility and equipment upgrades (e.g. Queen Victoria Place)	\$ 55	\$ 400	\$ 1,900	\$ 55				
	\$ 3,500	\$ 4,000	\$ 4,500	\$ 1,255	\$ 645	\$ 100	\$ 350	\$ 350 \$ 800

All of these projects are scheduled to be funded from earnings generated from NPC operations between 2016 – 2018.

Asset Management Plan

NPC's most recent audited financial statements provide the following, with respect to historical cost and net book value of NPC's depreciable assets

Table 10.4 NPC's Depreciable Assets as at October 31, 2013				
(millions)	Buildings & Structures	Equipment	Vehicles	Total
Historical Cost	\$220	\$40	\$4	\$264
Useful Life	7 – 40 years	3-10 years	10-12 years	
Annual Amortization Charge	\$6	\$1.5	\$.3	\$7.8
Net Book Value	\$121	\$5	.7	\$126.7

The annual amortization charge of \$7.8 million represents the amount by which tangible capital assets depreciated during the year, and the target amount by which NPC should be investing in its capital program on an annual basis, in order to avoid further decline in its assets. This \$7.8 million amount is based on historical costs and does not include funding for inflation, or for assets that are fully depreciated from an accounting perspective, but are still in use, and it does not include funding for service enhancement. NPC has not generated this level of funding (\$7.8 million) from operations before depreciation and debt charges, for approximately a decade. Therefore there is a backlog of capital deficiencies, which continues to grow.

NPC has identified the need for a detailed asset management plan to address the funding imbalance, and work has commenced on the components of this plan which are as follows:

- State of Infrastructure (condition assessment)
- Levels of Service (various planning and engineering studies, space planning, master plans, strategic plan – further study required in 2016 - 2018 to determine 10 year needs analysis)
- Replacement Strategy (10 year asset replacement plan informed by studies)
- Financing Strategy (10 year funding strategy, including funding from operations, debt financing, grants, donations, public private partnerships and other external sources)

This section of the Business Plan contains the preliminary elements for a detailed Asset Management Plan. The Plan components will be updated as further studies are undertaken to refine these components.

State of Infrastructure - Condition Assessment

In conjunction with the Tourism Agency Branch (TAB) and VFA, Inc., a contracted asset management consulting firm and software provider, Engineering staff have been working on a condition assessment of NPC tangible capital assets, referred to as the Asset Management Information System (AMIS) Project. Similar AMIS projects are being conducted in other Provincial agencies and ministries. The AMIS project is providing more detailed information about capital deficiencies and associated funding requirements for incorporation into a long term capital plan.

The AMIS project has provided a preliminary cost estimate of deficiencies of \$137.5 million, including Power Plant deficiencies of \$21.3 million. The value estimates provided in AMIS are updated each year based on updated inspections, capital work undertaken, and additional depreciation and an inflation factor for requirements that have not been undertaken. The estimates have been updated this year to include the results of VFA inspections of linear infrastructure such as roads and pipes (valued at \$36.4 million and classified in the study as “site”).

In addition to its tangible capital assets summarized in Table 10.4 above, NPC has an asset retirement obligation of \$28.1 million, representing the present value of work and related costs to stabilize and mothball three obsolete generating stations until an ultimate use for the buildings can be determined. NPC’s has received provincial funding of \$1.55 million to assist in the stabilizing and mothball process. NPC has been approved for additional funding of \$368 thousand to complete a condition assessment study of the three generating stations. This funding will be combined with \$132 thousand remaining from the previous funding for a total project budget for the condition assessment of \$500 thousand.

The current status of deficiencies (capital requirements) based on the AMIS reports as at November 7, 2014, inspected by VFA are identified in Table 10.5 below. The Table includes *above ground* structures of the Power Plants that have been inspected by VFA. None of the underground infrastructure of the Power Plants has been assessed or included in the figures.

Table 10.5			
(millions)	NPC Operations	Power Plants	Total
Currently Critical	\$5.919	\$1.839	\$7.758
Asset Integrity – Imminent Failure	\$8.143		\$8.143
Asset Integrity – Proactive	\$101.045	\$19.283	\$120.328
Code compliance & Legislative	\$.808	\$.066	\$.874
Discretionary	\$.334	\$.111	\$.445
Total capital needs	\$116.249	\$21.299	\$137.548

Table 10.6 contains a more detailed breakdown of the capital requirements by type of asset for the \$116.249 million identified for NPC operations, excluding the requirements for the Power Plant assets.

Table 10.6 VFA Report

System Group and Priority	1a - Currently Critical	1b- Code Compliance and Legislative	3 - Asset Integrity Type A - Imminent Breakdown	5 - Asset Integrity Type C -Proactive Replacement	8 - Discretionary	Total
Electrical System	1,705,540	153,111	92,265	16,802,767	77,756	18,831,439
Equipment	0	0	0	27,706	0	27,706
Equipment and Furnishings	0	0	31,831	1,076,820	0	1,108,651
Exterior Enclosure	995,629	12,837	471,820	12,042,299	124,567	13,647,152
Fire Protection	79,003	9,096	0	147,132	0	235,231
HVAC System	43,557	17,732	1,830	21,380,896	0	21,444,015
Interior Construction and Conveyance	118,140	255,973	0	14,173,958	33,863	14,581,934
Plumbing System	327,340	0	0	4,019,648	55,095	4,402,083
Site	2,190,837	0	7,537,783	26,678,174	21,156	36,427,950
Special Construction	0	0	0	3,854,798	0	3,854,798
Structure	283,699	43,125	2,258	796,736	21,156	1,146,974
Not Applicable	175,427	316,373	5,325	44,390	0	541,515
Total	5,919,172	808,247	8,143,112	101,045,324	333,593	116,249,448

Administrative Facilities

Currently NPC houses its administrative staff in four facilities. These include rental accommodations at the Niagara College Campus on Dunn Street, as well as three owned facilities: Oak Hall, Police/Revenue Office Administration Building and the Distribution Centre.

NPC has renegotiated its lease at the Dunn Street facility, which houses 35 administrative staff from various departments. The lease will expire in May 2016 and has an option for renewal to May 2017. It is however anticipated that the College will be utilizing the leased space for its own purposes within the near future.

A preliminary analysis of the local rental market versus the cost of building administrative space on its own lands was completed in Spring of 2012. The analysis indicated that, at current borrowing rates, it may be more cost effective for NPC to build administrative space on its own lands if there are no suitable rental facilities within proximity to NPC core operations at rates similar or lower than the Dunn St. facility.

In early 2015 NPC will undertake a Space Planning Study, with the purpose of planning for the lease, or construction or rehabilitation of additional administrative space in time for vacating Niagara College by the lease expiry date of May 2016. Debt financing may be required, in the event that construction costs exceed the capital budget for construction of \$2 million.

Asset Replacement Strategy

Funding from Internal Sources

Summarized in Table 10.7 are the capital needs forecasted for 2016-2025, as well as internal funding sources – (the forecasted earnings before interest and depreciation for 2016-2025, less amounts applied to service existing debt charges, provides internal funding for capital works and equipment projects)

Table 10.7 Ten Year Capital Forecast										
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
VFA Database Identified Deficiencies in Existing Facilities:										
Currently Critical	5,919									
Asset Integrity - Imminent Failure	8,143									
Asset Integrity - Proactive		10,105	10,307	10,513	10,723	10,937	11,156	11,379	11,607	11,839
Code Compliance & Legislative Discretionary	808									
		33	34	35	35	36	37	38	38	39
Total VFA Deficiencies	\$ 14,870	\$ 10,138	\$ 10,341	\$ 10,547	\$ 10,758	\$ 10,974	\$ 11,193	\$ 11,417	\$ 11,645	\$ 11,878
Vehicles & Equipment										
Fleet Life Cycle (85 vehicles)	200	300	300	306	312	318	325	331	338	345
Equipment Life Cycle	255	400	400	408	416	424	433	442	450	459
Police Radios	350									
Technology	600	600	600	612	624	637	649	662	676	689
Total Vehicle & Equipment	\$ 1,405	\$ 1,300	\$ 1,300	\$ 1,326	\$ 1,353	\$ 1,380	\$ 1,407	\$ 1,435	\$ 1,464	\$ 1,493
Strategic Investments										
Administrative Facilities	100	1,150	750							
Queen Victoria Place		50	100	2,000	2,000					
Park Development (include OGT)	100	500	500	510	520	531	541	552	563	574
Attraction Renewal	850	1,000	500	510	520	531	541	552	563	574
	1,050	2,700	1,850	3,020	3,040	1,061	1,082	1,104	1,126	1,149
Total Forecasted Capital Needs	17,325	14,138	13,491	14,893	15,151	13,414	13,683	13,956	14,235	14,520
Available Funding from Operations										
Earnings before interest & Depreciation	8,269	8,603	8,822	11,677	7,092	7,501	7,923	8,358	8,806	9,267
Potential Zip Line Revenues		2,163	2,263	2,263	2,263	2,263	2,263	2,263	2,263	2,263
Principle & Interest on Debt Charges	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)	(3,211)
Available Funding from Operations	5,058	7,555	7,874	10,729	6,144	6,553	6,975	7,410	7,858	8,319
Infrastructure Funding Gap	12,267	6,583	5,617	4,164	9,007	6,861	6,708	6,547	6,378	6,201

As highlighted in above funding for the upcoming year from operations, including potential Zip Line revenues, is \$6.721 million. Capital requirements based on the VFA data base reports, equipment life cycle replacement needs and capital investments to implement strategic objectives, totals \$17.325 million, resulting in a current year funding gap of \$10.604 million.

The recommended capital plan for 2016 – 2018 in Table 10.3, which includes \$3.5 million in approved capital works for 2016, is to be financed from these internal sources. NPC is taking a conservative approach to use of operating funds for capital renewal, to ensure sufficient cash resources are available all year, to meet working capital needs. NPC will reassess whether additional capital projects can be undertaken in 2016, depending on funds available, including financial performance for the 2015 tourist season, timing of implementation of the Zip Line attractions, and NPC's cash flow situation.

In Table 10.7 above, revenues from 2016–2019 reflect a period of guaranteed revenues from the Hornblower Boat Tour Agreement and Operating Lease. The revenues are projected to

drop once the guaranteed period is no longer in effect, based on current and expected passenger levels.

Funding from External Sources

Ministry Grants

In addition to funding available from NPC's own operations, TAB has provided NPC with funding towards critical projects identified in the VFA study, for the Provincial fiscal periods ended March 31 as follows:

Critical Projects Funded	
2012	\$ 49,800
2013	\$860,000
2014	\$310,500

In addition, in 2012/2013 NPC received \$7 million for the Incline Railway, \$54,000 for the Cullen Miniature Village restoration project, and \$2 million for Parkway Paving. NPC has also benefited from the Federal/Provincial Infrastructure initiatives through an agreement with the City of Niagara Falls for a new WEGO fleet, as well as capital funding for improvements to the Parkway and Bus shelters/infrastructure of \$5.9 million.

For the year ended March 31, 2015, NPC applied for funding and received approval for \$1,659,505 from the Ministry of Tourism, Culture & Sport with all projects to be completed by March 31, 2015.

Project Description	Funding Request
VFA Identified Priorities	\$254,385
Roofing Renewal	\$386,000
Emergency Evacuation, White Water Walk	\$410,000
Electrical System Upgrades	\$194,120
Emergency/Safety	\$265,000
Damage Prevention on Existing Facilities	\$150,000
Total	<u>\$1,659,505</u>

NPC will be preparing a further application for projects for the March 31, 2017 year end in the amount of \$2.2 million.

Debt Financing

NPC's outstanding long term debt as at March 31, 2015 is \$30.372 million, with annual principal and interest charges of \$3.211 million due annually, until the debt is retired in April 2027. This financing relates to the redevelopment of the Table Rock Complex which was completed in 2007.

Significant projects which may require debt financing in future years include:

- re-development of NPC's Distribution Centre, for warehousing and administrative facilities to accommodate staffing currently occupying lease space at Dunn St. and to facilitate re-engineering of inventory management and distribution processes to reduce carrying costs.
- re-development of Queen Victoria Place, a premier location adjacent to the Falls. The VFA condition assessment of this site identified numerous systems requiring upgrading and replacement. This assessment was further confirmed by Moriyama & Toshima. Further study is scheduled for 2015 and options will include consideration of revenue generating operations and opportunities to enhance visitor experience.
- replacement of the irrigation system which supports NPC's Botanical Gardens, School of Horticulture, Butterfly Conservatory and Whirlpool Golf Course.

The use of debt financing in the replacement strategy must balance the need to limit further deterioration on capital facilities and take advantage of opportunities to generate additional revenue/return on investment, with the availability of earnings from operations to service debt charges and fund ongoing operating activities.

No issuance of debt is being recommended for the 2016 year. Funding for the redevelopment of the Distribution Centre is currently included in capital projects scheduled for 2016-2018, funded from earnings from operations, based on an expected construction cost of \$2 million dollars. The actual funding strategy will be recommended to the Board prior to commencing procurement, upon completion of the Space Planning Study and architectural evaluation with cost estimates to be conducted in 2016.

Should additional funding become available through either internal or external sources, projects that are currently deferred to 2017 and later years can be advanced for completion in 2015/2016.

Foundations or Donations

NPC will explore the use of donations and fundraising to assist with relevant and appropriate capital projects as determined by the Board.

Other External Revenues

Engineering maintains a listing of shovel ready projects to take advantage of grant funds that become available on short notice. Any grant funding would be applied to safety and facility integrity related projects identified in the AMIS report. Should funding be available from potential Zip Line revenues earned in fiscal 2016, those funds would be applied to capital projects which are currently scheduled for 2017/2018.

11.0 INFORMATION TECHNOLOGY/ELECTRONIC SERVICE DELIVERY PLAN

During 2014, NPC continued the transformation of its IT service delivery, network infrastructure and hardware refresh.

Accomplishments of 2014

PCI-DSS (Payment Card Industry-Data Security Standards) Compliance Remediation

Governance and Project Leadership

- Developed a PCI Steering Committee (with Executive participants) to provide the resources required for PCI-DSS compliance.
- Engaged Deloitte LLP to provide PCI education, data mapping and assistance with the PCI-DSS Self-Assessment Questionnaire.
- Developed a PCI-DSS SharePoint Portal to record PCI-DSS accomplishments, training and education.
- PCI-DSS education and training provided to Senior Management Team and Directors, Managers and Supervisors.
- Quarterly PCI-DSS 'All User' education/training email program implemented.
- Quarterly network vulnerability scans per PCI-DSS requirements.

Process Improvements

- Implemented Shredding Service contract to ensure proper shredding of paper documents.
- Secured paper credit card records and IT backups under controlled access.
- Implemented a Change Management Calendar to track IT changes.
- Introduced mobile pin pad technology at selected POS locations.
- Replaced 7 servers that had surpassed end of life support.
- Replaced 12 Omni Ticketing Scanners capable of scanning mobile devices.
- RFP awarded for POS Service to March 2017.

Payment Processor

- RFP for payment processor progressed in 2014. The goal was to have a new payment processor with Point to Point Encryption (P2PE) pin pads which will reduce the scope of PCI compliance and provide Guests with tap, and chip and pin security.

Network Improvements

- Implemented complex password management for all network accounts.
- Established Annual IT, Network and Security Risk Management Assessments, Annual Firewall Rule Review, Quarterly Firewall and Router Configuration Standards Review, Quarterly Disabled Account Reviews etc.
- Initiated vendor consolidation to standardize firewalls, switches, WiFi and applications.
- Added physical security controls.
- Implemented a seasonal rental service for push-to-talk digital radios.
- Implemented Network Authentication, Authorization, and Accounting (AAA) to networking devices.
- Implemented Oak Hall WIFI access for Guests and for staff.

- Created a fiber path for the south core of the network, which includes Oak Hall, Floral Showhouse, Fraser Hill Parking, Falls Parking, the Incline Attraction and Table Rock providing a more reliable, and scalable network path.
- Implemented a new Virtual Private Network (VPN) with second factor authentication for remote users.
- Implemented Guest Wifi at Grand View Marketplace (indoor and outdoor).
- Implemented Aruba Airwave for reporting and management of Guest Wifi.
- Commenced new model of network segmentation.
- Provided network capacity for sensors for fridges, doors, air conditioning, CCTV etc.
- Implemented network monitoring solution to proactively monitor network, servers, and other devices with customized sensors.

Infrastructure Improvements

- Moved NPC data center to a more secure location. With this project, re-cabled devices and put in proper racking, air conditioning along with enhanced physical security.
- Migrated non-POS Windows XP desktops and laptops to Windows 7 as Microsoft no longer supports Windows XP.
- Implemented solution to instantly notify all IT when an account is locked.
- For POS Windows XP devices, whitelisting software was purchased to protect the devices from attacks now that Microsoft no longer provides XP patching support.
- Implemented scalable QNAP backup solution.
- Licensing office at Rapidsview was cabled as part of the renovation.
- Thompson Point dial up connectivity replaced with Rogers 3G solution with firewall.

Business Projects

- Infrared guest counters were implemented at both Table Rock and Grand View. Scorecards for each facility were developed to report on Guest traffic monthly.
- For emergency response, digital Push-to-Talk (PTT) seasonal rental radios which cover the park from Fort Erie to Niagara on the Lake (NOTL) was deployed.
- Replace desktops in 2014 over the age of five years.
- Create a single-sign on with business intelligence (BI) tool.
- Developed a Contract Database System for contract management. Functionality includes a notification system that emails contract stakeholders prior to contract expiry.
- Horticulture Labour Tracking System was developed and introduced to staff.

Information Technology Helpdesk

- As reported by the IT Helpdesk Ticketing System, as of October 19th, 2014 the IT Helpdesk has responded to 2,692 requests for help in 2014.
- On average, monthly IT receives 332 and closes 330 Helpdesk tickets.
- Fifty four percent of Helpdesk tickets are resolved the same day they are received.
- Seventy nine percent of Helpdesk tickets are resolved within seven days.

Plans for 2015-2016

The following plans are scheduled in 2015-2016.

- Improve PCI compliance by educating staff, implementing policies and procedures, monitoring, remediating and reporting on PCI-DSS compliance.
- Extend the fiber network to the North Core from Table Rock to Grand View, improving network reliability and performance.

- Improve the network connectivity in Niagara on the Lake (NOTL) and Queenston via partnerships and existing communications towers.
- Build a Retail Ecommerce web site with PCI-DSS compliant shopping cart.
- Refresh POS devices in Laura Secord House and Mackenzie Printery.
- Implement the globally recognized OpenTable reservation system that will enable Guests to book reservations at table serve restaurants (Edgewaters and Elements) from anywhere in the world, at any time.
- Continue to deploy Guest and staff wifi at selected attractions and offices.
- Investigate improvements to ticketing software.

Information Technology Staff Development

IT staff structure is broken down into three service areas – Helpdesk Services, Application Services and Network and Infrastructure Services. With five of the eight IT staff members under 2 years of NPC service, continual orientation and cross training is occurring in order to strengthen the support team. Additionally the IT budget supports one course per IT team member to increase functional skills in their perspective IT service area.

12.0 INITIATIVES INVOLVING THIRD PARTIES

NPC continues to work in partnership with a number of organizations. To strengthen accountability by third parties, ensure clarity of roles and responsibilities, and ensure appropriate measures are taken to manage its risks, NPC has moved towards formalizing its arrangements with third parties through formal contracts and agreements.

Following is a chart outlining a number of significant third party partnerships to NPC. It should be noted that NPC does not provide grant funding to any of the parties below.

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
BUSINESS DEVELOPMENT, EVENTS & PUBLIC RELATIONS		
Falls Fireworks Series	To raise financial support from local Stakeholders to present fireworks series within the destination.	Fireworks support business for all partners. NPC cannot present project alone.
Sponsorship Policy	Generate revenue to offset costs of event programming in the Park.	Review Sponsorship Policy, confirm rights and benefits package in preparation for 2015 and issue an RFP for sponsorships.
Illumination Support of the Falls	NPC is a member of the Niagara Falls Illumination Board. Established in 1925, the Board is a Not for Profit Corporation made up of representatives from the City of Niagara Falls Ontario, Ontario Power Generation Inc., City of Niagara Falls New York, New York State Parks and The Niagara Parks Commission. It is the Illumination Board's responsibility and mandate to finance and maintain the nightly illumination of both the Horseshoe and American Falls.	NPC's over 80 year commitment with the Board is seen as a way to further the enhancement and promotion of the Falls for all those who come to visit. NPC also shares in a revenue strategy with the Board with dinner & tour packages.
New Year's Eve	Co-host annual NYE show in Queen Victoria Park, by way of a one-year contractual relationship with the City of Niagara Falls and other community stakeholders.	To maximize revenue and PR potential for NPC and the stakeholders. NPC to maintain a yearly decision on participation based on ROI.
Vehicle Transportation System (VTS)	In August 2011, NPC and The City of Niagara Falls announced approval of a 10-year contractual agreement to develop an integrated Visitor Transportation System (VTS) to provide a seamless connection between tourist areas within the City and The Niagara Parks Commission and its sites and attractions. The rubber tire bus system became operational on August 13, 2012.	Participation in this new integrated system has allowed NPC to modernize its aging bus fleet. NPC's People Mover buses were first acquired in 1985 and had begun to show their age. As a result of this agreement, NPC has received 11 new fully accessible buses (9 articulated/2 single buses) as part of the overall \$50 million in funding provided by the Federal and Provincial governments for this project. NPC's buses were over 25 years old and not accessible.

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
Regional Tourism Organization (RTO)	<p>RTOs have the responsibility for marketing as well as longer-term strategic planning for tourism regions, including product development, workforce strengthening and the provision of travel information.</p> <p>NPC currently is a board member of the provincially established RTO in Niagara (RTO #2); one of 13 provincial tourism regions, which co-ordinates the diverse interests of the tourism community throughout the Niagara region.</p>	Given's NPC's limited marketing budget, participation in the RTO allows NPC to be able to take part in and help influence the cooperative advertising and marketing strategies undertaken to promote visitation to and increased stays within the region.
Scotiabank Convention Centre	NPC is a founding partner in the Scotiabank Convention Centre in Niagara Falls. NPC has a seat on the Board of Directors.	NPC supports the Convention Centre to help draw meetings and conventions to the destination and NPC receives spin-off business from those conventions.
Niagara Falls Tourism	NPC is a member on the Executive and Board for the local destination marketing organization.	Tourism is a critical part of NPC's business and having a strong and well-performing DMO is important in providing marketing programs that benefit the destination and NPC.
Winter Festival of Lights	NPC was a founding partner in this 32 year old event. NPC serves on the Board. A large part of the event's program takes place on NPC land.	The event is an anchor to the early winter program for the destination and draws visitors to Niagara Falls.
PARKS		
Environment Canada (Habitat Stewardship Program and Great Lakes Sustainability Fund) and the Ontario Ministry of Natural Resources (Species at Risk Stewardship Fund)	To acquire resources needed to protect, maintain, and preserve natural areas that make up 25% of NPC lands. In addition, resources are used for education and outreach both internally and externally.	By providing matching funding for the preservation and restoration of natural areas in the care of the NPC.
Niagara College and Brock University	Provision of year-long thesis projects for various Environmental, Recreational, and Technical programs to support NPC Stewardship program and Botanical Gardens. The in-kind value is estimated at \$100,000.	Provide in-kind support in the form of research projects which provide NPC staff with valuable data for moving forward with environmental as well as technological initiatives.
Corporate and non-profit support (OPG, Friends Groups, Naturalists, NPCA, Land Care Niagara, NRC, MNR, Ontario Access Coalition (Boulderers), Royal Astronomical Society Club – Niagara Centre, Niagara Geological Society)	Alliances have allowed for environmental, educational, and recreational initiatives that we would not have the internal resources to achieve.	Partnerships provide support for numerous preservation and restoration activities on NPC lands.

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
Trees Ontario	Research and development of tree seed collection strategy for Niagara.	Provides the opportunity to offer seed collection related workshops and training to NPC staff, students and Niagara residents to develop capacity for tree seed supplies. Enhances access to Ontario's 50 Million Trees Program. Future opportunities may include facilitating on the ground research for tree propagation.
Ontario Power Generation	Improvements on the Lands, Protection Program.	Native Plant Nursery License Agreement and donation of land.
Monarch Teachers Network, Toronto and Region Conservation Authority and Niagara Falls Nature Club	To increase NPC Butterfly Conservatory educational programming and outreach, in addition to revenue generating opportunities through sales of teaching kits.	Provides the capabilities to offer educational programming to local teachers and students using Monarch Butterfly life history along with providing funding to offset Monarch workshop costs to participants.
Parks Canada	Programming Partner	Collaboration on events and tours; cross promotional opportunities as appropriate.
Canadian Food Inspection Agency	Research in management and control of invasive species.	Research in controlling damage from Emerald Ash Borer and Hemlock Woolly Adelgid.
Trail and Cycling Related organizations (Greater Niagara Circle Route, TransCanada Trail, Waterfront Trail, Greenbelt Route, Ontario Trails Council, Venture Niagara, Ontario by Bike)	Increase promotion and development of cycling opportunities and infrastructure within Niagara Parks and surrounding region.	Provides opportunities for joint marketing initiatives, access to funding, and trail management expertise as it relates to the Niagara River Recreation Trail.
HERITAGE		
Federal Government	Redevelopment of Historic Sites	Infrastructure Funding
Bicentennial Legacy Council	Funding and planning partners.	Re-enactment at Chippawa, Laura Secord walk; Monument at Queenston Heights.
Provincial Government	Redevelopment of Historic Sites.	Infrastructure Funding
Printery Group	Maintain the Printery Collection.	Grants, volunteers, collections \$20,000.
SCHOOL OF HORTICULTURE		
Olds College, Olds Alberta	Articulation agreement for Niagara Parks School of Horticulture graduates to obtain a Bachelor of Applied Science Degree (block transfer).	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program as a national program of recognition.
Awaji Landscape Planning and Horticulture Academy (ALPHA Academy), Hyogo, Japan	Exchange program allows Japanese students to attend the NPC School of Horticulture for advanced study to earn a one year certificate; Niagara Parks School of Horticulture students have an opportunity to seek internship placements	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program globally.

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
	in Japan to complete required components of the Niagara Parks program.	
Professional Land care Network (PLANET), United States PLANET (cont'd)	This governing body of the landscape industry for North America has accredited the Niagara Parks School of Horticulture program as being the equivalent of a four-year bachelor degree program.	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program as a national program of recognition.
City of Niagara Falls	Schools in Bloom program - Niagara Parks School of Horticulture students actively participate in a consultative capacity with all Niagara Falls High Schools to beautify school properties and engage young people in horticulture.	Supports Corporate Excellence objective. Demonstrates commitment to Natural and Cultural Stewardship.
Niagara Catholic District School Board	This partnership allows high school students enrolled in horticulture and a High Skills Major program in horticulture to complete their studies at the Botanical Gardens with a hybrid teaching model using class lectures with studies in the gardens and working with Niagara Parks students.	Supports growth of Niagara Parks diploma program through enhanced reach to potential future students; increases applicants to program.
District School Board of Niagara	Agreements to provide a learning site for high school students to advance their horticultural education and High Skills Major program within the Botanical Gardens (final agreement pending).	Supports growth of Niagara Parks diploma program through enhanced reach to potential future students; increases applicants to program.
Canadian Wildlife Federation	MOU developed to enable collaborative activities between both organizations with a focus on education.	Supports development of Niagara Parks educational programming for NPC staff, students, and visitors. Provides access to experts in horticulture, forestry and conservation. Further opportunities for ecological restoration and research.
Canadian Garden Council	Continued Support as Founding Member to increase promotion of NPC, the Botanical Gardens and School of Horticulture and other Canadian gardens/tourism experiences, education opportunities and to cultivate joint marketing strategies.	Provides opportunity for joint marketing initiatives, and access to resources from participating members; requiring further study to develop staffing plan.
Master Gardeners of Ontario, Garden Club of Niagara & Horticulture Society of Niagara Falls	Partnership to provide learning opportunities to visitors, students and members to advance awareness and education (agreement to be developed).	Supports growth and development of the visitor experience at the Botanical Gardens and creates other revenue opportunities for the partners.
CORPORATE SERVICES		
Vendors of Record For Various Contracted Services	Ensure efficient and effective delivery of services or provision of goods, in keeping with NPC Mandate, Vision and Standards.	Competitive procurement with detailed specifications and agreements to meet NPC objectives.

13.0 IMPLEMENTATION PLAN

Sufficient resources have been incorporated in the 2015–2018 budgets to accomplish the current and forthcoming activities and programs identified in Section 4.

Attraction Renewal

During 2016, NPC will undertake planning and investigation to revitalize several of its attractions:

Journey Behind the Falls (JBTF)

Design of changes to the concourse level of the Journey will be conducted by NPC's Vendor of Record for architectural services which was competitively procured during 2014. Following detailed design, a competitive tender for construction will be issued, with project management by NPC Engineering staff. The scheduled date for completion is May 2015.

Illumination Tower

Working with the Illumination Board, NPC is investigating the feasibility of substantial lighting improvements for the American and Horseshoe Falls. An RFQ and interviews of proponents took place in 2014. NPC is conducting the procurement on behalf of the Illumination Board. Following the RFQ presentation process, NPC will issue, on behalf of the Illumination Board, an RFP for equipment and installation, and will oversee the project. Capital funding for the project will come from outside sources.

Falls Incline Railway – Lower Plaza

Design of changes to the Lower Plaza of the Incline will be conducted by NPC's Vendor of Record for architectural services which was competitively procured during 2014. Following detailed design, a competitive tender for construction will be issued, with project management by NPC Engineering staff. The scheduled date for completion is May 2015.

Zip Line Program

Working with a preferred proponent, identified through a competitive procurement process, NPC has completed a draft agreement and operating lease for the operation of a new Zip Line Attraction at the Falls, as well as an Aerial Adventure Course at NPC's Thompson Point location, for a 10 year concession, with a 5 year option to renew by mutual agreement. The business case and draft agreements have been submitted to the Province and are awaiting approval by OIC.

Following Provincial approval through OIC, the preferred proponent will commence the necessary engineering and design studies and begin construction of the equipment in the demised area of the approved lease.

Asset Management/Deferred Maintenance

The amount available to fund NPC's capital needs and the prioritization process is identified in Section 10. A preliminary estimate of the gap in funding required capital improvements is also identified in Section 10. NPC will continue to address critical deficiencies in infrastructure, and is continuing with the completion of the asset inventory, with assistance from VFA consultants. Documentation of NPC's underground assets will be undertaken during 2016 and development of a long term asset management strategy will be completed in 2016.

During 2015/2016, NPC will continue the development of a long term asset management plan, including various background studies required to further assess condition of assets, options for restoration and cost estimates. Several projects have been identified to address the most urgent improvements required.

- Table Rock - Building Systems Replacement & Exterior Canopies
- Queen Victoria Place - Awning Replacement
- Police Radio Replacement Project

Space Planning Study—Administrative Facilities This project includes all the planning and design work required to repurpose a portion of NPC's Distribution Centre warehouse building for more efficient use of space and additional employee offices. NPC is completing a spacial needs analysis using its Architectural Vendor of Record in 2015. A tender for reconstruction will be issued, such that NPC has alternative facilities for its administrative staff, prior to the termination of the lease with Niagara College. Depending on the results of the architectural review, NPC will work with Niagara College to extend the lease from May 2016 to May 2017, if it is determined that that is required.

Niagara Parks Marina (Miller's Creek) Redevelopment

During 2015/2016, NPC will be conducting environmental assessments and a market study on the Miller's Creek location. The studies will be procured through a competitive process. An interim operator of the marina is also being procured through competitive process.

As part of the Market Study, a Market Sounding consultative process will occur. Invited professional and technical stakeholders will have an opportunity to provide input on the improvement scenarios and the preliminary findings of the Market Study.

Should the Environmental Site Assessment Phase I & II indicate the need for remediation, the costs to do so will be presented to the Commission for consideration.

NPC is in the process of competitively procuring its Vendor of Record for Fairness Consultant, which will be for a three year term. The awarded Fairness Consultant will oversee this project during the various procurement phases of study, design and construction.

Business Rationalization—Finance, Procurement, Human Resources and Technology

During 2016-2018, NPC will continue with the modernization of its technology and Corporate Services support systems. NPC will utilize the Provincial VOR 'Open Text' as the software tool for managing documents as part of the Records Management Program that is being implemented. A project charter and work plan were developed in 2014, and training delivered to Senior staff, with the assistance of NPC's Records Management Consultant. In 2016, NPC will begin with a pilot project with assistance from Provincial staff from ERDMS. Following this, NPC will continue with updating its systems with inventory collection, classification system and data retention policies.

New payroll/timekeeping/HRIS options are being explored through a competitive RFI in the fall of 2015, and NPC expects to procure a new vendor for payroll processing, to replace its current PDS system. Through a competitive RFP process, NPC is also investigating new technologies for delivering and tracking mandatory and optional training as well as training for compliance with professional designation requirements.

Power Plants – Adaptive Re-use of Defunct Generating Stations

The following next steps are proposed during 2016-2018:

1. Continue to pursue funds from the Province to obtain updated reports in order to compile an up-to-date Record of Site condition of the power stations and infrastructure that can be used as “owner supplied base building information” for future planning and due diligence purposes;
2. Undertake short term remedial steps as required on a priority basis regarding condition of structures to address potential safety concerns and prevent further deterioration/irreversible decay (e.g. load limit signage, regular inspections and basic building maintenance such as window replacement); Hatch and Delcan reports are being utilized by the engineering group as a guide to the visual inspections and corrective actions that are required.
3. Determine feasible long-term strategy for power stations;
4. Address outstanding proposed lead paint settlement with OPG (with Ministry engagement)
5. Explore revenue opportunities available relating to water rights payments;
6. Continue work using an NPC Board “ad-hoc” working committee to focus efforts on the long-term strategy for the power stations; in particular:
 - the continued elevation of concerns to the Province, recognizing that the overall scope of this initiative will necessitate resources beyond NPC’s capacity and expertise (e.g. Ministry of Energy, Infrastructure Ontario); and,
 - the development of strategies to address financial obligations and accountability for the power stations and related infrastructure.

Implementations of next steps will ensure compliance with the Procurement Policy, the Realty Directive, and other NPC policies as applicable.

Oakes Garden Theatre

In 2012, a portion of the Pergola Wall at Oakes Garden Theatre was removed for safety reasons. NPC has included funding in its 2016 and 2017 capital budgets to conduct further engineering studies on the site and restoration options of the entire Oakes Garden Theatre.

Tree Planting Initiatives & Emerald Ash Borer

Emerald Ash Borer (EAB) has been found throughout Niagara Parks resulting in a decline of ash tree health. Using good forestry practices, NPC will harvest infected ash trees while they are still merchantable for value of lumber or firewood, and accessible due to associated safety risks. NPC is planning for the removal of 30-40% of the existing stand of ash to open up the forest canopy to promote growth of other tree species as well as provide areas for further native trees to be planted.

Due to the high density of ash trees at Legends (LOTN) Golf Course, a 40 ha (100-acre) parcel of forested area has been identified as a suitable location for a selective harvest. This would reduce safety hazards to staff and visitors while contributing to forest health and LOTN designation as a Certified Audubon Co-operative Sanctuary. The forest management plan would also consider the sensitivity to neighbouring landowners, leaving a forested buffer zone to limit the potential aesthetic impacts of the harvest. Harvesting activities would only be done throughout the winter months to reduce impacts to surrounding vegetation and NPC operations. All logs would be removed from a single skid trail using cables, which will further reduce impacts to vegetation and aesthetics. All harvesting planning and operations would be overseen

be the Niagara Peninsula Conservation Authority's (NPCA) Registered Professional Forester in consultation with NPC Parks and Forestry Staff to ensure compliance with the Niagara Region Tree and Forest Conservation Bylaw. The cost to harvest the ash trees will be offset by the value of the merchantable timber, with the possibility of producing modest revenue to NPC. Once the ash trees are removed, any disturbance to the surrounding vegetation and soil (e.g. skid trail) will be restored. The planting of native non-ash species of trees and shrubs would be conducted in the spring 2015.

Revenue Generating Opportunities Plan – Upcoming Renewals

NPC has several RGO's that are provided by third parties. NPC's procurement policy requires development of a business case, reporting to the Board and inclusion in the Annual Business Plan for any anticipated renewals or new RGO ventures being planned. Part of the business case evaluation approach includes an analysis of "make or buy", as to whether NPC should continue to use a third party to operate the RGO, or to undertake providing the service directly. RGO's that are to be provided by third parties are established through a competitive procurement process, with contractual agreements reviewed and approved by NPC's solicitor.

14.0 COMMUNICATION PLAN

In 2015, Corporate Communications will continue to help support and implement the Commission's overall key priorities as identified within this Plan and as part of its overall Strategic Plan. The Strategic Plan embraces three fundamental principles: Positive engagement, renewal, and service improvement. In order to attain these principles, seven key areas of focus have been developed, which will guide NPC's operations over the course of the next several years. These areas of focus include: Finance, Image, Partnerships, Products and Services, Human Resources and Research and Development.

Background

This plan outlines the approach and recommended tactics to be undertaken in support of the overall Corporate Communications objectives of The Niagara Parks Commission in 2015.

During the past year, over \$17 million in earned media was generated by virtue of the Commission's involvement in various projects such as the successful transition of the boat tour operations, the 125th anniversary of the Journey Behind the Falls Attraction, the conclusion of the bicentennial celebrations of the War of 1812, as well as the establishment of a new and exciting family entertainment experience, Onguiaahra: Thunder of Waters. Earned media refers to the publicity and coverage NPC has obtained through its own promotional efforts other than being purchased through advertising - via broadcast, newsprint and online channels. The total of \$17 million represent the value of which NPC would have had to purchase the coverage it received via various media channels for the stories and events that were covered during the past year.

The value is calculated by our media monitoring firm – and is provided to us on each story that is covered on NPC. This past year also saw Niagara Parks undertake a concerted effort to further strengthen and promote its brand as a provincial agency tasked with the promotion, preservation and enhancement of the lands and historic sites it is entrusted to protect. As part of these efforts, a newly developed marketing and promotional campaign was undertaken, and the creation of a new digital media assets and a Visitor Guide magazine, the first produced by the Commission in 14 years.

To also show leadership within the tourism community, NPC continued to work with local stakeholders and governments on joint promotional efforts, including an expanded Falls fireworks program, a revitalized Winter Festival of Lights organization and programming, the traditional New Year's Eve concert, the upcoming Pan Am and Parapan Am games and the need for enhanced lighting of both the Canadian and Horseshoe Falls.

As a result, the 2014 season can be best be described as one of accomplishment for NPC, both in terms of attaining the Commission's communications and reputational objectives, but also in terms of how those objectives assisted in improving the overall financial performance of the organization.

2015 Business Goals

- Provide both external and internal communications support to the Commission's diverse operational units and revenue-generating departments.
- Further NPC's efforts in both its brand management and reputational objectives, thereby enhancing the overall image and financial performance of the Commission.

- Assist in the stakeholder communications efforts required to further the RFP process and marketing and environmental studies needed as part of any future NPC enhancements of the Marina at Miller's Creek.
- Earn stakeholder and community acceptance and support for the Illumination Board's plans to refresh and renew its existing lighting capabilities.
- Build stakeholder awareness and support for NPC's efforts to improve its capital maintenance programs and investments, including addressing the future of three now-defunct provincial power-plants located on NPC property.
- Initiate continued internal communications efforts in support of NPC's various departmental units and corporate communications objectives.

2015 Communications Goals

- Increase awareness and understanding of Niagara Parks as a provincially and nationally significant tourism asset with the goal of making NPC amongst the most respected parks agencies in Canada.
- Continue to enhance and strengthen the relationship between the Commission and its stakeholders, ensuring NPC's vision, mission and strategic plan are shared with and understood by all stakeholders, including employees, elected representatives and the general public.
- Manage issues to continue to build and enhance the corporate reputation of the Commission.

Strategic Considerations

Product and Service Renewal Initiatives in 2015

The 2014 tourism year ushered in a new era for the Commission as a result of its new partnership with Hornblower Niagara Cruises, as well as with the significant investment it made in its revitalized Grand View Marketplace. Looking towards the future, Niagara Parks has identified several new projects to be undertaken in 2015, which will require corporate communications support, including:

- Approval and launch of a new Zip Line attraction within the Parks.
- Support for revitalization efforts and examination of the NPC's Marina at Miller's Creek.
- Further improvements slated for NPC's Journey Behind the Falls attraction.
- Enhanced Falls Illumination.
- Expanded Onguiaahra: Thunder of Waters sound and light show.
- In partnership with local cultural and sport agencies, new programming to celebrate the Pan Am and Parapan Am games in July and August 2015.

Build and Strengthen Relationships with Tourism Stakeholders

As a provincial agency, NPC must continue to work cooperatively with its four local municipal governments, tourism agencies and other stakeholder groups to enhance the image of and visitation to this destination. Given the fiscal constraints both the federal and provincial governments find themselves in, additional cooperative marketing efforts and approaches will be needed to continue to position Niagara and Niagara Parks as a destination of choice for today's discerning travelers.

Ownership of Three Former Power Plants

NPC continues to incur significant financial costs related to its ownership of the three defunct power plants, transferred to it by the province. A public consultation process to discuss re-use

scenarios will need to be established, leading to an eventual request for proposals or expressions of interest process to ultimately determine the future uses of these facilities. While these three sites present future opportunity for the Commission, their development will entail substantial costs. Educating stakeholders on the condition of these facilities, as well as the financial burden they represent, is key for the Commission as it moves forward in addressing the future of these sites.

Enhanced Internal/Employee Communications

The addition of an in-house Communications Coordinator in 2014, displacing a 3rd party contracted service, has been of great assistance as the communications unit seeks to support the efforts of the Commission with its internal and external stakeholders groups. Increased internal communications capabilities has allowed the unit to now generate quarterly resident bulletins, monthly employee newsletters and the weekly NPC Network Reports, providing a comprehensive overview of NPC operations during the week, which is shared with all staff. This increased capacity has also permitted the unit to support the various departmental units as they seek to implement specific actions plans created in response to the 2013 employee survey and will be looked to for assistance as contract negotiations continue with one of NPC's employee groups - Workers United Canada Council Local 2347, in 2015.

Changing Media Environment

The media landscape is changing dramatically with the impact of digital communications on traditional media, in particular newspapers. This creates both challenges in generating media coverage in traditional media outlets and opportunities for NPC to create its own unique content that it can produce and use, as well as distribute via various media and social media outlets.

Key Target Audiences/Stakeholders

- NPC employees
- The Government of Ontario
- Residents of Ontario
- The Government of Canada
- The local community – residents and municipal governments of Niagara Falls, Fort Erie, Niagara-on-the-Lake, and the broader Niagara region
- Tourism organizations such as Niagara Falls Tourism (NFT), Regional Tourism Organization (RTO), Ontario Tourism Marketing Partnership Corporation (OTMPC), the Canadian Tourism Commission (CTC), the Travel Industry Association of Canada (TIAC), the Travel Industry Association of Ontario (TIAO), Attractions Ontario, attraction operators, local hoteliers, golf course operators
- Local, national and international media
- Tourism visitors

Success Factors

The following factors are critical in achieving the business and communications goals of this plan:

Advance preparation and a proactive approach

Advance preparation and a proactive approach to corporate communications, issues management, communications and event plans, including key messages, target audiences and tactics is needed to ensure maximum positive exposure and coverage of NPC activities.

Consistency

Consistency in delivering key messages is fundamental to the success of all corporate communications. NPC's Chair, and other designated spokespersons, must be able to effectively deliver the key messages outlined in various communications plans that will be developed throughout the year. To ensure consistency, key messages in each of the issues/communications/event plans will be shared with NPC's Chair and senior staff, who may speak to the issue, in advance. Information will also be shared publicly with NPC Commissioners and senior staff, as they may be expected to use and deliver these key messages when discussing Commission business/activities with stakeholders, friends and acquaintances in the community.

Employee Communications

In order to ensure a greater consistency in messaging all NPC staff are being made aware of and understand NPC's mission, vision, and goal of becoming one of the most respected park agencies in all of Canada. NPC is one of the largest employers in the region. In addition to Commissioners and senior management, NPC employees have family, friends, and associates in the community and region, all of whom will be looking to them as a source of accurate information about the Commission and the various decisions it has made.

Internal communications therefore play an important role in ensuring all employees have accurate information on the future decisions that have been made and the reasons behind those decisions. Internal communications will therefore continue to emphasize the vision and objectives contained not only within this Plan and NPC's Strategic Plan, but also continued action plans flowing from the employee survey, as well as any communications support that may be required as a result of upcoming contract negotiations with NPC staff represented by Workers United Canada Council.

An informed and engaged workplace will therefore be key, as corporate communications undertakes its work in support of the organization in 2015, as in 2014, through regular employee newsletters and weekly "Network" operations updates.

Media Training

As required, training for media spokespersons is recommended. This involves formal media training sessions that include overviews of how the media works and what it is looking for, as well practice interviews. This may be a refresher course for those who have had some media training in the past.

Communications Protocol with the Ministry of Tourism, Culture and Sport

While the Commission has primary responsibility for communicating upcoming decisions/activities it wishes to pursue, existing Ministry/Agency protocols with respect to Issues Management and Communications need to be followed. The Ministry needs to be apprised of significant public issues, and input sought with respect to key messages and talking points, as the government may be asked to comment on the various decisions and activities taking place at the Commission.

Commitment to Transparency

NPC is committed to openness and transparency. This will continue to guide all communications initiatives in 2014.

Tactics

Media Relations

Corporate communications involving public relations and media relations expertise attracts visitors to NPC and Niagara Falls. This is critical to achieving the business and communications goals of this plan given limited advertising and marketing budgets.

Earned media coverage through public relations activities cost-effectively supplements advertising buys, maintains the profile of NPC in major tourism markets and helps open new markets internationally and domestically. Over the past year, NPC public relations and media relations activities generated an estimated \$17 million in public relations value.

2015 media relations activities will include:

- Development of a Corporate and Public Relations editorial/event calendar that will identify all events, milestones and other story opportunities throughout the year to ensure ongoing coverage and a proactive approach to media relations;
- Issuing media advisories and news releases for all events of media interest thereby promoting the Parks and providing more reasons for guests from Canada, the United States and international markets to visit and or return to NPC on a regular basis;
- Increasing awareness of the role and importance of the Parks as a provincial and national treasure;
- Promoting Niagara Parks as one of the most respected Parks agencies in Canada;
- Once OIC approval have been obtained, developing joint media relations campaigns and plans with the preferred proponent of the proposed new zip line attraction to ensure maximum positive international coverage and enthusiasm for these two new attractions is garnered;
- Work with media to help build stakeholder awareness and support for NPC's efforts to improve its capital maintenance programs and investments, including addressing the future of three now-defunct provincial power-plants located on NPC property;
- Use media to assist in the stakeholder communications efforts required to further the RFP process and marketing and environmental studies needed as part of any future NPC enhancements of the Marina at Miller's Creek; and
- Promote next steps and earn stakeholder and community acceptance and support for the Illumination Board's plans to refresh and renew its existing lighting capabilities.

Employee Communications

Internal communications must play an important role in ensuring all employees have accurate information on the future decisions made and the reasons behind those decisions. To achieve this, the Commission will continue to promote a number of communications vehicles designed to foster improved dialogue between staff and management, including utilizing communication vehicles such as:

- The monthly employee newsletter;
- Memos/Bulletins from the General Manager and/or Chair which have proven to be valuable in communicating important information to staff immediately and unfiltered, on issues of critical importance to the Commission;
- The employee website with all relevant policies, issues and happenings within the Park, including the weekly "Network";
- On a bi-annual basis, both the Chair and General Manager meet with NPC employees to share information on various topics, including the Commission's overall financial performance and strategic plan and objectives for the future;

- Smaller, more informal group discussions between management and staff will also continue to take place on a departmental basis, to hear individual concerns and issues faced by employees. The recent Departmental visits by the Executive Team were well received and NPC management will look to build on these types of initiatives in 2015 and beyond.

Stakeholder Outreach Initiatives

Commission and Public meetings that have been held with residents over the past several years have been successful in demonstrating NPC's commitment to openness and transparency. In 2015, these initiatives will continue and will be expanded, to include:

- Presentations to local municipal councils to share valuable information on NPC's operations and the important partnership role it plays with the community. Not only is this an educational opportunity, it can also be used to help build stakeholder support for issues of importance to the Commission (the Power Plants for example)
- Sharing this same information at annual public information within each of the three communities in which NPC resides, to keep residents apprised of NPC actions and performance
- Continuing to hold open commission meetings throughout the year; and
- By hosting an annual accessibility consultation with members of the public to discuss NPC's efforts in implementing its multi-year accessibility plan, which is required under provincial government legislation as part of the Accessibility for Ontarians with Disabilities Act (AODA).

NPC will also continue to take a more proactive approach with industry associations and partnerships it is involved in. While NPC has established relationships with local stakeholders such as Niagara Falls Tourism (NFT), the Regional Tourism Organization (RTO) and Ontario Tourism Marketing Partnership Corporation (OTMPC), greater emphasis and efforts have also been directed to such groups as the Canadian Tourism Commission (CTC), Tourism Industry Association of Canada (TIAC) and the Tourism Industry Association of Ontario (TIAO) to better promote Niagara Parks, its issues and its importance to the tourism sector. NPC's continued role in these organizations is three-fold:

- Raise awareness of the important and vital role Niagara Parks plays in the tourism industry
- Ensure that the voice of NPC and Niagara is not overlooked on issues of importance to the Parks and its role as one of Ontario's premier tourism destination; and
- Involve NPC in marketing and promotional events, contests and other initiatives designed to attract visitors to Niagara Falls and the Parks.

Provincial Government Outreach

As a provincial agency, the Commission has a number of processes and reporting mechanisms, including: a Memorandum of Understanding (MOU) with the Ministry of Tourism, Culture and Sport, Business Plan, Annual Report, and Issues Notes, designed to inform and ensure its accountability to the Province of Ontario. However, other than its reporting Ministry, few Cabinet Ministers, Members of Provincial and Federal Parliament and/or other government officials are aware of the mission and mandate of NPC and the importance of Niagara Parks as a provincial and national treasure and resource.

In 2015, NPC will continue with initiatives to increase awareness and understanding of NPC, its mandate, vision and importance, including:

- Briefings and meetings with not only the Minister and Deputy Minister of Tourism, Culture and Sport but also with local and other provincial and federal MPs and MPPs; and
- Participation in Queen's Park and Parliament Hill "Lobby Days" hosted by the Region of Niagara and tourism organizations such as the CTC and TIAC.

Social Media

Pitches/releases/advisories written for the mainstream media will be repurposed for NPC's Twitter feed and website and sent to bloggers and freelance writers. Photography and video will also be used whenever possible in media relations activities detailed above and in social media initiatives. If video is used, it will be posted on the NPC website and social media sites such as YouTube and Facebook.

Speaking Opportunities

NPC will continue to seek out speaking opportunities for the Chair and the General Manager to talk about NPC: its role, contribution, challenges and continued commitment to environmental and historic stewardship and preservation practices.

In addition to local speaking opportunities, NPC will identify opportunities in Toronto, Buffalo, and other key media and visitor markets in Ontario and New York to help raise the profile of the Parks and the Commission.

NPC Website

Detailed information is posted on NPC's corporate website to ensure continued openness and transparency with the public. NPC will continue to enhance this site, as well as its main marketing site www.niagaraparks.com, to further promote the Commission and drive visitation and sales to the Commission. For example, in 2015, NPC will be enhancing its website capabilities by providing relevant information to its guests and visitors in French.

The implementation of these various tactics will allow NPC to emphasize and strengthen its image and brand and highlight the unique and special role it plays in the Ontario tourism industry. This image and brand is specifically encapsulated in the mission and vision statements adopted by The Niagara Parks Commission. NPC's mission is "to protect the natural and cultural heritage along the Niagara River for the enjoyment of visitors while maintaining financial self-sufficiency." NPC's vision statement provides a sense of purpose to all those associated with the organization and helps to raise awareness of what it is Niagara Parks truly stands for: Ontario's Niagara Parks – **Preserving** a rich heritage. **Conserving** natural wonders. **Inspiring** people, worldwide!

Marketing Overview

NPC's advertising and promotions are the responsibility of Marketing unit, with traditional (print and broadcast) as well as digital (web, mobile and social) media utilized to raise awareness of NPC's offerings, including the Falls attractions, culinary, golf, heritage, weddings, and nature and gardens.

The objective of the 2015 Marketing Plan is to help fulfill NPC's Strategic Plan and is focused on the areas of Research and Development, Partnerships, Image, and Products and Services. A key goal over the next three years is to pursue a comprehensive NPC brand redevelopment, to

clearly and effectively communicate Niagara Parks stories, and to ensure that all touch points present consistent and impactful imagery. Other objectives include:

1. Knowing and understanding our customer
2. Being more targeted with promotional efforts
3. Enhancing product/service development and renewal
4. Pricing

Traditional initiatives to be considered in developing the 2015 Marketing Plan will include:

- In park promotional materials including brochures, rack cards, posters and tent cards supporting all passes, attractions, events, golf, dining, shopping;
- In park displays such as pole banners, venue identification, way-finders, video network;
- Advertising in tourism publications such as the lure magazine produced by the Tourism Partnership of Niagara (TPN)/Regional Tourism Organization, CAA/AAA and Toronto Tourism Guides;
- In-destination signage including TODS signs (highway, ramp and trail blazers);
- The development and distribution of our 2015 Visitor's Guide; and
- Research tracking visitor demographics and satisfaction levels.

NPC has memberships or relationships with industry associations such as TPN, CTC, OTMPC, Toronto Tourism, Attractions Ontario and NFT. Moving forward, NPC's strategy is to ensure the benefits of these associations are leveraged to their fullest extent as NPC finances do not adequately support independently reaching markets outside the destination.

Following experimentation in 2013 and 2014 with *Out of Home* media campaigns (primarily billboards) in the immediate Niagara Falls area, NPC marketing has elected to pull back from using this as a channel through which to generate awareness of the NPC brand, and its products and services. This strategy, which was developed to build on NPC's market-share of the discretionary spending of Niagara Falls visitors, will instead be refocused to better leverage way-finding and telling the brand story, as well as showcasing products and services, within NPC's own sites. Enhancing efforts towards signage and communications on NPC property, whether static or digital, will enable NPC to better cross promote and showcase the world-class experiences it has to offer.

In 2015, Marketing will once again be developing a souvenir brochure, the **2015 Niagara Parks Visitor's Guide** as well as continuing with educational posters designed to enhance the visitor experience and understanding of the NPC story at various attractions. Support will continue for WEGO, the visitor transportation system developed in cooperation with the City of Niagara Falls, including brochures, website, and signage. On-board posters, as well as an "infotainment" video system provides instant messaging to riders, which exceeded 1.6 million trips in the first year of operation.

Work will be initiating on the comprehensive redevelopment of the Niagara Parks brand. This will be a three year project that will start with the establishment of an interim Brand Standards Policy. This will seek to create both consistencies across current Niagara Parks marketing communications and visual identity, as well as define the scope of a broader rebrand project going forward.

Resources were reinstated in 2013 to execute a Customer Satisfaction survey. (An annual tracking study in place since 2001 was suspended in 2012.) The results of this survey provided NPC with valuable data on visitor demographics, place of origin and spending habits. An internal reporting system, wherein staff input customer postal/zip codes at cash registers to track visitor spending is also in place. These two resources form the basis of NPC's methodology to track the return on advertising investments and will be continued in 2015.

In tandem with the brand redevelopment, Marketing will explore a renewal of the NPC website and overall digital presence and strategy. However, until this is determined, digital efforts will continue to support NPC's web presence, with concentration on maximizing direct sales and social media initiatives, including the introduction of an on-website NPC Niagara Trip Planner section.

On an ongoing basis, NPC researches online marketing efforts and provides engaging and up-to-date imagery and content to reach new markets, drive traffic and conversion, and meet consumer demand for credible and exciting travel planning information. Other Digital initiatives include:

- Search Engine Optimization (SEO) audits continue to identify ongoing changes to ensure that website performance is maximized to increase visitation and online booking revenues
- Ad word buys on Google and Facebook in 2014 garnered significant return on investment and will be key to continue exploring in 2015
- The mobile responsive website will continue to take advantage of growth in the use of devices including iPhones and iPads
- Increased content development and presence on social media will continue to build reach and leads
- Efforts will be made to communicate our exemplary AODA standards for accessibility compliance
- The re-launch of the Niagara Parks, Shopify, e-store to permit easy and secure online purchasing of retail products, including Falls souvenirs and niche products such as Pop & Lolly's candy, Butterfly merchandise, Golf e-gift certificates
- Completion of a review of online affiliate sales with the objectives of controlling commissions paid and maintaining the integrity of branding, pricing and ticket security
- Enhancing our responsive and effective online reputation management program
- Implementing a digital Customer Relationship Management strategy for pre-during-and post-consumer engagement via E-Mail, Social Media and Mobile
- Producing and distributing consumer e-Newsletters regularly to the leisure and targeted niche databases to feature events, golf, sales programs and promotions

APPENDIX A - RISK MANAGEMENT ASSESSMENT

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	Strategic/Policy/Performance - This risk category includes strategic, policy and performance risks as well as political commitment risks and stakeholder/public perception risks. Includes risks related to implementing (or not implementing) new policies or changes to existing policies (ie: misalignment of agency policies with those of the OPS); risk that strategies and policies will fail to achieve targeted results and to provide value for money/cost-effectiveness; risk of not meeting publicly announced government commitments; risk of not meeting public expectations.							
Board Governance	Positive Engagement/Image.	Reputational risk for Niagara Parks Commission, Commissioners and MTCS: public confidence in NPC and Province to appropriately manage public resources; Provincial resources to review and correct.	<div>Likelihood: low</div> <div>Impact: High</div>	Skill- based appointment of new Board members (Province). Reappointment of Chair; Provincial and KPMG audits recommended best practices and implement Board evaluation process; Board orientation of new members; act on findings of KPMG follow-up; Board retreats in winter to focus on governance and strategic matters. New strategic plan approved by NPC Board. Board self-evaluation process and governance recommendations approved. Meeting process for unsolicited proposals is completed. Code of Conduct process reviewed by GEHR; review and approval of policy framework. Review of Committee roles and responsibilities through annual update of Committee task lists.	Low	Yes	Minister and NPC Board	Ongoing

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Fairness Procurement Processes.	Positive Engagement/ Image.	Risk that there will be legal challenges or public concerns surrounding the procurement processes; i.e. Marina Redevelopment, Zip Line etc.	Likelihood: Medium	New procurement policies and procedures in place. Fairness consultant to oversee process; public consultation sessions, media releases and regular communication with stakeholders, as provided in NPC communication, code and procurement policies.	Medium	Yes	General Manager and Senior Management Team and new Director of Procurement hired October 2014	Mar-17
			Impact: Medium					
Power Plant contingent liability.	Positive Engagement/ Image.	Reputational risk for Niagara Parks Commission, Commissioners and Ministry; continued decline of heritage power plant facilities and rising cost of restoration.	Likelihood: Medium	Some maintenance work completed with Provincial funding that was provided. Additional funding has been approved to begin update of condition assessments. Power Plant asset valuation is low based on 2009 projected costs to restore in 2016. NPC balance sheet health may be negatively affected in 2016 given undervaluation of degree of capital investment originally expected by 2016 and onward.	Medium	No	NPC Board, General Manager and Senior Management Team	Mar-18
			Impact: High					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
New Products, Services and Attractions introduced to destination by NPC - Zip Line and Aerial Adventure Course.	Positive Engagement/Image.	Reputational risk for Niagara Parks Commission, Commissioners and Ministry; public acceptance of new attractions.	Likelihood: Medium	NPC processes included a feasibility study, public information centres and media releases. Incorporated public input into decision making. RFP processes overseen by Fairness Consultant including training of evaluation teams for objective rankings and evaluations. Public presentation of RFP results have taken place and public response has been primarily positive. Business case has been completed based on preferred proponents submission; business case and draft agreement submitted to province in September 2014, awaiting OIC approval.	Medium	Yes	General Manager and Senior Management team	April 2016
			Impact: Medium					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	Accountability/Governance - This risk category includes governance, accountability, organizational, legal/contractual compliance and controllership/accountability risks. Includes the risk that organizational structures, roles and responsibilities are not defined and implemented to meet agency objectives; risk that agency culture and management commitments do not support organizational structures; controllership/accounting risks; risk of failing to comply with government directives; risks related to costs of complying with a contractual agreement or of litigation; risk that a government initiative or action will contravene a contract or agency policy; conflict of interest risks for Board members and inadequate ethics/codes of conduct.							
Risk that organizational structure, accountabilities and responsibilities are not defined, designed, communicated or implemented against organization's objectives.	Corporate transparency.	Loss of provincial and public confidence; failure to use resources efficiently and effectively; failure to meet objectives.	Likelihood: low	New organization structure in several departments, General Manager has reviewed organizational structure to ensure it supports organizational needs. Leadership workshops with accountability focus, with Jim Clemmer took place in April/May 2013 with both union and management staff. Corporate values discussed at workshop. Staff meetings on Strategic plan completed. Employee survey undertaken in July 2013 to provide insight on organizational strengths and areas for improvement. Action plans from employee survey being implemented in 2014/2015. Executive team members have visited staff at their worksites in all locations during 2014. Town Hall employee briefing sessions conducted by GM and Chair in Spring and Fall 2014. New supervisory/leadership training program being implemented through partnership with Brock University. New Learning Management System, online training tracking mechanism to ensure competencies are kept current.	Low	Yes	General Manager and Senior Management team	Ongoing
			Impact: Medium					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
New Events – Introduction.	Positive Engagement/Image.	Negative media messages; reduced attendance.	Likelihood: Low	Meetings with stakeholders; positive media releases highlighting economic impact; work with organizers to ensure successful events and themes/acts consistent with NPC mandate and family environment; events have been well received by public .e.g. Onghierra Sound & Light Show.	Low	Yes	General Manager and Senior Management Team	Ongoing
			Impact: Low					
Not meeting contractual deadlines for grant related projects.	Renewal	Loss of funding source.	Impact: Low	From time to time NPC receives Federal Provincial funding which includes contractual commitments including deadlines. NPC maintains a number of shovel ready priority projects identified in its asset database which can be quickly implemented when funding becomes available. Capital project status is reviewed with Properties and Infrastructure Committee (PI) on a quarterly basis.	Low	Yes	Senior Management Team	Ongoing
			Impact: High					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Culture and management commitments supported by current staffing and organizational structure.	Positive Engagement/Image; Service Improvement.	Loss of Provincial and public confidence; failure to use resources efficiently and effectively; failure to meet objectives.	Likelihood: Low	Organizational structure revised; internal audit workplan focuses on required jurisprudence including underperforming and high risk areas. All management staff have signed Code of Conduct.	Low	Yes	General Manager and Senior Management Team	March 2018
			Impact: High	Ongoing training workshops with union and non-union staff regarding NPC code of conduct expectations; Communication with departments on seven focus areas to help engage staff; Departmental workplans prepared in alignment with seven focus areas. Reorganization of Human Resources Services to support culture change across the organization.				

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	Operational - This risk category includes program, service and operational risks. Includes business continuity risks; financial risks; changes in public demand (i.e. demographics shifts that can impact attendance); change in demand for services; risks that products or services will not be completed or delivered to quality standards or in a timely manner; risks associated with program efficiency, effectiveness and customer service.							
Not meeting AODA standards.	Positive Engagement/ Image; Service Improvement.	Loss of credibility with Province or Public.	Likelihood: Low	AODA consultant retained and project plan in place; ongoing meetings with Senior Management Team; projects included in 2013-2014 Business Plan. Public consultation on AODA plans and progress held during quarter; NPC budgets include funding for various projects. Consultant has noted NPC is well ahead of most municipalities in implementing new requirements. Successfully completed Employment Standard Requirements in 2014, minor items identified in audit were implemented.	Low	Yes	Senior Management Team	Dec -20
			Impact: low					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Capital and operating projects deferred due to revenues lower than budget.	Renewal	Failure to maintain assets to adequate standard, lost business opportunities.	Likelihood: medium	Multi-year capital planning process; Condition assessment project to provide more details by asset category; new pricing structures implemented; ongoing review of margins for revenue generating operations taking place monthly; identify redundant assets for sale; revenues from new boat tour lease. Departmental revenues based on seven factors to improve efficiency. Monitor revenues/ expenditures; delay some capital until more revenue certainty. Additional capital funding provided by Province in 2014/2015 for immediate capital needs. NPC has applied for further capital funding for VFA projects identified as critical and safety related.	Medium	No	Senior Management Team	Mar-17
			Impact: Medium					
Damage to property results in business interruption during prime season.	Renewal	Failure to achieve adequate profit from commercial operations in a manner that ensures NPC remains financially self-sufficient in the long term.	Likelihood: Medium	Business Interruption (BI) insurance placed on key properties at Table Rock, Grand View Plaza, Incline and Victoria Park Complex. Review of coverage for other facilities such as Falls Parking is underway. In order to qualify for BI insurance there has to be direct damage to properties, so not all risks can be mitigated through insurance. Engineering maintains a regular inspection and maintenance plan for high traffic areas and any outages that affect Revenue Producing Operations are immediately rectified.	Medium	Yes	Director of Corporate Services	Mar-17
			Impact: Medium					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Insufficient revenues and/ or profitability to sustain operations.	Financially self-sufficient.	Failure to achieve adequate profit from commercial operations and /or to control costs in a manner that ensures NPC remains financial self-sufficient in the long term.	Likelihood: Medium	Line of credit to assist with short term working capital requirements. New boat tour operator lease provides guaranteed revenue stream to assist with addressing infrastructure back log and building working capital; capital investment to renew and revitalize attractions and improve long-term sustainability; examine opportunities for new Revenue Generating Opportunities; review all operations for opportunities to improve profitability.	Medium	Yes – with temporary short term borrowing	General Manager and Senior Management Team	Mar-16
			Impact: High					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	Workforce - This risk category includes workforce compensation risks and workforce risks. Includes labour relations and human resource risks; risks associated with potential skills shortages; risks associated with changing job markets, high employee turnover, employee illness and staff complaints.							
Skills or staff shortages; specialized staff not available.	Positive Engagement/ Employee focus.	Minimal turnover in workforce for over a decade and minimal investment in skills development due to financial constraints.	Likelihood: Low	Filling vacancies from recent retirements, organizational restructuring and changes in senior leadership are bringing new skills into the organization and opportunities for succession planning. Workforce is stable. Recent filling vacancies with designated accountants and staff with specialized IT and procurement expertise are greatly assisting with modernization initiatives. Addition of in-house legal to assist with risk identification/mitigation. Additional skills to be retained for planning/properties matters.	Low	Yes	Senior Management Team and Director, Human Resources	Ongoing
			Impact: Medium					
Increased costs from salary settlements.	Positive Engagement/ Employee focus.	Recent settlements with bargaining units and provincial wage constraints for non-union staff increases have minimized the risk of increased costs.	Likelihood: Low	Settlement of union contracts and establishment of provincial wage constraints - negotiated four year agreement with OPSEU; Bargaining with Servers Union underway.	Low	Yes	General Manager, Senior Management Team and Director, Human Resources	Dec-16
			Impact: Low					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	Information Technology & Infrastructure - This risk category includes capital project risks and I & IT risks. Includes risks relating to new capital projects including changes in construction costs and project delays; risk that information (i.e.: performance data) is incomplete or inaccurate; risk that information technology doesn't support business requirements; business continuity risks and IT privacy and security risks.							
Information or technology infrastructure not supporting business requirements.	Modernize technology systems.	Financial constraints and competing capital needs have resulted in software that has not been updated and hardware that has been failing. The impact is reduced productivity and inefficiency, lost revenues and increased customer wait times. Organization has experienced server downtimes, network connectivity disruptions and obsolescence restrictions, cumbersome workaround procedures.	Likelihood: Medium	Several new staff with advanced technology skill sets have been hired in the past two years. New servers and PC's acquired and installed and standardized on Microsoft Office 365; Point of Sale unit replacement program underway; IT Operational review has prioritized recommended strategies to modernize. Workplan has been developed and shared with cross-departmental management team. System and Network Administrators hired. Ongoing replacement of network equipment to improve reliability. Regular bulletins issued to assist users. Helpdesk tracking system implemented. PCI compliance consulting advice and training. Extensive training options provided: - online; classroom; lunch & learn; update of OMNI ticketing system under development.	Medium	Yes	Senior Director of Corporate Services	Mar-17
			Impact: Medium					

Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/ Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:	All Other Risks - This risk category includes risks that do not fit in any of the above categories. Includes corporate social responsibility risks (i.e.: environment, climate change, energy management, health promotion, waste reduction, fair trade practices); risks associated with organizational assets, (i.e.: facilities, equipment, personal safety, physical security) and risks associated with third parties such as service or goods providers.							
Emerald Ash Borer will causing extensive damage to NPC horticultural assets.	Condition assessments to collect data to create renewal/restoration strategy.	Extensive grouping of emerald ash on Legends Property.	Likelihood: Medium	Emerald Ash Borer has been found at the Botanical Gardens in the arboretum. Branch sampling survey of trees was conducted by staff across the grounds to confirm and the Canadian Food Inspection Agency has been contacted and are aware of the sightings. At risk sites identified and Tree Planting program commenced. Selective harvesting and reforestation at Legends Golf Course.	Medium	Yes for planning work. Renewal/restoration strategy is being developed in conjunction with Provincial strategy.	Senior Director of Parks	Mar-16
			Impact: Medium					

APPENDIX B - ATTENDANCE SUMMARY

	2014 Actual	2013 Actual	2012 Actual
<u>Paid Attractions</u>			
Boat Tour	1,528,334	1,552,349	1,588,639
Journey Behind the Falls	721,514	689,535	738,862
Butterfly Conservatory	254,855	283,139	291,940
Whirlpool Aero Car	93,699	113,343	92,822
White Water Walk	182,025	201,322	199,443
Sir Adam Beck (Note 1)	137	11,766	16,013
Niagara's Fury Note 2)	300,115	266,113	317,106
Floral Showhouse	28,129	21,273	18,687
Total	3,108,808	3,138,840	3,263,512
<u>Golf</u>			
Oak Hall Par 3 Golf Course	1,858	-	2,806
Whirlpool Golf Course (Note 3)	19,205	27,079	27,258
Legends on the Niagara	47,153	50,795	39,179
Total	68,216	77,874	69,243
<u>Historic Sites</u>			
Old Fort Erie	14,356	14,276	18,042
Laura Secord Homestead	6,261	6,480	6,252
Mackenzie Printery	3,482	4,667	2,809
McFarland House	2,924	2,952	3,410
Total	27,023	28,375	30,513
<u>Transportation</u>			
People Mover (individual riders)	-	-	344,397
Falls Parking Lot	288,176	280,792	300,578
Falls Incline Railway (Note 4)	643,270	213,766	614,898
Floral Showhouse Parking	20,141	23,413	14,226
Butterfly Conservatory Parking	64,827	65,667	63,790
WEGO Transportation Service (Note 5)	852,067	923,964	127,285
Total	1,868,481	1,507,602	1,465,174
Total	5,072,528	4,752,691	4,828,442

Notes:

1. Sir Adam Beck Attraction discontinued operations in winter of 2013.
2. Niagara's Fury was out of service for parts of July in 2013 and substituted for the Aerocar and Butterfly
3. Whirlpool Golf course 2014 opening delayed to early June due to course repairs for winter ice damage.
4. Falls Incline Railway opened on August 16, 2013 after reconstruction. The Incline was closed December 17, 2013 due to a water main break. It re-opened on May 20, 2014.
5. WEGO attendance represents Green Line passenger trips.