



**NIAGARA  
PARKS**

THE NIAGARA PARKS COMMISSION

# Annual Report

APRIL 1, 2017 🍁 MARCH 31, 2018



# PLAN

## NIAGARA FALLS PARK

### PROVINCE OF ONTARIO

#### THE NIAGARA FALLS PARK ACT



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# OUR ROLE & **MANDATE**



Niagara is a region steeped in history and blessed by geography. As steward of one of the world's greatest natural wonders, The Niagara Parks Commission plays a key role in maintaining, protecting and showcasing the grandeur of the Falls, as well as the whole Niagara River corridor, while contributing to the economic growth and success of the Niagara region and Ontario.

As a self-funded agency of the provincial government, Niagara Parks is responsible for the maintenance of 1,325 hectares of parkland, stretching some 56 kilometres along the Niagara River corridor from Lake Erie to Lake Ontario.

Our mandate remains the same as it was when the Commission was first established in 1885: to preserve and promote the natural beauty and cultural heritage along the Niagara River corridor for the enjoyment of visitors while maintaining financial self-sufficiency.



To preserve and enhance the natural beauty of the falls and the Niagara River corridor for the enjoyment of visitors while maintaining financial self-sufficiency.

# THE COMMISSIONERS



**Janice Thomson,**  
*Chair*  
Appointed Nov. 16, 2011  
Term expires Nov. 15, 2018



**Joan Andrew,**  
*Vice Chair*  
Appointed Dec. 5, 2012  
Term expires Dec. 31, 2018



**Eldon Bennett,**  
*Commissioner*  
Appointed May 10, 2017  
Term expires May 9, 2020



**Sylvie Chartrand-Rafi,**  
*Commissioner*  
Appointed Mar. 21, 2018  
Term expires Mar. 20, 2021



**Pat Darte, Commissioner**  
(Town of Niagara-on-the-Lake nominee)  
Appointed Feb. 25, 2015  
Term expires Nov. 30, 2018



**James Detenbeck,**  
*Commissioner*  
Appointed Aug. 1, 2012  
Term expires Sep. 15, 2018



**Jim Diodati, Commissioner**  
(Regional Municipality of Niagara nominee)  
Appointed Feb. 25, 2015  
Term expires Nov. 30, 2018



**Lois Anne Giles,**  
*Commissioner*  
Appointed Jun. 20, 2012  
Term expires Jul. 19, 2019



**Vincent Kerrio, Commissioner**  
(City of Niagara Falls nominee)  
Appointed Apr. 18, 2007  
Term expires Nov. 30, 2018



**Ian Nielsen-Jones,**  
*Commissioner*  
Appointed Jun 20, 2012  
Term expires Nov. 1, 2019



**Kerry Pond,**  
*Commissioner*  
Appointed Mar. 1, 2012  
Term expires Sep. 15, 2018



**Wayne Redekop, Commissioner**  
(Town of Fort Erie nominee)  
Appointed Feb. 25, 2015  
Term expires Nov. 30, 2018



# A MESSAGE FROM THE CHAIR

As a tourism destination, the historic and culturally rich lands of Niagara Parks served as a perfect backdrop and host for the millions of Canadian and international visitors who flocked to this region in 2017/2018, to help celebrate the 150th anniversary of Confederation and the founding of Ontario.

Since its establishment 132 years ago, horticultural excellence and preservation have helped define The Niagara Parks Commission, and these efforts were captured and showcased in the numerous celebratory events and programming that occurred over the sesquicentennial year.

The Commission announced its 150th anniversary plans on the terrace of Queen Victoria Place Restaurant overlooking Niagara Falls on May 2, 2017, inviting guests to begin their Ontario and Canada 150 adventures here, in Niagara Parks. Centred around the theme of “Rooted” and developed in collaboration with the provincial government’s Ontario150 program, Niagara Parks established a series of initiatives and events with themes varying from nature and gardens to heritage and culinary offerings, all reflecting the unique identity of Niagara and its place within the province of Ontario and country as a whole.

As part of our official Ontario150 announcement, Niagara Parks had the opportunity to thank representatives from the Canadian Garden Council and Vesey’s Bulbs of Prince Edward Island, for selecting Niagara Parks to be part of its planned Canada 150 celebration events, designed to create celebration gardens in 150 communities throughout the country. As a founding patron of the Canadian Garden Council, the Niagara

Parks Commission was pleased to be part of this important commemorative event, receiving a gift of over 30,000 tulip bulbs, which were used to create a Canada 150th Celebration Garden Promenade within Queen Victoria Park.

Harry Jongerden, Treasurer of the Canadian Garden Council, was able to join us for the event and provided remarks, which I believe truly captured the very essence of Niagara Parks. When referring to the work, gardens and beauty of Niagara Parks, he stated simply, “You are not the backdrop to the show – you are the show. This is why people come from around the world; to experience the beauty you created.” It was wonderful to hear those words and a true confirmation and recognition of the work the Commission and its staff do to protect and showcase these environmentally sensitive and culturally significant lands for visitors from throughout the world.

These comments illustrate the sense of purpose and efforts made by Niagara Parks over the past year, as the organization moved to unveil and implement not only its new 10-year Strategic Plan, but also its own unique brand story, which defines the diverse offerings and experiences that only Niagara Parks is able to provide.

As Niagara Parks and Ontario experience a period of renewed tourism growth, the Commission is taking the opportunity to highlight and promote the authentic experiences which await visitors, by showcasing the rich natural and cultural heritage that set the Niagara River experience apart.





With a renewed vision of... *becoming one of the most spectacular parks in the world*, Niagara Parks staff have cultivated several brand stories shaped by the values of preservation and conservation – the very ideals that guide everything Niagara Parks says and does. Sharing these experiences and vast connections is what Niagara Parks is all about and were captured and reflected in the numerous events, programs and activities initiated over the course of the 2017-2018 calendar year.

As an example, on May 19, I had the pleasure of joining representatives from WildPlay Niagara Falls, as we celebrated the opening of yet another new and exciting tourism experience within Niagara Parks – WildPlay's Whirlpool Adventure Course. In introducing this new outdoor attraction, the Commission reviewed all aspects of what would be involved in the project, to ensure it would not only enhance the visitor experience, but also one's appreciation of the beauty and environmental significance of the Niagara Gorge, the Niagara Glen and the Whirlpool Basin.

To do this, we took our time – four years to be exact – to ensure Niagara Parks got this right. Community and stakeholder consultations were conducted to help shape our plans and in 2013, through an open and competitive procurement process, Niagara Parks engaged WildPlay Niagara Falls to undertake the construction and operation of both the MistRider Zipline to the Falls attraction, which opened in 2016 and the Whirlpool Adventure Course, which opened at Thompson Point in May of 2017.

Continuing with the theme of celebrating the spectacular natural features of Niagara Parks and encouraging our visitors to connect with nature, Niagara Parks prioritized the revitalization of the Niagara Glen Nature Centre as a central component of its Begin Here celebratory initiatives. Built in 1923, the Nature Centre has a rich history, including past uses as a restaurant, caretaker's residence and temporary residence for School of Horticulture students from 1933-1934.

Overlooking the Niagara Glen, the building offers a breathtaking view of the trails and Niagara River Whirlpool below and is positioned to be a true trailhead and interpretation facility providing an excellent orientation experience for Niagara Parks. The Nature Centre also provides Niagara Parks the ability to highlight its important environmental stewardship role, while educating the public on the geological, environmental and historical significance of the Niagara Glen, which has been protected and preserved by the Commission, since 1894.

An exciting aspect of this project was our work with sister provincial agency, Science North, to bring its popular Nature Exchange programming to the Niagara Glen Nature Centre. The Nature Exchange will be an excellent addition to the Centre, promoting education, research and responsible collecting, while also supporting Niagara Parks' important stewardship and preservation efforts.

On Friday, July 21, I was joined by Jennifer Booth, the Director of Finance for Science North, as we celebrated the official opening of the new Niagara Glen Nature Centre. The site now





offers enhanced programming provided by our knowledgeable interpretive staff, with a focus on school programs, outdoor programs and guided tours of the Glen. The Centre also includes a bike locking and repair station, as well as a water refill station, reflecting the continued growth of Niagara Parks and the Niagara River Recreational Trail as a major destination for cyclists.

In addition to the renovations at the Niagara Glen Nature Centre, the Commission completed another important rehabilitation project in 2017 to fully restore its historic Oakes Garden Theatre, in honour of its 80th anniversary. Officially opened in 1937, Oakes Garden Theatre was designed by early prominent landscape architects Dunington-Grubb and Stensson, with noted Canadian artists Florence Wyle, Frances Loring and Elizabeth Wyn Wood creating the artwork that exists within the site. This magnificent outdoor Theatre is a testament to the passion of Niagara Parks Chair at the time, T.B. McQuesten, whose support for the City Beautiful Movement is reflected not only at the Gardens, but throughout the entire Parks system and into the Province of Ontario, including the founding of the Royal Botanical Gardens in Hamilton.

To help mark this significant anniversary, as well as the 150th anniversary of the Province of Ontario and Canadian Confederation, Niagara Parks initiated rehabilitation work at the Theatre and its adjoining Rainbow Gardens, investing with both federal and provincial support, over \$1.65 million toward the rehabilitation of this important heritage site. Restorative efforts included work on the Theatre's pergola wall and perimeter retaining walls, as well as the construction of new accessible entrances and pathways to enhance public access and enjoyment of this important Niagara Parks facility.

Oakes Garden Theatre and its associated Rainbow Gardens are outstanding examples of design and architecture created to specifically act as a dramatic gateway and connection into Canada, while showcasing Canadian art, architecture and craftsmanship.

In recognition of this role as a Canadian and Ontario gateway, and as part of our overall commemorative plans, over 600 delegates from the American Public Garden Association joined us in June to celebrate the magnificence of this site, as part of their annual conference reception.

During the reception, I had an opportunity to share with the delegates a quote from John Langmuir, Chair of The Niagara Parks Commission from 1893 to 1915, which he had delivered to members of the American Park and Outdoor Association, during their visit to Niagara in July 1903. I believe this quote exemplifies why the Commission was founded, over 130 years ago.

Chair Langmuir spoke of the need for a Niagara Parks Commission and he predicted the great potential and benefit it would provide. Langmuir stated that Niagara Parks would oversee "...the whole shore of the Niagara River from Lake Erie to Lake Ontario...restored and converted into one continuous series of avenues and parks for the recreation and enjoyment of the millions of overworked and tired humanity...where they can come for a time from the turmoil of their busy and weary lives to this mecca of peace and quietness, to commune with the majesty of nature."

Oakes Garden Theatre and its Rainbow Gardens are indeed public treasures and have become a rich part of the cultural heritage and fabric, which Niagara Parks is proud to maintain and showcase for the people of this country, province and all those who come to visit. This important cultural role was highlighted on September 18, the actual anniversary date of the opening of the facility, with a very special Canadian citizenship ceremony.

On that Monday afternoon, in front of family and friends, nineteen individuals from sixteen different countries gathered on those special grounds to recite their oaths and officially declare themselves to be Canadian citizens. It was quite a



moving experience for us all and where better to have taken place, than at Oakes Garden Theatre, a landscape and architectural treasure.

There is certainly no shortage of cultural heritage stories throughout Niagara Parks' 56-kilometre stretch of parkland situated all along the Niagara River corridor. The celebration of Ontario and Canada's 150th anniversary provided the perfect backdrop to showcase this fascinating heritage; from the architectural history demonstrated through iconic landmarks such as Oakes Garden Theatre to the fascinating historic figures that have become synonymous with the Niagara region, such as Sir Isaac Brock and Canada's best-known heroine, Laura Secord.

In that light, Niagara Parks was also pleased to recognize another famous heroine this past year through the establishment of two commemorative panels, which honoured the life of Harriet Tubman and her historic crossing of the Niagara River in 1856, leading freedom seekers to Canada. The development and installation of the bilingual panels were the result of a request made by students from the Harriet Tubman and Lockview Public Schools of St. Catharines, who proposed that a Harriet Tubman Interpretive Panel be created and placed on Niagara Parks land.

The new interpretive panels detail the life of Harriet Tubman, from her beginnings as a young slave in Maryland to her escape to freedom and subsequent role as conductor of the Underground Railroad. Her operations into Canada began when the U.S. Fugitive Slave Act was passed into law in 1850, leading to the arrest and kidnapping of freedom seekers and free blacks living in the Northern States. The passage of this legislation thrust Harriet Tubman into continued action, extending her route for the Underground Railroad into Canada and establishing a base of operations in nearby St. Catharines, Canada West (present day Ontario).

The panel unveiling ceremony featured guest speaker Dr. Kate Clifford Larson, the foremost scholar on the life of Harriet Tubman, and was held at the Whirlpool Bridge Plaza – the site where Harriet Tubman and her companions travelled over the International Suspension Bridge in 1856, crossing the Niagara River, on their way to freedom in Canada. The installation of the Harriet Tubman Interpretive Panel adds to the other plaques,

markers and displays that highlight African Canadian history along the Niagara River and Niagara Parkway and recognizes the area as a primary crossing point for those seeking freedom from 1793 to 1865.

These cultural heritage stories are part of what differentiates the Niagara River experience from anywhere else in the world. Niagara Falls and the Niagara River corridor are an unbridled power...a natural wonder that appeals to the visual sense with the ability to connect on a soul-spirit level...like coming home to a place you love, every time...it is a place of wonder...and truly Canadian.

The Niagara Parks Commission takes pride in many things; one being the important stewardship responsibilities with which we have been entrusted, and another is the commitment we have made to the advancement of Niagara and this region as a world-renowned tourism destination and creating a true sense of place for those coming to the region.



When we speak of creating a true sense of place for our visitors, we also mean this to include taste of place and there is no better portrayal of this than through Niagara Parks' new Pop-up Dinner Series, a set of all-inclusive culinary experiences launched in 2017.

Featuring the tastes of Niagara, three Pop-up Dinner events were held at locations up and down the 56-kilometre Niagara Parkway: Mather Arch in Fort Erie, the Niagara Glen and Oakes Garden Theatre overlooking Niagara Falls. Each outdoor event featured innovative, mouth-watering dishes prepared on-site by Niagara Parks chefs, which acted as a tribute to the exquisite food and drink products sourced from farms and purveyors across the Niagara region and province of Ontario. The menus at each Pop-up Dinner were complemented by local craft beer from Niagara breweries and selections of VQA wines from local wineries.

The Pop-up Dinner Series reinforced Niagara Parks' commitment to increasing visitation to the area through innovative partnerships and practices. This was further outlined in Niagara Parks' new Strategic Plan, placing a focus on supporting a dynamic business environment with a focus on attracting investment, connection to local communities, job creation and economic well-being.



In June of 2017, the Commission was pleased to announce a partnership agreement with Metrolinx to develop a series of travel packages designed to make it easier for people to experience all that Niagara Parks and the entire Niagara region had to offer.

For as low as \$25 for an individual ticket or \$50 for a family of five, visitors were able to travel round-trip from downtown Toronto to Niagara using the seasonal GO Train service. The new partnership introduced special travel packages that combined a round-trip GO Train ticket with access to the popular Niagara WEGO visitor transportation system, as well as special offers on both the Niagara Parks Adventure Pass and WEGO Niagara-on-the-Lake Shuttle.

The results of this partnership with our sister provincial agency have been tremendous. According to Metrolinx, the new program led to an additional 10,000 passengers for the seasonal GO train service, or a 30 per cent increase over 2016 ridership numbers. More cyclists also took advantage of the service, with a 6 per cent increase over the previous year. Metrolinx credits this increase to efforts such as its new partnerships and promotional efforts with Niagara Parks and others.

Another way Niagara Parks was able to enhance its promotional efforts was through its role as the first stop of Rogers' Hometown Hockey Tour, with a two-day celebration of Canada's Game taking place within Queen Victoria Park over the Thanksgiving weekend. The free, family-friendly event included games and activities, as well as appearances by NHL legends Derek Sanderson and Rick Vaive, a feature on local cancer survivor and minor hockey player, Alex Luey, and a performance by Canadian country music star and Niagara resident, Tim Hicks.

The main event was a live outdoor viewing party, which allowed fans to watch the Montreal Canadiens take on the New

York Rangers. Hosted by Ron MacLean and Tara Slone, the event was also an opportunity to highlight the rich hockey culture and vibrant heritage of Niagara Parks and the Niagara region to the rest of Canada.

Niagara Parks is proud to take on a leading role in attracting millions of visitors to the destination each year, which results in substantial contributions to the economies of our bordering municipalities, the regional municipality of Niagara, the province of Ontario and the country as a whole. In 2017, Niagara Parks was pleased to receive the results of an economic impact analysis, conducted by urbanMetrics inc., which measured the overall importance of Niagara Parks' efforts as both an economic entity and steward over the lands it is entrusted to protect.

The study provided tangible results of Niagara Parks' economic performance and impact over the 2016-2017 fiscal year, and calculated total visitor paying attendance at Niagara Parks attractions and those of its third-party providers to be over 8.2 million, with associated visitor spending reaching \$1.2 billion. This resulted in additional economic spin-off benefits of 15,900 jobs, over \$682 million in labour income and total tax contributions to all three orders of government of over \$458 million.

In addition, through operating expenditures of over \$109.2 million, the Commission was responsible for over \$123 million in value added to the economy, generating \$75.8 million in labour income, while contributing back \$48.5 million in government revenues.

The study also measured the benefits Niagara Parks provides for its bordering communities and the entire Niagara region. Examples of these benefits include the ongoing development and preservation of community spaces, recreational trails, and parkland, particularly the Niagara River Recreation Trail. It also looked at the ongoing support provided to local community and social groups, which hold events at Niagara Parks facilities,



as well as the overall commitment Niagara Parks makes to the promotion of Niagara, tourism and economic development in the area.

While it was gratifying to see a complete study on the economic benefits Niagara Parks regularly provides, it was equally important to recognize the numerous environmental, cultural and community benefits we strive to provide. This economic impact analysis set the tone for Niagara Parks to unveil its ambitious new 10-year Strategic Plan that will guide the future operations of the organization, as we seek to ensure its long-term success.

First introduced in 2017-2018, the new 10-year Strategic Plan and brand story reflect the historic and unchanged mandate of Niagara Parks to preserve and promote the natural and cultural heritage along the Niagara River corridor. The Plan establishes a blueprint that will lead Niagara Parks toward becoming an innovative example of sustainability as the environmental and cultural stewards of the Niagara River corridor; a welcome, accessible and inspiring place offering world-class natural, historical and authentic experience; a source of national pride; and...one of the most spectacular parks in the world.

The new 10-year Strategic Plan and brand story were presented to Niagara Parks staff in the fall of 2017 at our annual Town Hall meetings, allowing employees across the organization to learn more about the new direction for the Commission along with an opportunity to ask questions. Starting in early December, this new Plan, brand story and economic impact analysis were introduced to local elected representatives in the municipalities of Fort Erie, Niagara Falls, Niagara-on-the-Lake and the Regional Municipality of Niagara through public presentations.

The Strategic Plan, with its focus on Niagara Parks' environmental and cultural stewardship responsibilities, combined with the results of the economic impact analysis, were met with great

enthusiasm and support from the various levels of local government, here in Niagara. As an organization, we look forward to continuing the positive working relationships we have established with our bordering municipalities, as we strive to realize the ambitious goals we have set for the next ten years.

The new 10-year Strategic Plan looks beyond short-term considerations and balances Niagara Parks' potential to achieve excellence on the world stage with an indomitable covenant to preserve our natural, built and cultural heritage. All while enhancing our quality of life and well-being by delivering phenomenal experiences for the millions of guests who visit Niagara Parks each year.

In recognition of the incredible efforts and work completed over this past year, I would like to take this opportunity to thank my Board colleagues and the employees of The Niagara Parks Commission. The 2017-2018 fiscal year could be described as one in which our collective efforts in striving for excellence, resulted in not only great Niagara Parks experiences, products, services provided to our guests, but outstanding financial results as well. More importantly, these efforts allowed us to make timely investments needed back into our operations and infrastructure to support our future plans, as we seek to continue to provide exceptional experiences for visitors and fulfill our mandate in the years ahead.

Respectfully submitted,

Janice Thomson, Chair  
The Niagara Parks Commission





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# A YEAR IN **REVIEW**

# 10-YEAR STRATEGIC PLAN

## Vision:

During the course of the 2017-18 fiscal year, Niagara Parks implemented a new 10-year Strategic Plan, designed to act as a blueprint to ensure the organization's long-term success, as well as enhance its competitive and reputational positioning. The Strategic Plan sets out a vision for Niagara Parks that reflects its historic mandate of preservation and conservation, and builds upon this by positioning the organization to become:

- an innovative example of sustainability as the environmental and cultural stewards of the Niagara River corridor;
- a welcoming, accessible and inspiring place offering world-class experiences;
- a source of national pride and identity; as well as
- **one of the most spectacular parks in the world.**

## Themes:

In order to fully embody this new vision and direction, the Strategic Plan presents four themes to direct Niagara Parks' efforts, which were represented by the new programming, events, announcements, initiatives and milestones that took place across the entire 56-kilometre Niagara River corridor over the course of the 2017-18 year. These themes include:

- Preserving and showcasing our rich heritage, culture and lifestyle;
- Leveraging and activating our natural wonders and iconic experiences;
- Supporting a dynamic business environment with a focus on attracting investment, connection to local communities, job creation and economic well-being; and,
- Taking experiences, services and hospitality to the next level.

Building on momentum and positive news generated by the 150th anniversary of Canada and the Province of Ontario, Niagara Parks was able to benefit from another spectacular year of tourism to Niagara, which resulted in increased opportunities to share the fascinating story of Niagara Parks to our millions of visitors. From environmental stewardship initiatives and programming such as the Pollinator Gardens and re-opening of the Niagara Glen Nature Centre to all new events and experiences including the Niagara Parks Pop-up Dinner series and Night Lights: Journey Behind the Falls After Dark, a review of the 2017-18 year provides endless examples of just how Niagara Parks has and will continue to achieve the ambitious goals it has set in its new 10-year Strategic Plan.



PRESERVING  
& SHOWCASING  
OUR RICH  
HERITAGE,  
CULTURE &  
LIFESTYLE







## **APRIL 2017 /** Niagara Parks Undertakes Prescribed Burns

Trained Niagara Parks staff undertook two controlled burns at scheduled locations along the Niagara River corridor, as part of Niagara Parks' prescribed burn program for the year. In nature, fire plays an essential role in maintaining healthy and sustainable areas such as prairies, savannahs and even forests. Fires help control the spread of invasive species, encourage the germination of dormant native seeds within the soil and help return nutrients back into the ground. Over the past several years, through training and mentorship by the Ministry of Natural Resources and Forestry, Niagara Parks is proud to have developed its own skilled burn team.

## **JUNE 2017 /** Twelve Pollinator Gardens Unveiled Across Niagara Parks

Building on its steadfast commitment to the environment and the preservation of the natural lands it is entrusted to protect, Niagara Parks established 12 pollinator gardens along the Niagara Parkway, to support the rich ecosystem features of the area. The pollinator gardens range from formal manicured gardens to natural habitats, all providing support for a wide range of native pollinating species, many of which are considered at risk. Bilingual signage containing information on different types of pollinators, as well as references to various Indigenous myths, were installed at each pollinator garden site, encouraging guests to visit the gardens and learn more about our environment. Developed in collaboration with the provincial government's Ontario150 program, the pollinator garden route was established as part of Niagara Parks' Rooted in Legacy initiative.





## **AUGUST 2017 / Legends on the Niagara Recognized for Environmental Excellence**

In August, it was announced that Niagara Parks' Legends on the Niagara Golf Complex had retained its designation as a "Certified Audubon Cooperative Sanctuary" through the Audubon Cooperative Sanctuary Program for Golf Courses, an Audubon International program. To reach certification, a course must demonstrate that they are maintaining a high degree of environmental quality in a number of areas including: Environmental Planning, Wildlife and Habitat Management, Outreach and Education, Chemical Use Reduction and Safety, Water Conservation, and Water Quality Management. Legends on the Niagara is one of 53 courses in Ontario and one of just 911 courses in the world to hold such a prestigious designation.

## **AUGUST 2017 / Niagara Parks Hosts a Visit from the Irish Taoiseach**

On August 22, Niagara Parks hosted a visit from the new Irish Taoiseach (Prime Minister) Leo Varadkar and the Irish Ambassador to Canada, His Excellency, Jim Kelley. The Taoiseach and his delegation were greeted by Niagara Parks Chair Janice Thomson, Niagara Parks CEO Reagan McCullough and Niagara Falls Mayor Jim Diodati. The group toured the brink area of the Canadian Horseshoe Falls, followed by a complimentary visit to the Journey Behind the Falls attraction. The visit concluded with the Taoiseach signing the Niagara Parks Official Guest book and a private lunch at Elements on the Falls.



## **OCTOBER 2017 / Delegation Led by Ukrainian Prime Minister Visits Niagara Parks**

Niagara Parks was pleased to host a delegation visit led by the Ukrainian Prime Minister, Volodymyr Groysman. The delegation, including the Prime Minister's wife, Olena Groysman, was greeted by Niagara Parks Chair Janice Thomson and then taken on a tour of the brink area of the Falls. Following the tour, the group enjoyed a complimentary visit to Niagara Parks' Journey Behind the Falls attraction before a private lunch overlooking the Canadian Horseshoe Falls at Niagara Parks' Elements on the Falls restaurant.

## **NOVEMBER 2017 / UN Global Forum on Human Settlement**

In November, Niagara Parks hosted a 16-person delegation made up of representatives of the United Nation's Global Forum on Human Settlement. The delegation was officially greeted by Niagara Parks CEO, Reagan McCullough and taken on walkabout tour of the brink area of the Falls, followed by a complimentary tour of Journey Behind the Falls. The delegation ended their visit to Niagara with a meeting in Niagara-on-the-Lake with Niagara Parks Chair, Janice Thomson.





# LEVERAGING & ACTIVATING OUR NATURAL WONDERS & ICONIC EXPERIENCES



View from Whirlpool Aero Car  @rade.tepavcevic





## MAY 2017 / Canada 150 Public Art Installation Launched at Table Rock

Niagara Parks' iconic Table Rock Centre was selected as one of the host sites for the installation of a Canada 150 3D sculpture, in celebration of Canada's 150th anniversary. The sculpture installation perfectly aligned with Niagara Parks' Begin Here celebratory campaign, signifying the importance of Niagara Parks as a natural, cultural and heritage gateway, enticing visitors to enjoy all that Canada, Ontario and Niagara has to offer. With its incredible location right at the brink of the Horseshoe Falls, the Canada 150 sculpture quickly became an exceptionally popular backdrop for guests to document their 150th anniversary adventures.

## MAY 2017 / Pop-up Dinner Series Launched at Mather Arch Park

Niagara Parks launched its newest culinary event – a Pop-up Dinner series – at Mather Arch Park in Fort Erie. The event featured menus infused with the tastes of Niagara, highlighting local food and drink purveyors from the region and throughout the province of Ontario. Illuminating guest speakers touched on everything from the local culinary and craft beer movement to the architectural history in Niagara, represented by the renowned structure of Mather Arch. Guests were treated to a stunning display of fireworks over Lake Erie to close the evening. The Pop-up Dinner event at Mather Arch was the first of three special dining events to be hosted by Niagara Parks' Culinary Arts Team, at unique outdoor locations along the Niagara River corridor.





## **JULY 2017 / Grand Re-Opening of Niagara Glen Nature Centre**

With a grand opening ceremony, The Niagara Parks Commission officially unveiled its newly revitalized Niagara Glen Nature Centre, as a trailhead to the Niagara River gorge and an interpretation facility that will focus on Niagara Parks' important stewardship role, while educating the public on the geological, environmental and historical significance of the spectacular Niagara Glen. The Niagara Glen Nature Centre was enhanced with new programming options, with a focus on school programs, outdoor programming and guided tours of the Glen. The site also offers an accessible washroom, a bike locking and repair station, as well as a water refill station; a welcome addition for all users of the Niagara River Recreation Trail. An exciting aspect of the revitalization was Niagara Parks' partnership with its sister provincial agency Science North in Sudbury, to bring the popular Nature Exchange, an interactive learning space that promotes responsible collecting, research and education, to the Centre.

## **JULY 2017 / Night Lights: Journey Behind the Falls After Dark**

For the first time, Niagara Parks allowed guests to experience the 128-year-old attraction and Canadian Signature Experience, Journey Behind the Falls, after hours to enjoy the nightly illumination and fireworks over Niagara Falls from this incredible vantage point. Guests have been enjoying the tunnels, viewing portals and observation decks at Journey Behind the Falls for decades and recently, Niagara Parks began exploring ways to enhance the activation of the attraction, such as holding Namaste Niagara, a series of morning yoga sessions on the lower observation deck, next to the mighty Horseshoe Falls. The Night Lights: Journey Behind the Falls After Dark experience launched on Canada Day and continued Monday to Friday until September 4, to coincide with the Falls Fireworks Series.





## SEPTEMBER 2017 / Rededication of Oakes Garden Theatre

In celebration of the 80th anniversary of its iconic natural venue, Oakes Garden Theatre, Niagara Parks hosted a special rededication ceremony, as well as a Canadian citizenship ceremony at the site in September. Oakes Garden Theatre and its associated Rainbow Gardens are outstanding examples of design and architecture created to act as a gateway to Canada. The rededication ceremony event, as well as a new light show experience, Lumina, launched in the winter months, allowed Niagara Parks to fully showcase the extensive restorative work undertaken at the site, including rehabilitation work to the Theatre's pergola wall and retaining walls, as well as new accessible entrances and pathways to enhance public access and enjoyment of this important public gathering space. Funding for the restorative work was provided by the Government of Canada's Canada 150 Community Infrastructure Program, as well as capital infrastructure support provided by the Ontario Ministry of Tourism, Culture and Sport.

## OCTOBER 2017 / Public Art Installation at the Botanical Gardens

As part of a series of Ontario150-themed design competitions, Niagara Parks announced the winning artist and design for a new public art installation at the Botanical Gardens. Designed by Niagara-based artist Gordon Reeve, "Niagara Strait" will be a large-scale sculpture comprised of two stainless steel walls, which will mimic the sheer walls of the Niagara Gorge, creating a dramatic sense of entry to Niagara Parks' Botanical Gardens. Inspired by the depths of the Great Gorge, the open interior of the installation will invite visitors to explore the smooth, yet rugged walls and view this artistic piece from every angle, before beginning their adventure and enjoyment of the grounds of the Botanical Gardens. The professional art competition comprised a key component of Niagara Parks' Rooted commemorative programming, supported by the Ontario150 program administered by the Government of Ontario.





## **NOVEMBER 2017 / Grand View Hosts Winter Marketplace**

Niagara Parks hosted an outdoor winter market at its Grand View Marketplace location at the base of Clifton Hill overlooking Niagara Falls. The Grand View Winter Marketplace featured talented artisan vendors displaying their products and gifts in traditional hand-made holiday booths, while guests were treated to local food and beverages, along with choirs, performances and a collection of family-friendly games and activities. The winter market coincided with the annual Ontario Power Generation Winter Festival of Lights throughout Queen Victoria Park and new sound and light show displayed at Oakes Garden Theatre, Lumina, presenting guests even more wintertime activities to enjoy when visiting Niagara Falls.

## **DECEMBER 2017 / Christmas at McFarland House**

A beloved Christmas tradition each year, Niagara Parks' oldest heritage property, McFarland House, was dressed in holiday splendor with intricate handmade decor by the Garden Club of Niagara, while it played host as a stop along the highly anticipated Niagara-on-the-Lake Rotary Holiday House Tour. McFarland House also offered its own holiday programming throughout the first two weekends in December, including demonstrations and workshops, as well as homemade beverages and treats, allowing guests to experience an authentic Victorian Christmas.



## **FEBRUARY 2018 / Special Falls Illumination in Honour of Chinese New Year**

In celebration of the Chinese New Year and in recognition of 2018 as the Canada-China Year of Tourism, the Niagara Falls Illumination Board illuminated Niagara Falls in a brilliant shade of red on February 8. The special illumination in celebration of Chinese New Year was further enhanced by the robust colour spectrum allowed by the new LED technology unveiled by the Niagara Falls Illumination Board in December 2016.

## **FEBRUARY 2018 / Niagara Parks Presents Wild Ontario**

Just in time for the Family Day weekend, Niagara Parks presented the Wild Ontario exhibit, within the newly renovated multipurpose exhibit space at the Butterfly Conservatory. Curated by Little Ray's Reptile Zoo, the bilingual exhibit introduced visitors to various species of mammals, amphibians, birds, fish, reptiles and invertebrates that are all native to Ontario.





SUPPORTING A  
DYNAMIC BUSINESS  
ENVIRONMENT  
WITH A FOCUS  
ON ATTRACTING  
INVESTMENT,  
CONNECTION TO  
LOCAL COMMUNITIES,  
JOB CREATION  
& ECONOMIC  
WELL-BEING





## **JUNE 2017 / Niagara Parks Hosts LIVE with Kelly and Ryan**

On Monday, June 5, Niagara Parks proudly hosted the LIVE with Kelly and Ryan television show at Oakes Garden Theatre. Featuring a visit from Prime Minister Justin Trudeau, the broadcast, which was supported by the City of Niagara Falls, area tourism stakeholders and the province's tourism marketing agency - Destination Ontario, was a huge success and resulted in fantastic coverage for Niagara Parks and the Niagara Falls area.

## **JULY 2017 / Ontario Live Concert Series Launched in Queen Victoria Park**

The Niagara Parks' annual Coca-Cola summer concert series in Queen Victoria Park was accompanied by a new Wednesday night edition called Ontario Live. Featuring a diverse selection of Ontario artists making airwaves, Ontario Live took place on Wednesday nights throughout July and August on the Illumination Stage overlooking the American and Canadian Horseshoe Falls. The artists represented a wide selection of musical genres from country and indie rock to pop and electronic.





## SEPTEMBER 2017 / Literary Speaker Series at Laura Secord Homestead

Niagara Parks launched a new literary speaker series, *Coast to Coast: Canada's Literary Women*, in celebration of Canada's 150th anniversary and the multitude of unique and extraordinarily talented, female literary voices found within the country. Each event was held at the homestead of one of Canada's most famous heroines, Laura Secord in Queenston, Ontario and combined a wine and cheese reception with a lecture and open discussion, highlighting a different Canadian female author and a feature novel they have written. *Coast to Coast: Canada's Literary Women* was presented in collaboration with the Celebrate Ontario program administered by the Ontario Ministry of Tourism, Culture and Sport.

## JANUARY 2018 / New Year's Eve Celebration

Together with the City of Niagara Falls and other New Year's Eve event partners, Niagara Parks hosted a spectacular New Year's Eve celebration within Queen Victoria Park. Selected as the host site of CBC's national NYE broadcast, the nighttime celebration featured an all-star lineup of Canadian talent including country artists, Jess Moskaluke and James Barker Band, as well as performances by Simple Plan and Marianas Trench. Despite the record-breaking cold temperatures, thousands of people gathered in Queen Victoria Park overlooking Niagara Falls to ring in the New Year at this annual outdoor celebration.

## MARCH 2018 / Fort Erie Trivia Challenge

The charming Visitor Centre Theatre at Niagara Parks' Old Fort Erie played host to the 5th Annual Trivia Challenge event in March 2018. Guests were invited to sign up individually or register as a team to test their knowledge of general trivia topics from history and geography to movies and music.





# TAKING EXPERIEN SERVICES HOSPITAL TO THE N







## APRIL 2017 / School of Horticulture Graduation Ceremony

The 2017 graduation ceremony for students at the Niagara Parks School of Horticulture marked a special milestone in the professional careers of the graduates, as well as for the School. The ceremony marked the 75th graduating class from the Niagara Parks School of Horticulture and on April 1, the graduates received their diplomas. The Niagara Parks School of Horticulture has a long history of providing the very best educational and practical experience in the art, science and mystery of horticulture. The dedicated students, staff and alumni embody the vision and mandate of the institution through their commitment to horticulture, community outreach and excellence in education.

PHOTO: Row 1 (L-R) Jessica Bond, *Instructor/Curator*, Celia Le Maistre-Matthys, CJ Plummer, Peter Karas, Carmen Grey, Jason Leavens, *Assistant Superintendent*, Row 2 (L-R) Jordan Morgan, Taylor Parks, Jacob Hueglin, Samantha Farnham, Janice Thomson, *Chair*, Row 3 (L-R) Christopher Green, Steve Boot, Reegan McCullough, *CEO*.

## DECEMBER 2017 / Announcement of new Strategic Plan and Brand Story

The Commission announced the development of a new 10-year Strategic Plan, which set as its vision to become one of the most spectacular parks in the world. The Strategic Plan is designed to ensure Niagara Parks' long-term success by focusing on four themes: preserving and showcasing our rich heritage, culture and lifestyle; leveraging and activating our natural wonders and iconic experiences; supporting a dynamic business environment with a focus on attracting investment, connection to local communities, job creation and economic well-being; and taking experiences, services and hospitality to the next level. To assist Niagara Parks in achieving the goals of its Strategic Plan, an authentic and inspiring new brand story and brand symbol were developed.



### **JANUARY 2018 / Renovations at Niagara Parks Butterfly Conservatory**

In January 2018, Niagara Parks staff began renovation work at the Butterfly Conservatory requiring the facility to close for a six-week period, prior to opening for the Family Day weekend. The maintenance program included the replacement of the intricate netting, which lines the interior of the Conservatory. The replacement netting provides a brighter and more favourable environment for the thousands of tropical butterflies housed in the Conservatory. As well, new flooring was installed within the gift shop and entry area, as well as final renovations to complete the front exhibit area, creating a multipurpose auditorium space, which will host and accommodate future exhibits and events at this location.

### **MARCH 2018 / Niagara Parks Annual Job Fair Held at Legends on the Niagara**

As one of the Niagara region's largest employers, The Niagara Parks Commission hosted its annual job fair at Legends on the Niagara to help fill the hundreds of seasonal positions available each year across a variety of departments. The Job Fair allowed Niagara Parks to showcase the seasonal job opportunities, while providing individuals with an opportunity to directly connect with various departmental hiring managers. Niagara Parks also encouraged those who qualified to consider a student co-op or an Apprentice Cook placement.





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# ECONOMIC **PERFORMANCE**

The Niagara Parks Commission built on the positive momentum generated by increased visitation and revenues earned in the 2016/2017 fiscal year, to undertake several key new reinvestments and strategies designed to grow visitation and recognition of Niagara Parks as a key tourism, natural and heritage cultural destination.

With support provided by the provincial government's Ontario150 program, Niagara Parks launched a series of successful Rooted in Nature initiatives designed to showcase Niagara Parks and the important stewardship activities with which it is entrusted. Key among these were the Commission's reinvestment in the Nature Centre at the Niagara Glen, as well as the restorative efforts and celebration held to commemorate the 80th anniversary and importance of Oakes Garden Theatre as a key gateway to Canada and all that Niagara Parks has to offer.

Combined with the launch of several new experiences, such as the opening of WildPlay Niagara Falls' Whirlpool Adventure Course attraction and the hosting of high-profile events such as the LIVE with Kelly and Ryan broadcast and Rogers' Hometown Hockey, the Commission was able to benefit tremendously from both the positive local and international media attention garnered, generating over \$43.8 million in earned public relations value, which benefited both Niagara as a destination and Niagara Parks, overall.

The Conference Board of Canada, in its fall Travel Exclusive (Sept/Oct 2017), summed up best the 2017 tourism year in Canada and Ontario, when it indicated, "Looking back at the summer travel season that just ended, 2017 turned out to be another successful year for travel in Canada. With two major events, this year – the 150th anniversary of Confederation and Montréal's 375th birthday – hundreds of festivals and celebrations were organized across the country, boosting pleasure travel to many places."

Because of this growth in visitation, overall attendance at Niagara Parks' attractions was up by 6.9% during the

2017/2018 fiscal year, resulting in an increase in revenues generated by attractions of \$2.8 million or 13.2% over fiscal 2016/2017. This strong growth helped propel the Commission to generate revenues of \$120 million, an increase of \$10.5 million when compared to budget and an increase of \$11.0 million in total revenues generated, when compared to the 2016/2017 fiscal year.

Increased visitation during the sesquicentennial year, as well as Niagara Parks' efforts in capital investments in areas such as the revitalization of the Niagara Glen Nature Centre, new signage, retail displays and merchandising throughout its stores and shops provided a positive economic contribution to the Commission in fiscal 2017/2018. Overall, the number of transactions or purchases made by visitors increased by 2% over the previous year. Moreover, the average spend by visitors grew substantially in fiscal 2017/2018, representing a 20% increase over the previous year. This is a reflection not only from the improved economic circumstances and growth domestically and in the United States, but in very nature of the anniversary celebrations and events taking place in Niagara Parks.

This was also reflected in the sales of Canadian branded products, as the celebratory mood of visitors resulted in an increase in sales of 19.4%, during the fiscal year. As a result, Niagara Parks was able to achieve a consolidated increase in its retail revenues of \$3.3 million (13.3%) over the prior fiscal year.

Canada and Ontario 150th anniversary celebration impacted tremendously the offerings and results of Niagara Parks Culinary services, which also experienced a very favourable year, with an increase in the number of restaurant covers generated by 2.5% over the previous fiscal year. As well, the average transaction value earned by culinary grew by 5% over the 2016/2017 fiscal year. Overall, revenues generated by Niagara Parks' culinary operations were up \$1.65 million (8.3%) compared to the prior year.



Reinvestments into key Niagara Parks sites, such as its Elements on the Falls restaurant continued to pay dividends, as the Commission worked to ensure an enhanced guest experience for all who visited. Changes implemented at Elements during the 2017/2018 fiscal year included updates to the washrooms, a reconfiguration of seating and host stations to increase capacity, new carpeting, accessibility improvements (added ramp and removed lift) and back-of-house changes, including the installation of new flooring in the kitchen.

When we speak to creating a unique experience for our guests, from a culinary perspective, this also refers to our efforts to create a true sense of place and taste of place for our visitors, highlighting the foods, products and offerings only Niagara can provide. This is demonstrated daily at each of Niagara Parks' Feast On certified restaurants, all of which strive to source ingredients locally from purveyors across the Niagara region, province of Ontario and Canada. Niagara Parks' Pop-up Dinner series takes the local food movement even further by connecting the incredible ingredients Niagara is known for with spectacular natural backdrops unique to Niagara Parks, such as Mather Arch, the Niagara Glen and Oakes Garden Theatre. The successful Pop-up Dinner Series also helped reinforce Niagara Parks' commitment to increasing visitation to the destination through innovative partnerships and practices.

The celebration of Ontario and Canada's 150th anniversary provided the perfect backdrop to showcase the fascinating cultural heritage stories across Niagara Parks' 56 kilometres. From celebrating the architectural history of iconic landmarks such as Oakes Garden Theatre, which was celebrating its own 80th anniversary, to the emblematic historic figures such as Sir Isaac Brock, Laura Secord and Harriet Tubman, Niagara Parks' heritage team played host to visitors from across the globe, showcasing the unique history that both define this country and help shape what Niagara Parks stands for. As a result, Niagara Parks' heritage venues were able to experience an increase in visitation of 34.4% over the 2016/2017 fiscal year, resulting in an increase in revenues generated by the business segment of \$44 thousand or 10.4%.

Niagara Parks' golf offerings and revenues were impacted tremendously in fiscal 2017/2018, with both inclement weather conditions, in the form of a wet spring and cool summer, leading to a decline of 5.6% in the number of rounds played at its Legends, Whirlpool and Oak Hall facilities. This reduction in rounds played resulted in a reduction in revenues of \$99 thousand (2.6%) over 2017.

Highlights of the financial results for NPC for the year ended March 31, 2018, as well as the financial results for the prior year ending March 31, 2017, are summarized in the table below.

## April 1, 2017 - March 31, 2018 Actual Operating Results

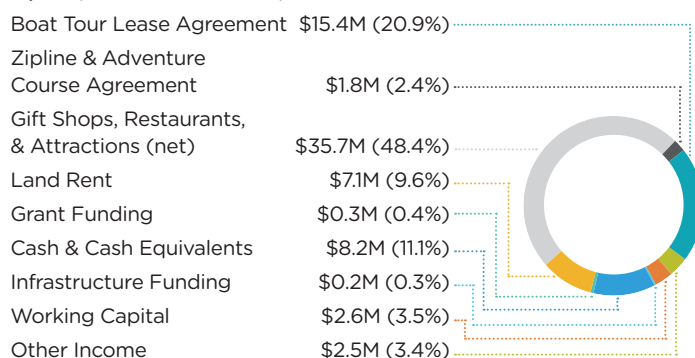
(in thousands of dollars)

|  |           |           | 2018               | 2017      |
|--|-----------|-----------|--------------------|-----------|
|  | Budget    | Actual    | Variance to Budget | Actual    |
| Revenues   | \$109,727 | \$120,232 | \$10,505           | \$109,547 |
| Operating Expenses   | 90,312    | 95,177    | 4,865              | 87,981    |
| Net Surplus for the period before interest and depreciation (EBID) | \$19,415  | \$25,055  | \$5,640            | \$21,566  |

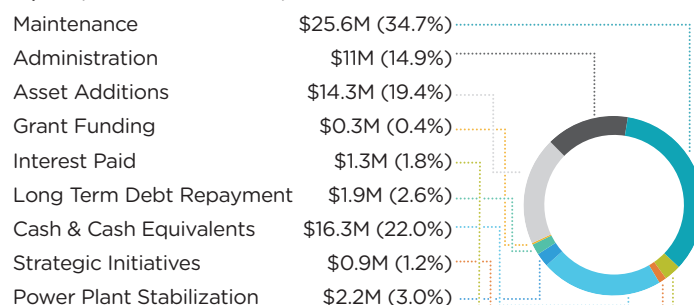


# BUSINESS CLIMATE

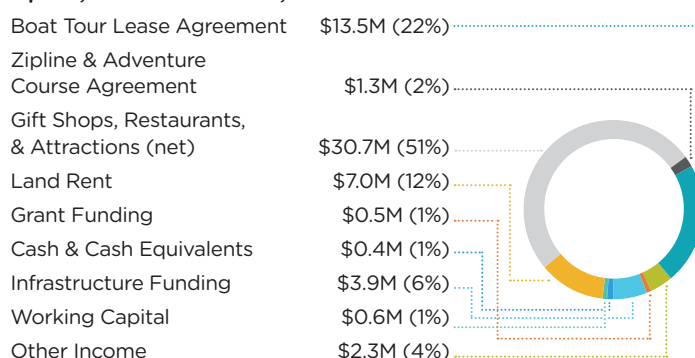
## Where the Commission's Dollars Came From 2018 April 1, 2017 to March 31, 2018



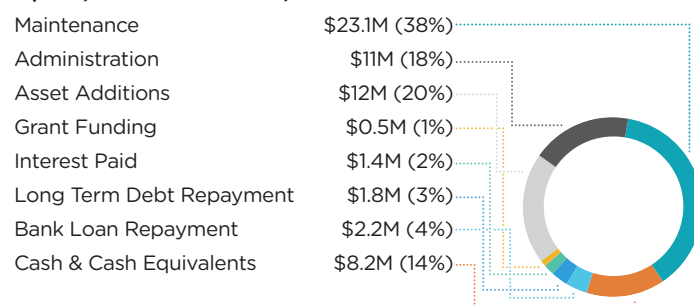
## Where the Commission's Dollars Went 2018 April 1, 2017 to March 31, 2018



## Where the Commission's Dollars Came From 2017 April 1, 2016 to March 31, 2017



## Where the Commission's Dollars Went 2017 April 1, 2016 to March 31, 2017



## Comparative Performance – Gift Shops, Restaurants, and Attractions (\$'000)

|  | 2018     | % of sales | 2017     | % of sales |
|--|----------|------------|----------|------------|
| Revenue  | \$93,097 | 100%       | \$84,567 | 100%       |
| Cost of Goods Sold   | 16,054   | 17%        | 14,871   | 18%        |
| Gross Profit   | \$77,043 | 83%        | \$69,696 | 82%        |
| Operating Expenditures                                     | 41,295   | 45%        | 38,995   | 46%        |
| Net Income Before Administrative Overhead and Depreciation | \$35,748 | 38%        | \$30,701 | 36%        |



# NIAGARA PARKS

## ATTENDANCE

| Paid Attractions                      | April 1, 2017 to<br>March 31, 2018 | April 1, 2016 to<br>March 31, 2017 | Increase/<br>(Decrease) |
|---------------------------------------|------------------------------------|------------------------------------|-------------------------|
| <i>Journey Behind the Falls</i>       | 915,701                            | 855,575                            | 60,126                  |
| <i>Butterfly Conservatory</i>         | 306,770                            | 278,024                            | 28,746                  |
| <i>Whirlpool Aero Car</i>             | 147,978                            | 132,912                            | 15,066                  |
| <i>White Water Walk</i>               | 258,118                            | 244,647                            | 13,471                  |
| <i>Niagara's Fury</i>                 | 330,530                            | 331,860                            | (1,330)                 |
| <i>Floral Showhouse</i>               | 58,980                             | 45,087                             | 13,893                  |
| <b>Total</b>                          | <b>2,018,077</b>                   | <b>1,888,105</b>                   | <b>129,972</b>          |
| <b>Golf</b>                           |                                    |                                    |                         |
| <i>Oak Hall Par 3 Golf Course</i>     | 1,432                              | 2,090                              |                         |
| <i>Whirlpool Golf Course</i>          | 25,198                             | 26,575                             |                         |
| <i>Legends on the Niagara</i>         | 46,244                             | 48,544                             |                         |
| <b>Total</b>                          | <b>72,874</b>                      | <b>77,209</b>                      | <b>(4,335)</b>          |
| <b>Historic Sites</b>                 |                                    |                                    |                         |
| <i>Old Fort Erie</i>                  | 16,740                             | 13,577                             |                         |
| <i>Laura Secord Homestead</i>         | 9,362                              | 6,190                              |                         |
| <i>Mackenzie Printery</i>             | 5,386                              | 3,443                              |                         |
| <i>McFarland House</i>                | 4,748                              | 3,750                              |                         |
| <b>Total</b>                          | <b>36,236</b>                      | <b>26,960</b>                      | <b>9,276</b>            |
| <b>Transportation (excl. parking)</b> |                                    |                                    |                         |
| <i>WEGO Transportation Service</i>    | 1,264,381                          | 1,159,901                          | 104,480                 |
| <i>Falls Incline Railway</i>          | 1,056,910                          | 990,363                            | 66,547                  |
| <b>Total</b>                          | <b>2,321,291</b>                   | <b>2,150,264</b>                   | <b>171,027</b>          |
| <b>Total Attendance</b>               | <b>4,448,478</b>                   | <b>4,142,538</b>                   | <b>305,940</b>          |

**Note 1:** WEGO attendance represents Green Line ridership along the Niagara Parkway only.

\*During the 2017 calendar year, boat tour operator, Hornblower Niagara Cruises, reported attendance of 2.35 million visitors.

\*\*In its first full year of operations in 2017, WildPlay Niagara's MistRider Zipline to the Falls attraction reported attendance of 78,084 visitors.

\*\*\*WildPlay Niagara's Whirlpool Adventure Course attraction opened to the public on May 19, 2017. In its first year of operation, the Whirlpool Adventure Course garnered attendance of 20,759 visitors.

# COMMISSIONER REMUNERATION

Niagara Parks Commissioners are paid a per diem when working on Commission business and fulfilling their duties as a member of the Commission Board. The per diem of \$250 for the Chair, \$175 for the Vice-Chair and \$135 for each member of the Board is set by the Government of Ontario.

The table below lists the remuneration paid to Commissioners during the 2017 fiscal year (April 1, 2017 to March 31, 2018), as well as reimbursed out of pocket expenses.

| Commissioner                               | Remuneration       | Expenses           | Total              |
|--|--------------------|--------------------|--------------------|
| Janice Thomson, <i>Chair</i>               | \$27,125.00        | \$2,432.90         | \$29,557.90        |
| Joan Andrew, <i>Vice-Chair</i>             | \$5,687.50         | \$4,495.88         | \$10,183.38        |
| Eldon Bennett, <i>Commissioner</i>         | \$1,350.00         | \$1,048.80         | \$2,398.80         |
| Sylvie Chartrand-Rafi, <i>Commissioner</i> | \$0.00             | \$0.00             | \$0.00             |
| Pat Darte, <i>Commissioner</i>             | \$810.00           | \$201.48           | \$1,011.48         |
| James Detenbeck, <i>Commissioner</i>       | \$1,552.50         | \$152.08           | \$1,704.58         |
| Jim Diodati, <i>Commissioner</i>           | \$1,822.50         | \$123.20           | \$1,945.70         |
| Lois Anne Giles, <i>Commissioner</i>       | \$1,147.50         | \$611.60           | \$1,759.10         |
| Vincent Kerrio, <i>Commissioner</i>        | \$0.00             | \$0.00             | \$0.00             |
| Ian Nielsen-Jones, <i>Commissioner</i>     | \$4,995.00         | \$3,274.54         | \$8,269.54         |
| Kerry Pond, <i>Commissioner</i>            | \$0.00             | \$1,030.86         | \$1,030.86         |
| Wayne Redekop, <i>Commissioner</i>         | \$0.00             | \$0.00             | \$0.00             |
| <b>Total</b>                               | <b>\$44,490.00</b> | <b>\$13,371.34</b> | <b>\$57,861.34</b> |





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# FINANCIAL **STATEMENTS**

APRIL 1, 2017 - MARCH 31, 2018

# MANAGEMENT REPORT

The Management of The Niagara Parks Commission are responsible for the financial statements and all other information presented in these statements. The statements have been prepared by management in accordance with the framework identified in Note 2 in the accompanying audited financial statements.

The financial statements include amounts based on best estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the statements are presented fairly, in all material respects.

Management maintains a system of internal accounting and administrative control that is designed to provide reasonable assurance that the financial information is relevant, reliable, accurate and that the Commission's assets are properly accounted for and adequately safeguarded.

The Board of The Niagara Parks Commission is responsible for gaining assurance that management fulfills its responsibilities

for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Board, through the Audit and Finance Committee, meets periodically with Management to discuss financial results, auditing matters, financial reporting issues and to satisfy itself that each group is properly discharging responsibilities. The Committee reviews the financial statements before recommending approval by the Board.

The financial statements have been audited by Grant Thornton LLP, the Commission's appointed External Auditor and in accordance with Canadian generally accepted auditing standards on behalf of the Commission, Minister of Tourism, Culture and Sport and the Provincial Auditor General. Grant Thornton LLP had direct and full access to all Commission records as well as full access to the Audit and Finance Committee with and without the presence of Management to discuss their audit and findings as to the integrity of the Commission's financial reporting.



Reegan McCullough, Chief Executive Officer  
Niagara Parks Commission  
June 14, 2018



Margaret Neubauer, Senior Director, Corporate Services  
Niagara Parks Commission  
June 14, 2018



# INDEPENDENT AUDITOR'S REPORT

## **To The Niagara Parks Commission, the Minister of Tourism, Culture and Sport and the Auditor General of Ontario**

We have audited the accompanying financial statements of The Niagara Parks Commission, which comprise the statement of financial position as at March 31, 2018, and the statements of operations, accumulated surplus, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation of these financial statements in accordance with the basis of accounting described in Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements in order to design

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion, the financial statements of The Niagara Parks Commission for the year ended March 31, 2018 are prepared, in all material respects, in accordance with the basis of accounting described in Note 2 to the financial statements.

### **Emphasis of matters**

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the basis of accounting used in the preparation of these financial statements and the significant differences between such basis of accounting and Canadian public sector accounting standards.

Port Colborne, Canada  
June 14, 2018



Licensed Public Accountants  
Chartered Professional Accountants

# STATEMENT OF FINANCIAL POSITION

**As at March 31**

*(in thousands of dollars)*

## Financial assets

|                           |              |               |
|---------------------------|--------------|---------------|
| Cash and cash equivalents | \$ 16,258    | \$ 8,207      |
| Accounts receivable       | 1,655        | 4,974         |
| Inventories – saleable    | <u>3,889</u> | <u>4,055</u>  |
|                           | 21,802       | <u>17,236</u> |

## Liabilities

|   |               |                |
|---|---------------|----------------|
| Accounts payable                              | 8,603         | 10,977         |
| Accrued payroll                               | 3,984         | 2,758          |
| Deferred revenue (Note 4)                     | 2,364         | 2,283          |
| Deferred capital funding (Note 5)             | 26,983        | 28,534         |
| Long term financing (Note 6)                  | 24,714        | 26,592         |
| Post-employment benefits (Note 7)             | 3,182         | 3,121          |
| Power plant stabilization obligation (Note 8) | <u>26,134</u> | <u>29,414</u>  |
|   | <u>95,964</u> | <u>103,679</u> |

## Net debt

(74,162) (86,443)

## Non-financial assets

|                                   |                |                |
|-----------------------------------|----------------|----------------|
| Tangible capital assets (Page 57) | 163,428        | 158,613        |
| Inventories – other               | 847            | 936            |
| Prepaid expenses                  | <u>426</u>     | <u>479</u>     |
|                                   | <u>164,701</u> | <u>160,028</u> |

## Accumulated surplus (Note 10)

\$ 90,539 \$ 73,585

Commitments and contingencies (Notes 11 and 12)

On behalf of the Commission



Janice Thomson, Chair



Ian Nielsen-Jones, Commissioner

*See accompanying notes to the financial statements*



# STATEMENT OF OPERATIONS

## For the year ended March 31, 2018

(in thousands of dollars)

### Revenues

|   | Budget<br>2018 | Actual<br>2018 | Actual<br>2017 |
|---|----------------|----------------|----------------|
| Revenue producing operations            | \$ 83,717      | \$ 93,097      | \$ 84,567      |
| Land rent                               | 7,081          | 7,121          | 7,009          |
| Commission, rentals and fees            | 17,478         | 18,106         | 15,546         |
| Premium on United States funds - net    | 920            | 745            | 1,119          |
| Government transfers - special projects | 102            | 337            | 891            |
| Interest revenue                        | 61             | 384            | 138            |
| Sundry revenue                          | 368            | 442            | 277            |
|   | <u>109,727</u> | <u>120,232</u> | <u>109,547</u> |

### Expenses (Page 58)

|                                |               |               |               |
|--------------------------------|---------------|---------------|---------------|
| Revenue producing operations   |               |               |               |
| Cost of goods sold             | 14,415        | 16,054        | 14,871        |
| Operating                      | 39,424        | 41,295        | 38,995        |
| Maintenance                    | 17,589        | 18,157        | 16,343        |
| Administrative and police      | 14,862        | 15,506        | 13,838        |
| Marketing and promotion        | 3,920         | 3,882         | 3,414         |
| Special projects               | 102           | 283           | 520           |
|                                | <u>90,312</u> | <u>95,177</u> | <u>87,981</u> |
| Net surplus before other items | <u>19,415</u> | <u>25,055</u> | <u>21,566</u> |

### Other Items

|   |              |              |              |
|---|--------------|--------------|--------------|
| Interest on long term debt  | 1,393        | 1,303        | 1,420        |
| Amortization of tangible capital assets                                     | 9,185        | 9,430        | 8,754        |
| Amortization of deferred capital<br>funding (Note 5)                        | (1,532)      | (1,767)      | (1,706)      |
| Gain on disposal of tangible<br>capital assets                              | (2)          | (320)        | (48)         |
|   | <u>9,044</u> | <u>8,646</u> | <u>8,420</u> |
| Net surplus from operations   | 10,371       | 16,409       | 13,146       |
| Net decrease (increase) in power plant<br>stabilization obligation (Note 8) | <u>(705)</u> | <u>545</u>   | <u>(709)</u> |

### Annual surplus

|          |           |           |
|----------|-----------|-----------|
| \$ 9,666 | \$ 16,954 | \$ 12,437 |
|----------|-----------|-----------|

See accompanying notes to the financial statements

# STATEMENT OF ACCUMULATED SURPLUS

**For the year ended March 31, 2018**

*(in thousands of dollars)*

**Accumulated surplus (Note 10)**

|                   | <b>Budget<br/>2018</b> | <b>Actual<br/>2018</b> | <b>Actual<br/>2017</b> |
|-------------------|------------------------|------------------------|------------------------|
| Beginning of year | \$ 73,585              | \$ 73,585              | \$ 61,148              |
| Annual Surplus    | <u>9,666</u>           | <u>16,954</u>          | <u>12,437</u>          |
| End of Year       | <u>\$ 83,251</u>       | <u>\$ 90,539</u>       | <u>\$ 73,585</u>       |

*See accompanying notes to the financial statements*





# STATEMENT OF CHANGES IN DEBT

## For the year ended March 31, 2018

(in thousands of dollars)

|  | Budget<br>2018 | Actual<br>2018 | Actual<br>2017 |
|--|----------------|----------------|----------------|
| Annual surplus   | \$ 9,666       | \$ 16,954      | \$ 12,437      |
| Amortization of tangible capital<br>assets (Page 57)     | 9,185          | 9,430          | 8,754          |
| Purchase of tangible capital assets (Page 57)            | (15,950)       | (14,250)       | (12,088)       |
| Proceeds from the disposal of tangible<br>capital assets | -              | 325            | 101            |
| Gain on sale of tangible capital<br>assets – net         | (2)            | (320)          | (48)           |
|  | 2,899          | 12,139         | 9,156          |
| Use of prepaid expenses                                  | -              | 53             | 751            |
| Use of other inventories                                 | -              | 89             | 263            |
| Decrease in net debt                                     | 2,899          | 12,281         | 10,170         |
| <b>Net debt</b>  |                |                |                |
| Beginning of year  | (86,443)       | (86,443)       | (96,613)       |
| End of year  | \$ (83,544)    | \$ (74,162)    | \$ (86,443)    |

See accompanying notes to the financial statements

# STATEMENT OF CASH FLOWS

## For the year ended March 31, 2018

(in thousands of dollars)

### Increase in cash and cash equivalents

#### Operating activities

|  | 2018      | 2017      |
|--|-----------|-----------|
| Annual surplus   | \$ 16,954 | \$ 12,437 |
| Charges against income not requiring an outlay of funds                    |           |           |
| Amortization of tangible capital assets (Page 57)                          | 9,430     | 8,754     |
| Amortization of deferred capital funding (Note 5)                          | (1,767)   | (1,706)   |
| Gain on disposal of tangible capital assets                                | (320)     | (48)      |
| Increase in post-employment benefits (Note 7)                              | 180       | 173       |
| (Decrease) increase in power plant stabilization obligation – net (Note 8) | (545)     | 709       |
|  | 23,932    | 20,319    |
| Net change in working capital balances related to operations (Note 13)     | 2,560     | 570       |
|  | 26,492    | 20,889    |

#### Capital activities

|   |          |          |
|---|----------|----------|
| Stabilization works on power plants (Note 8)      | (2,735)  | (371)    |
| Purchase of tangible capital assets (Page 57)     | (14,250) | (12,088) |
| Proceeds from disposal of tangible capital assets | 325      | 101      |
|   | (16,660) | (12,358) |

#### Financing activities

|  |         |         |
|--|---------|---------|
| Receipt of capital funding (Note 5)          | 216     | 3,850   |
| Repayment of long term financing             | (1,878) | (1,779) |
| Payment of post-employment benefits (Note 7) | (119)   | (610)   |
|  | (1,781) | 1,461   |

### Net increase in cash and cash equivalents

8,051                      9,992

### Cash and cash equivalents (Note 13)

|                   |           |          |
|-------------------|-----------|----------|
| Beginning of year | 8,207     | (1,785)  |
| End of year       | \$ 16,258 | \$ 8,207 |

See accompanying notes to the financial statements





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# NOTES TO THE **FINANCIAL STATEMENTS**

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### 1. Nature of operations

The Niagara Parks Commission (the “Commission”) is governed by the Niagara Parks Act. Initially established in 1885, the Commission is an “Operational Enterprise” of the Province of Ontario and is responsible for maintaining, protecting and showcasing over 1,300 hectares of parkland stretching some 56 kilometres along the Niagara River from Lake Erie to Lake Ontario. The Commission is exempt from corporate income taxes under the Income Tax Act (Canada) and Ontario Corporation Tax Act.

The Commission is also classified as an Other Government Organization by the Ministry of Finance and as such, the Commission’s audited financial statements are published as part of the Public Accounts.

### 2. Significant accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with the financial reporting provisions of the Ontario Financial Administration Act, Ontario Ministry of Tourism Memorandum of Understanding and the accounting requirements of Regulation 395/11 of the Ontario Financial Administration Act. The Ontario Ministry of Tourism Memorandum of Understanding requires that the financial statements be prepared in accordance with the Canadian public sector accounting standards. The Ontario Financial Administration Act provides that changes may be required to the application of these standards as a result of regulation.

Regulation 395/11 to the Ontario Financial Administration Act requires that contributions received or receivable for the acquisition or development of depreciable tangible capital assets and contributions of depreciable tangible capital assets for use in providing services, be recorded as deferred capital contributions and be recognized as revenue in the Statement of Operations at a rate equal to amortization charged on the related depreciable tangible capital assets. These contributions include government transfers and externally restricted contributions.

The accounting requirement under Regulation 395/11 is not consistent with the requirements of Canadian public sector accounting standards which requires that:

- government transfers be recognized as revenue when approved by the transferor and the eligibility criteria have been met unless the transfer contains a stipulation that creates a liability, in which case the transfer is recognized as revenue over the period that the liability is extinguished in accordance with public sector accounting standard PS3410;
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result revenue recognized in the Statement of Operations and certain related deferred revenues and deferred capital contributions would be recorded differently under Canadian public sector accounting standards.



# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### 2. Significant accounting policies (continued)

#### Basis of accounting (continued)

The significant accounting principles used in the preparation of these financial statements are summarized below.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with maturities of less than three months.

#### Inventories

Saleable and other inventories are valued at the lower of average cost and net realizable value.

#### Tangible capital assets

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset required to install the asset at the location and in the condition necessary for its intended use. Contributed tangible capital assets are capitalized at estimated fair value upon acquisition.

The Commission capitalizes an amount of interest as part of the costs of its capital works in progress and financed via long term financing.

Works of art for display in the Commission property are not included as capital assets. Works of art are held for exhibition, educational and historical interest. Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. No valuation of the collection has been disclosed in the financial statements.

Leases are classified as capital or operating leases. Leases that transfer substantially all benefits incidental to ownership are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Amortization is calculated on a straight-line basis to write-off the net cost of each asset over its estimated useful life for all classes except land. Land is considered to have an infinite life without amortization. Residual values of assets are assumed to be zero with any net gain or loss arising from the disposal of assets recognized in the Statement of Operations. Amortization is charged on a monthly basis. Assets under construction are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

| <u>Classification</u>                                    | <u>Useful Life</u> |
|--|--------------------|
| Land improvements, buildings,<br>roadways and structures | 7 to 40 years      |
| Equipment and furnishings                                | 3 to 10 years      |
| Vehicles   | 10 to 12 years     |

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### 2. Significant accounting policies (continued)

#### Deferred revenue

Revenue that is restricted by legislation of senior governments or by agreement with external parties are deferred and reported as restricted revenues. When qualifying expenses are incurred, restricted revenues are brought into revenue at equal amounts. Revenues received in advance of expenses that will be incurred in a later period are deferred until they are earned by being matched against those expenses.

#### Deferred capital funding

Government transfers for capital purposes and contributed tangible capital assets are recorded as a liability, referred to as deferred capital funding, and are recognized into revenue at the same rate as the related tangible capital assets are amortized, in accordance with Regulation 395/11 to the Ontario Financial Administration Act, as disclosed above.

#### Post-employment benefits

The present value of the cost of providing employees with future benefit programs is expensed as employees earn these entitlements.

#### Liabilities for contaminated sites

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all the following criteria are met:

- an environmental standard exists;
- contamination exceeds the environmental standard;
- the Commission:
  - is directly responsible; or
  - accepts responsibility;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

#### Revenue recognition

Revenue from gift shops, restaurants and attractions are recognized when merchandise has been transferred to the customer or services have been rendered. Revenue from land rent, commissions, rentals, fees and sundry are recognized over the life of the agreement or when earned.



# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

### For the year ended March 31, 2018

## 2. Significant accounting policies (continued)

### Foreign currency translation

These financial statements are presented in Canadian dollars. Assets and liabilities denominated in foreign currencies are translated at the exchange rates in effect at the Statement of Financial Position date. Gains and losses on translation are reflected in the annual surplus (deficit).

### Use of estimates and measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Two areas in which estimates are used are with regards to post-employment benefits and the power plant stabilization obligation.

## 3. Credit facilities

The credit facilities, which have a maximum borrowing capacity of \$ 15,000,000, provide for two types of loans. There is a variable rate loan facility which varies with the Canadian Imperial Bank of Commerce prime rate and there is a fixed rate operating loan facility available with a maximum term not to exceed 364 days at rates which are set relative to banker's acceptance rates. These credit facilities are unsecured and expire on March 31, 2021, with an option of a three year renewal at the Commission's discretion. As at March 31, 2018, \$ Nil has been drawn upon for all credit facilities (2017 - \$ Nil). Taking into account outstanding cheques and deposits, the balance reported on the Statement of Financial Position is \$ Nil (2017 - \$ Nil).

## 4. Deferred Revenue

|   | <u>2018</u>                      | <u>2017</u>  |
|---|----------------------------------|--------------|
|   | <i>(in thousands of dollars)</i> |              |
| Defunct power stations (Note 8)                     | \$ -                             | \$ 8         |
| Sale proceeds related to Fort Erie land transaction | 314                              | 314          |
| Other   | <u>2,050</u>                     | <u>1,961</u> |
|   | <u>\$ 2,364</u>                  | <u>2,283</u> |

### Fort Erie land transaction obligation

In fiscal 2009, the Commission and the Peace Bridge Authority ("PBA") entered into an agreement to transfer parcels of land. The PBA acquired a 5.952 acre parcel located in Fort Erie from the Commission for \$ 2,021,206. The Commission acquired an option for \$ 670,000 plus an annual sum of \$ 7,300 adjusted for inflation, to receive 1.973 acres of river front property located at the end of Jarvis Street in Fort Erie from the PBA. The agreement calls for the net proceeds to the Commission in the amount of \$ 1,351,206 to be spent on a) funding improvements at Old Fort Erie which are intended for the 200th year anniversary of the War of 1812 and b) returning and/or maintaining the Jarvis Street property as parkland.

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

### For the year ended March 31, 2018

#### 4. Deferred revenue (continued)

The net proceeds were recorded as part of deferred revenue on the Statement of Financial Position. To date approximately \$ 996,000 from these proceeds have been spent on the capital works project for the renovation of Old Fort Erie and approximately \$ 47,000 has been spent on the Jarvis Street property maintenance. As of March 31, 2018, \$ 314,285 remains for use in 2019 and beyond.

#### 5. Deferred capital funding

|   | <u>2018</u>                      | <u>2017</u>       |
|---|----------------------------------|-------------------|
|   | <i>(in thousands of dollars)</i> |                   |
| Deferred capital funding                  |                                  |                   |
| Beginning of year                         | \$ 28,534                        | \$ 26,390         |
| Received during year for capital projects | 216                              | 3,850             |
| Amortization                              | <u>(1,767)</u>                   | <u>\$ (1,706)</u> |
| End of year                               | <u>\$ 26,983</u>                 | <u>\$ 28,534</u>  |

#### 6. Long term financing

|  | <u>2018</u>                      | <u>2017</u>      |
|--|----------------------------------|------------------|
|  | <i>(in thousands of dollars)</i> |                  |
| Unsecured fixed rate term loan requiring blended payments of principal and interest of \$ 2,640,907 per annum, bearing interest at 5.06% through to April, 2027                            | <u>\$ 20,420</u>                 | <u>\$ 21,951</u> |
| Unsecured fixed rate term loan requiring blended first annual payment of \$ 543,418 and then payments of \$ 569,965 per annum thereafter, bearing interest at 5.07% through to April, 2027 | 4,214                            | 4,553            |
| The Commission has an option to purchase land requiring annual payments of \$ 7,300 until January, 2028 (Note 4)   | <u>80</u>                        | <u>88</u>        |
|  | <u>\$ 24,714</u>                 | <u>\$ 26,592</u> |

The principal payments of the long term financial obligations due in the next five years are as follows:

|      |          |
|------|----------|
| 2019 | \$ 1,972 |
| 2020 | 2,071    |
| 2021 | 2,173    |
| 2022 | 2,285    |
| 2023 | 2,401    |



# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

### For the year ended March 31, 2018

#### 7. Post-employment benefits

##### Defined termination benefits

The Commission provides a defined employee future benefit, payable on termination to certain full time employees with a minimum of five years of service. The benefit is calculated on the basis of one week's remuneration, at the time of termination, for every year of full time service provided to the Commission to a maximum of twenty-six weeks. The accrued benefit liability as at March 31, 2018 is \$ 3,182,078 (2017 - \$ 3,121,208).

The Commission requires an actuarial valuation of the post-employment benefits be conducted every three years. The last valuation was completed for the year ended March 31, 2016 with extrapolations through to 2019 and updated on March 29, 2017. The latest valuation reflects approved changes by the Commission regarding eligibility and maximum amounts of the benefit payable upon termination.

The actual obligation as at March 31, 2018 is \$ 2,485,872 (2017 - \$ 2,331,209) which is the actuarial valuation for March 31, 2017 adjusted for the actual benefits paid of \$ 118,646, incorporated in an actuarial update provided dated March 29, 2017.

##### Defined benefit plan information

|  | <u>2018</u><br><i>(in thousands of dollars)</i> | <u>2017</u>     |
|--|---|-----------------|
| Employee benefit plan assets   | \$ Nil  | \$ Nil          |
| Employee benefit plan liabilities                                    | <u>3,182</u>                                    | <u>3,121</u>    |
| Employee benefit plan deficit  | <u>\$ 3,182</u>                                 | <u>\$ 3,121</u> |
| Benefit obligation recognized on the Statement of Financial Position |   |                 |
| Benefit obligation, beginning of year                                | \$ 3,121  | \$ 3,558        |
| Expense for the year   | 180   | 173             |
| Benefits paid during the year  | <u>(119)</u>                                    | <u>(610)</u>    |
| Benefit obligation, end of year                                      | <u>\$ 3,182</u>                                 | <u>\$ 3,121</u> |
| The net benefit expense is as follows:                               |   |                 |
| Current service cost   | \$ 173  | \$ 163          |
| Interest cost  | 101   | 104             |
| Amortization of actuarial gain/loss                                  | <u>(94)</u>                                     | <u>(94)</u>     |
|  | <u>\$ 180</u>                                   | <u>\$ 173</u>   |

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### 7. Post-employment benefits (continued)

The main actuarial assumptions applied in the valuation of the defined benefit plan are as follows:

Interest (discount) rate – the accrued obligation and the expense for the year were determined using a discount rate of 4.25% (2017 - 4.25%)

Salary levels – future salary and wage levels were assumed to increase at 2% per annum

These assumptions were reviewed in the current year.

#### Pension benefits

The Commission provides pension benefits for all its permanent employees (and to non-permanent employees who elect to participate) through the Public Service Pension Fund (“PSPF”) and the Ontario Public Service Employees’ Union Pension Fund (“OPSEU Pension Fund”). These are defined benefit pension plans for employees of the Province and many provincial agencies. The Province of Ontario, which is the sole sponsor of the PSPF and a joint sponsor of the OPSEU Pension Fund, determines the Commission’s annual payments to the funds. As the sponsors are responsible for ensuring that the pension funds are financially viable, any surpluses or unfunded liabilities arising from statutory actuarial funding valuations are not assets or obligations of the Commission. The Commission’s annual payments of \$ 2,451,210 (2017 - \$ 2,316,697), of which \$ 1,225,605 (2017 - \$ 1,158,349) represents the employees’ portion, are included in the administrative and police expense on the Statement of Operations.

The cost of post-employment, non-pension benefits are paid by the Province and therefore are not included in the Statement of Operations.

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### **8. Power plant stabilization obligation**

The Province of Ontario directed the Commission to accept ownership of three former electricity generating power stations all located within Commission lands.

The Toronto Power Generating Station (“TPGS”) and the Ontario Power Generating Station (“OPGS”) were transferred by Ontario Power Generation Inc. (“OPG”) to the Commission at no cost in August, 2007. As part of the terms of transfer of TPGS and OPGS, OPG was to undertake certain structural and environmental work to ensure that the buildings were no threat to the public. The Canadian Niagara Power Generating Station (“CNPGS”) previously owned by Fortis Ontario was transferred April 30, 2009.

The Ministry of Tourism engaged the services of an architectural firm (The Ventin Group Inc.) to ensure that the original Government Directive governing the initial transfer was complied with and to identify work and related costs required to “stabilize and mothball” all the facilities until an ultimate use for the buildings can be determined. The Ventin Group identified the remaining lead paint at the TPGS and OPGS as a deficiency which OPG should have resealed or encapsulated after cleaning. The Ventin Group reported that there are substantial costs required to bring the three power stations to what would be considered a “mothball” state. Therefore, additional costs would be required to bring these buildings to a “development ready” state. Further, there are in existence certain secondary structures related to TPGS and OPGS that were not accounted for in the original Government Directive that will result in additional remediation costs at some point in the future.

The Commission is of the belief that the acceptance of these power generating stations will require a significant infusion of funds that is beyond its capacity to meet. As at March 31, 2018, ongoing discussions with the Province have not resulted in any assurance that the Commission will not be responsible for any future costs. Any costs that are expected to be incurred for the purposes described above may not commence without funding received from the Province.

VFA, Inc. has reviewed the infrastructure through site visits and prepared estimates using standard engineering formulas. Further, they have provided the Commission with their assessment and a requirements list report providing costs for each component of stabilization required, as well as the timing of when these costs should be incurred. Their initial report was completed in 2013 and updates are provided annually. Commission engineering staff have reviewed the list and categorized the costs by year according to urgency and based on expected available funding, with the most urgent requirements addressed over the next two years. In addition, the Commission undertook several studies to determine critical underground infrastructure that needs replacing, including seismic studies, review of intake gates, geophysical and geotechnical settlement and a stability investigation.

This obligation represents the Commission’s best estimate of the costs required to “stabilize and mothball” the three power stations based on the information noted above. The power plant stabilization obligation represents works identified in the Asset Management Information System (AMIS) database, and is based on condition assessments completed by VFA Inc. and current costs to undertake the improvements.



# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

### For the year ended March 31, 2018

#### 8. Power plant stabilization obligation (continued)

The stabilization obligation as of March 31, 2018 has been calculated to be \$ 26,134,012 (2017 - \$ 29,414,141):

|   | <u>2018</u>                      | <u>2017</u>      |
|---|----------------------------------|------------------|
|   | <i>(in thousands of dollars)</i> |                  |
| Power plant stabilization obligation  |                                  |                  |
| Beginning of year   | \$ 29,414                        | \$ 29,076        |
| Actual work performed during year   |                                  |                  |
| NPC funded  | (2,681)                          | (318)            |
| Grant funded  | (54)                             | (53)             |
| Net (decrease) increase in change in value of<br>power plant stabilization obligation | <u>(545)</u>                     | <u>709</u>       |
| End of year   | <u>\$ 26,134</u>                 | <u>\$ 29,414</u> |

The decrease of \$ 3,280,129 is a result of stabilization work completed during the year in the amount of \$ 2,735,366 of which \$ 54,277 was funded by grants, and \$ 2,681,089 funded by the Commission. The remaining \$ 544,760 reduction in the obligation is a result of future work being avoided due to the work carried out in the current year, savings in actual costs compared to original estimates in the amount of \$30,265 and a change of \$ 3,450 in cost estimates to complete the remaining stabilization works.

In fiscal 2019, NPC has requested VFA Inc. to undertake a detailed update of the power plant assets only, to update the condition assessments provided in previous years from a stabilization perspective. Any changes in condition and in the cost of stabilization components will be used to update the obligation as of March 31, 2019.

A capital asset has not been recorded for these properties as there is an impairment in their value, which has been documented in the various studies carried out to date.

As at October 31, 2009, the Commission had received \$ 1,550,000 in funding from the Ministry of Tourism, Culture and Sport (MTCS) to assist in the "stabilizing and mothball" process. All of this funding has now been utilized for its intended purpose.

The Commission has incurred annual costs related to maintenance and security for all sites and has recorded them in the Statement of Operations and are included in the maintenance expense.

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

### 9. Liabilities for contaminated sites

The Commission reports environmental liabilities related to the management and remediation of any contaminated sites where the Commission is obligated or likely obligated to incur such costs. Currently no such contaminated sites have been identified and therefore no liability has been recorded.

The Commission's ongoing efforts to assess contaminated sites may result in future environmental remediation liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. Any changes to the Commission's liabilities for contaminated sites will be accrued in the year in which they are assessed as likely and reasonably estimable.

### 10. Accumulated surplus

|                                       | <u>2018</u>                      | <u>2017</u>      |
|---------------------------------------|----------------------------------|------------------|
|                                       | <i>(in thousands of dollars)</i> |                  |
| Operating surplus                     | <u>\$ 8,124</u>                  | <u>\$ 2,633</u>  |
| Investment in tangible capital assets | <u>136,445</u>                   | <u>130,079</u>   |
| Unfunded                              |                                  |                  |
| Long term debt                        | (24,714)                         | (26,592)         |
| Post-employment benefits              | (3,182)                          | (3,121)          |
| Power plant stabilization obligation  | <u>(26,134)</u>                  | <u>(29,414)</u>  |
|                                       | <u>(54,030)</u>                  | <u>(59,127)</u>  |
| Accumulated surplus                   | <u>\$ 90,539</u>                 | <u>\$ 73,585</u> |

### Surplus funds

Pursuant to Section 16(2) of the Niagara Parks Act, any surplus moneys shall, on the order of the Lieutenant Governor in Council, be paid to the Minister of Finance and shall form part of the consolidated revenue fund. As of March 31, 2018 no surplus moneys have been recorded as a liability to the Minister of Finance.

### 11. Commitments

The Commission has committed to approximately \$ 18,838,000 in capital works projects in the next year.

The Commission has two agreements with a franchisor requiring the payment of service fees as follows:

- a) Queen Victoria Place: 4.0% of gross sales, advertising and promotion fee of 2.5% of gross sales. The term of the agreement is ten years, expiring in October, 2022.
- b) Table Rock: 6.0% of gross sales, advertising and promotion fee of 1.0% of gross sales. The term of the agreement is twenty-seven months, expiring in November, 2018.

# THE NIAGARA PARKS COMMISSION

## Notes to the Financial Statements

For the year ended March 31, 2018

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### 12. Contingencies

The Commission is in litigation pertaining to certain claims for which the likelihood of loss is not determinable and the amount not reasonably estimable. Accordingly, no provision for these claims is reflected in the financial statements.

### 13. Statement of cash flows

|   | <u>2018</u>                      | <u>2017</u>     |
|---|----------------------------------|-----------------|
|   | <i>(in thousands of dollars)</i> |                 |
| Changes in working capital components include |                                  |                 |
| Accounts receivable                           | \$ 3,319                         | \$ (3,236)      |
| Inventories – saleable and other              | 255                              | 100             |
| Accounts payable                              | (2,374)                          | 1,936           |
| Accrued payroll                               | 1,226                            | 52              |
| Deferred revenue                              | 81                               | 967             |
| Prepaid expenses                              | <u>53</u>                        | <u>751</u>      |
|   | <u>\$ 2,560</u>                  | <u>\$ 570</u>   |
| Cash and cash equivalents consist of          |                                  |                 |
| Cash on hand                                  | \$ 469                           | \$ 424          |
| Cash balance with banks                       | <u>15,789</u>                    | <u>7,783</u>    |
|   | <u>\$ 16,258</u>                 | <u>\$ 8,207</u> |

### 14. Comparative figures

Certain prior year amounts have been reclassified to conform with current year consolidated financial statement presentation.



# THE NIAGARA PARKS COMMISSION

## Schedule of Tangible Capital Assets

For the year ended March 31, 2018

(in thousands of dollars)

### Cost

|  |           |           |            |           |          |        |            |            |
|--|-----------|-----------|------------|-----------|----------|--------|------------|------------|
| Beginning of year                      | \$ 14,359 | \$ 17,135 | \$ 241,819 | \$ 44,148 | \$ 4,887 | \$ 765 | \$ 323,113 | \$ 311,418 |
| Add additions                          | -         | -         | 8,139      | 2,904     | 1,116    | 2,091  | 14,250     | 12,088     |
| Less disposals                         | -         | -         | -          | (685)     | (213)    | -      | (898)      | (393)      |
| Transfers of capital works in progress | -         | -         | 329        | 436       | -        | (765)  | -          | -          |
| End of year                            | 14,359    | 17,135    | 250,287    | 46,803    | 5,790    | 2,091  | 336,465    | 323,113    |

### Accumulated amortization

|                   |           |           |            |          |          |          |            |            |
|-------------------|-----------|-----------|------------|----------|----------|----------|------------|------------|
| Beginning of year | -         | -         | 121,934    | 39,406   | 3,160    | -        | 164,500    | 156,086    |
| Add amortization  | -         | -         | 7,444      | 1,568    | 418      | -        | 9,430      | 8,754      |
| Less disposals    | -         | -         | -          | (685)    | (208)    | -        | (893)      | (340)      |
| End of year       | -         | -         | 129,378    | 40,289   | 3,370    | -        | 173,037    | 164,500    |
| Net book value    | \$ 14,359 | \$ 17,135 | \$ 120,909 | \$ 6,514 | \$ 2,420 | \$ 2,091 | \$ 163,428 | \$ 158,613 |

# THE NIAGARA PARKS COMMISSION

## Schedule of Expenses by Object

For the year ended March 31, 2018

**For the year ended March 31, 2018**

*(in thousands of dollars)*

|                                   | <u>Budget<br/>2018</u> | <u>Actual<br/>2018</u> | <u>Actual<br/>2017</u> |
|-----------------------------------|------------------------|------------------------|------------------------|
| Cost of goods sold                | \$ 14,414              | \$ 16,054              | \$ 14,871              |
| Salaries, wages and benefits      | 50,170                 | 51,951                 | 48,399                 |
| Sales and other                   | 4,335                  | 5,269                  | 4,013                  |
| Equipment repairs and maintenance | 4,527                  | 4,843                  | 4,599                  |
| Materials and supplies            | 2,666                  | 2,896                  | 2,699                  |
| Advertising and promotion         | 3,420                  | 3,542                  | 3,050                  |
| Facilities                        | 7,386                  | 6,837                  | 6,771                  |
| Administrative                    | 3,292                  | 3,502                  | 3,059                  |
| Special projects                  | <u>102</u>             | <u>283</u>             | <u>520</u>             |
|                                   | <u>\$ 90,312</u>       | <u>\$ 95,177</u>       | <u>\$ 87,981</u>       |

# ADVENTURE BEGINS HERE

ATTRACTIONS  
CULINARY  
GOLF  
HERITAGE  
NATURE + GARDENS  
SHOPS  
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