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The Niagara Parks Commission's Three-Year Business Plan

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1.0 EXECUTIVE SUMMARY

The Niagara Parks Commission (NPC) was created in 1885 as a result of the Ontario Government wishing to seek “the public good” in balancing public and private interests in management of one of the great “Wonders of the World”.

Many of the issues of balancing preservation of vistas, natural and architectural heritage against the pressures of sustainability remain. As an agency of the Ontario Government, NPC is one of the longest-standing agencies of the province with a proud history of service to the public.

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

While there are indications that the economy and U.S. visitation is improving, overall economic indicators still point to pessimism about any solid trend toward increased discretionary incomes for either Canadians or non-domestic visitors. NPC continues to steward a great internationally known icon – the Niagara Falls and 56 kilometres of adjoining parkland, traversing three local municipalities within the Region of Niagara – but NPC cannot depend on the US and international traveler for incremental new revenues. There will be a continued focus on the domestic traveler and creating value and reasons for repeat visits especially from GTA visitors who now make up a majority of visitors. Tourism infrastructure investments are required for Niagara to remain competitive and offer a diversity of products/services to meet the needs of visitors. NPC must focus more on the visitor, including understanding motivation for visits and length of stay, as well as meaningful elements of desired experiences.

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

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

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

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

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

- **Finance** – Align financial resources to efficiently deliver products and services
- **Human Resources** – Create an operating culture in which innovation is encouraged and rewarded.
- **Products & Services** – Deliver a wide range of educational, recreational and environmental tourism opportunities
- **Facilities & Technology** – Maintain state of the art infrastructure and equipment
- **Image** – Generate interest and excitement in the NPC Brand
- **Partnerships** – Negotiate and maintain mutually beneficial operating partnerships and
- **Research & Development** – Ensure that Commission and administrative decisions are evidence based

New research and development will take place to better predict and respond to consumer behavior and greater awareness of what is required in the future on or at “customer facing” service venues and attractions. Staff will gain a better awareness of required skills at both “front of house” and “back of house” to serve each other whether or not they directly serve the most important client – the NPC visitor!

The status of goals and objectives from the 2012–2015 Business Plan are contained in **Appendix A**. The following are the highlights of some of the key accomplishments of NPC during 2013:

- Completed a new Strategic Plan, which was adopted by the Board in April 2013.
- Completed staff realignment and retained new staff competencies in IT, Business Development, Financial and Business Analyst roles.
- Completed the first comprehensive NPC employee survey.
- Completion of new Falls Incline Railway, which re-opened on August 16.
- Continued implementation of audit recommendations within Retail, Golf and Culinary Services.
- Continued to work with Ministry staff to ensure appropriate reporting requirements for ownership of golf courses.
- Interdisciplinary team reviewed all sites. Products and services were renewed at several locations including White Water Walk and Aerocar attractions as well as bus stops.
- Redevelopment of CNP Bridge on Niagara Parkway continues
- First full year of WEGO in partnership with The City of Niagara Falls, and the introduction by NPC of a WEGO pilot program for Niagara on the Lake Service
- Procurement of a new Zip Line Program underway, including community consultation process
- Continued commemoration of the War of 1812 Bicentennial Commemoration with local stakeholder groups and municipalities, with key events being the Laura Secord Walk and the Siege at Fort Erie.

- Many third party events were hosted, including Red Bull Crashed Ice, GranFondo and two South Asian Festivals
- NPC continues to be an active participant with key tourism organizations, including Canadian Tourism Commission (CTC), Ontario Tourism Marketing Partnership Corporation (OTMPC), Tourism Toronto, Tourism Partnership of Niagara (TPN) and Niagara Falls Tourism (NFT)
- Activities to promote and enhance the destination, including work with the Niagara Falls Illumination Board to examine improvements and modernization of the nightly illumination of both the American and Canadian Horseshoe Falls

In 2013, lower than expected revenues were mitigated by a reduction in operating and capital expenditures in order to achieve a balanced budget. NPC net deficit is approximately \$.648 million higher than originally forecasted, primarily due to lower revenues from closure of the Incline Railway for much of the tourist season. Unfavourable weather in early spring affected 2013 attendance. Equipment failures also affected attendance. NPC redirected customers to other NPC attractions where possible, to mitigate lost attendance. Capital spending has been reduced to offset the lower income from operations. The analysis of the variances of 2013 budget to actual, and the assumptions for the three year forecast are contained in Section 10 of the Business Plan.

Highlights of the financial results for NPC for the recently completed fiscal year are summarized below:

	2013 Budget	2013 Actual	2012 Actual
Total Revenues	\$ 79,844	\$ 76,536	\$ 76,998
Total Expenses	<u>74,274</u>	<u>72,360</u>	<u>71,498</u>
Net surplus for the year before undernoted items	\$ 5,570	\$ 4,176	\$ 5,500
Interest	1,706	1,660	1,769
Amortization of capital assets and capital funding	7,013	6,990	6,890
Net deficit from operations	(3,149)	(4,474)	(3,159)
Net increase in Power Plant Obligation	(665)	(589)	(638)
Contributed assets (OPG - Big Becky Site)	-	1,085	-
Disposal value of former Falls Incline Railway	-	(484)	-
Net deficit for the year	<u>\$ (3,814)</u>	<u>\$ (4,462)</u>	<u>\$ (3,797)</u>

The following key priorities for 2014 are summarized below:

- Hornblower and Boat Service transition (Products and Services)
- NPC Brand Development – 3 year plan (Image)
- Attraction Renewal (Products and Services)
- Journey Behind the Falls
- Falls Illumination

- The Fury – film
- Butterfly Conservatory – film
- Pan Am Games – NPC Welcome to Athletes and Visitors
- Concert Venues
- War of 1812 Bicentennial Commemoration
- Zip Line Program (Products and Services)
- Business Rationalization (Finance)
- Introduce a Quality management /ISO – industry standards & benchmarks
- Technology/Records Management – modernization of systems and corporate-wide records management system.
- Adaptive re-use of obsolete generating stations
- Parking Automation
- Complete final site plan improvements at the Incline Railway
- Asset Management (buildings, records, fire/security)
- Oakes Garden Theatre – reconstruction of Pergola Wall
- Emergency/Risk Management & Inspections – develop a Corporate approach
- Conduct a procurement process for the potential Miller’s Creek Marina redevelopment
- Continue to work with Ministry staff on Golf Services Review

These current and forthcoming projects and activities are more fully described in Section 4 of this Business Plan, and implementation plans for these projects are outlined in Section 13. Resources are available to implement these priorities in NPC’s operating and capital budgets. More details on the 2014-2016 Corporate Initiatives to achieve NPC’s Strategic Plan objectives are contained in Appendix B. These are organized according to the 7 foci, described earlier in this section.

NPC will continue to work with the City of Niagara Falls on the visitor transportation system to meet the terms of the agreements, timelines and budgets.

During 2014, a new lease agreement for a Boat Tour Operator will come into effect. Maid of the Mist will complete its obligations in 2013 as Boat Tour Operator under the existing lease agreement and Hornblower Inc. will commence its responsibilities as Boat Tour Operator under the new lease agreement in 2014. The additional annual profit of approximately \$4.2 million from the new boat tour lease will provide much needed investment to reduce deferred capital needs. As illustrated in Table 10.3.1, capital funding provided by NPC’s revenue producing operations will increase from \$812 thousand in 2013, to \$2.958 million in the 2014 budget, a net change of \$2.15 million. Further increased contributions to capital for 2015 and 2016 are also illustrated in this table.

NPC will manage an implementation plan that will maintain fairness with the transition from the current “Maid of the Mist” operator to the new boat service provided by Hornblower Canada in

Spring 2014. Hornblower is the largest boat operator in the United States servicing among many properties, including Alcatraz and the Statue of Liberty. NPC has commenced with an upgrade to its ticketing systems and attraction point of sale equipment, and will complete the upgrade during 2014. Additional technology costs associated with the transition are incorporated into the Hornblower lease agreement. NPC is working collaboratively with Hornblower through regular weekly meetings to ensure an integrated approach to ticketing technology, to ensure compliance with the written lease agreement, to ensure a smooth transition in operations and to coordinate marketing efforts.

For 2014 – 2016, the revenue and expense forecast has been prepared based on attendance for the previous three years, expected guaranteed revenues from the new boat tour lease agreement, revenues from a potential Zip Line Program commencing in 2015, and other assumptions which are outlined in Section 10.2.

The Zip Line Program, installed and operated through a third party, is a new venture that is being considered by the Board. The procurement process is still in progress, and a lead proponent has been identified. Should the Zip Line Program proceed as proposed, a net surplus is being forecast for 2016. Achievement of a positive financial position is one of the objectives identified in NPC's 2013-2017 Strategic Plan. Should the Zip Line Program not proceed, NPC will adjust its capital program accordingly.

During 2013 NPC's Board approved a transition from an October 31st fiscal year end to a March 31st fiscal year end, effective March 31, 2015. This requires a transition period. The first fiscal period ending March 31st will cover the 17 months of November 1, 2013 to March 31, 2015.

It is important to understand the impact of the change in year end from October 31 to March 31 on the 17 month transition budget and the 17 month projection in Table 1.2 below. The 17 month transition budget includes two 5 month periods of traditionally low revenue production, being November 1, 2013 – March 31, 2014 as well as November 1, 2014 to March 31, 2015 (stub period budget). NPC's revenue producing operations experience peak season activity typically from June to September. Revenues for the 5 months of November to March usually represent approximately 12% of revenue for a normal year, while operating expenses for those same 5 months normally represent approximately 30% of operating expenses in a normal year. The deficit reflected for the 17 months ended March 31, 2015 is resulting from including two low seasons and one peak season within the same fiscal year – the transition year.

Table 1.2 NOV 2013 – MAR 2017 REVENUE AND EXPENSE FORECAST

(in thousands of dollars)

	Nov. 2013- Oct. 2014 Amended	Nov. 2014- Mar. 2015 Stub	Nov. 2013- Mar. 2015 17 months	Mar. 2016 12 Months	Mar. 2017 12 Months
Total Revenues, excluding Zip Line Program	\$ 82,979	\$ 9,529	\$ 92,508	\$ 84,702	\$ 86,320
Total Expenses	76,801	22,243	99,044	78,007	79,232
Earnings before interest, amortization and Zip Line	\$ 6,178	\$ (12,714)	\$ (6,536)	\$ 6,695	\$ 7,088
Interest expense	1,701	\$ 726	\$ 2,427	1,550	1,470
Amortization of capital assets and capital funding	7,013	\$ 2,923	\$ 9,936	6,800	6,700
Accrual Adjustments	-	\$ 600	\$ 600		
Net increase in Power Plant Obligation	665	\$ 260	\$ 925	700	713
Net deficit for the year before Zip Line Program	(3,201)	(17,223)	(20,424)	(2,355)	(1,795)
Contributed Asset – Boat Plaza Building	2,124	-	2,124	-	-
Potential revenue from Zip Line Program				1,663	2,163
Net Surplus (deficit) for the year	\$ (1,077)	\$ (17,223)	\$ (18,300)	\$ (692)	\$ 368

2.0 MANDATE

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

The Niagara Parks Act

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

Founding Principles

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

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

Agency Establishment and Accountability Directive

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

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

Operational Enterprise Classification

NPC's classification as an Operational Enterprise reaffirms the Government's intent and expectations for NPC to pursue sound fiscal management strategies. Over time NPC has established commercial facilities. By operating its own commercial facilities and by negotiating partnership agreements with others, NPC has been able to both control commercialism and at the same time generate the profits necessary to fulfill its self-sufficiency principle and its significant stewardship responsibilities.

Stewardship

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

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

Mission Statement

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

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

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

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

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

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



Part of the Ministry of Tourism, Culture and Sport's mandate is to play a central role in attracting investment and international visitors to the Province. The Ministry vision is to work with the tourism and culture sectors to strengthen Ontario as an internationally recognized tourism destination.

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

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

To ensure open, fair and transparent competitive processes, NPC has been developing new policies to evaluate and process unsolicited proposals and revenue generating opportunities and during 2014 will be consolidating various procurement related policies into one policy document that incorporates the requirements of the Provincial Procurement Directive.

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

Examples of exhibits and events which result in a significant influx of visitation to Niagara Region include the New Year's Eve event (estimated attendance of 60,000 people) and Festival of Lights. In fiscal 2013, NPC hosted the Red Bull Crashed Ice event and the Granfondo Cycling event, among many other exhibits and events that were planned.

In 2014, NPC will further hone in on its stewardship accountabilities with the natural and historical components that comprise Niagara Parks. This aligns with the Ministry's mandate to "provide leadership and foster community capacity in the conservation of Ontario's cultural heritage and stimulates an environment in which our cultural industries can thrive and prosper". This is further witnessed in the additional heritage programming initiatives and preparation for the 1812 Bicentennial events at the Historic sites.

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

3.0 STRATEGIC DIRECTIONS

NPC's achievements in 2013 and focus in the 2013-2016 Business Plan supports the priorities of the Ministry of Tourism, Culture and Sport through several initiatives. These include market research and brand development, including international tourism trends, renewal of NPC's existing tourism attractions and launch of new attractions, preservation and enhancement of heritage assets and collaboration with the local community through participation in marketing partnerships, NPC's visitor transportation system and activities to mark the War of 1812 Bicentennial Commemoration and NPC Welcome to Athletes and Visitors to the Pan/Parapan American Games in 2015.

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

- **Finance** – Align financial resources to efficiently deliver products and services
- **Human Resources** – Create an operating culture in which innovation is encouraged and rewarded.
- **Products & Services** – Deliver a wide range of educational, recreational and environmental tourism opportunities
- **Facilities & Technology** – Maintain state of the art infrastructure and equipment
- **Image** – Generate interest and excitement in the NPC Brand
- **Partnerships** – Negotiate and maintain mutually beneficial operating partnerships and
- **Research & Development** – Ensure that Commission and administrative decisions are evidence based

In addition to the seven focus areas, the goals of positive engagement, asset renewal, as well as service and program enhancement and several key initiatives to support these goals were identified in the 2012–2015 Business Plan.

Progress on these initiatives during 2013 is summarized below. A more detailed listing of achievements, referenced to the specific objectives and strategies contained in the new Strategic Plan is attached as **Appendix A**

2013 Strategic Initiatives and Achievements

Positive Engagement

1. Involve staff in a cross-functional review of all attractions
 - Completed and recommendations of team implemented
2. Review of the Strategic Plan by the Board and Senior Staff
 - Completed in April 2013

3. Conduct Employee Survey
 - Completed in July 2013, results received in August and reviewed with Board and Management team, communication with staff teams took place on October 17
4. Solicit public engagement on Zip Line project
 - Preferred proposal submission presented in public meeting in August 2013
5. Continue to work with the City of Niagara Falls on the WEGO shared transportation system
 - First full year of operations completed in August 2013; modifications to routes, times and bus stops undertaken in consultation with City
6. Work with community partners on the Bicentennial celebrations
 - Laura Secord Walk; Siege at Fort Erie; ongoing celebrations through 2014

Asset Renewal

1. Complete Incline and Parkway/Canadian Niagara Power Bridge reconstruction and 2013 capital program approved in the budget
 - Incline opened on August 16, 2013, incline site plan improvements under design, bridge construction on Parkway to be completed by December
2. Develop a comprehensive database of NPC capital assets, with assistance of VFA consultants in partnership with the Province
 - Inventory project completed, draft report and preliminary data received from VFA; funding received from Province to address some of backlog
3. Develop strategies for Miller's Creek marina renewal and Power Plant adaptive re-use
 - Safety repairs completed on Miller's Creek property. Report to Board on project management/procurement strategy for both projects.

Service & Program Enhancements

1. Create capacity and improve communications through corporate re-organization
 - New structure completed in November 2012, recruitment for Senior Directors of Parks and Business Development as well as Corporate Solicitor completed. Operational reviews of Human Resources completed.
2. Prepare for transition of Boat Tour operator
 - Monthly meetings between Hornblower and NPC team; more frequently between Engineering and Business Development staff
 - NPC solicitor closely monitoring implementation details to ensure compliance with contract
3. Improve processes and tools particularly information technology
 - Updated staff competencies and new personnel in IT, Business Development and financial/business analysis

4. Improve the experience offered to customers by improving the products offered and establishing a culture of hospitality. (e.g. possible Zip Line attraction, customer service training and greening initiatives)
 - Falls Incline Railway opening, renewed White Water Walk and Aero Car attractions; road, bus depot and bridge redevelopment; first full year of WEGO and NOTL service; Zip Line procurement in contract negotiation stage; customer survey completed
5. Continuously monitor financial performance and develop performance measures
 - Monthly reports to board provide additional details on revenue producing operations; expenditures reduced to match revenue that didn't meet budget targets
 - Continue to work with Ministry staff to meet Ministry reporting requirements with regard to ownership of golf courses.
6. Utilize major events to improve visitor experience and drive more activity in existing attractions and services
 - Red Bull Crashed Ice, New Year's Eve, Asian Festival, Marathons/Runs; Granfondo Cycling, AJAC car event at Legends

Environmental Scan

The environmental scan (Section 6 of this plan) highlights that, while there are indications that the economy and U.S. visitation is improving, overall economic indicators still point to pessimism about any solid trend toward increased discretionary incomes for either Canadians or non-domestic visitors. NPC continues to steward a great internationally known icon – the Niagara Falls and 56 kilometres of adjoining parkland traversing three local municipalities within the Region of Niagara – but NPC cannot depend on the US and international traveler for incremental new revenues. There will be a continued focus on the domestic traveler and creating value and reasons for repeat visits especially from GTA visitors who now make up a majority of visitors. Tourism infrastructure investments are required for Niagara to remain competitive and offer a diversity of products/services to meet the needs of visitors. NPC must focus more on the visitor, including understanding motivation for visits and length of stay, as well as meaningful elements of desired experiences.

2013 – 2016 Strategic Focus

NPC's 2013-2016 Strategic Plan recognized the need for NPC to reposition itself, to refine its image, define its core business, align to its original mandate, address significant trends in tourism and to capitalize fully on its assets.

Appendix B to this report provides details of the initiatives planned for November 1, 2013 through October 31, 2016 with reference to the seven focus areas, and the goals, objectives and tactics contained in the April 2013 Strategic Plan.

The following key priorities for 2014 are summarized below:

1. Hornblower and Boat Service transition (Products and Services)
2. NPC Brand Development – 3 year plan (Image)
3. Attraction Renewal (Products and Services)
 - a. Journey Behind the Falls
 - b. Falls Illumination
 - c. The Fury – film
 - d. Butterfly Conservatory – film
 - e. Pan Am Games – NPC Welcome to Athletes and Visitors
 - f. Concert Venues
4. War of 1812 Bicentennial Commemoration
5. Zip Line Program (Products and Services)
6. Business Rationalization (Finance)
 - a. Continuous improvement
 - b. Quality management /ISO – industry standards & benchmarks
 - c. Technology/Records Management
7. Power Plants
8. Parking Automation
9. Incline Site Plan Improvements
10. Asset Management (buildings, records, fire/security)
11. Oakes Garden Theatre
12. Emergency/Risk Management & Inspections
13. Conduct a procurement process for the potential Miller's Creek Marina redevelopment
14. Continue to work with Ministry staff on Golf Services Review

These current and forthcoming projects and activities are more fully described in Section 4 of this Business Plan. Resources to implement these priorities have been provided for in NPC's operating and capital budgets, and in some cases involve shared funding with third parties.

4.0 OVERVIEW OF CURRENT & FORTHCOMING ACTIVITIES/ PROGRAMS

The 2013 – 2016 Business Plan reflects the results of the Strategic Plan update that was approved in April 2013. The programs and activities outlined within this section are a continuation of projects underway since fiscal 2013 and new initiatives for the 2014 – 2016 planning period. This section also provides details on upcoming Revenue Generating Opportunities (RGO's) within the planning period.

Current and Continuing Activities/Programs

Hornblower and Boat Service Transition

NPC will manage an implementation plan that will maintain fairness with the transition from the current "Maid of the Mist" operator to the new boat service provided by Hornblower Canada in Spring 2014. Hornblower is the largest boat operator in the United States servicing many properties, including Alcatraz and the Statue of Liberty. NPC has commenced with an upgrade to its ticketing systems and attraction point of sale equipment, and will complete the upgrade during 2014. Additional technology costs associated with the transition are incorporated into the Hornblower lease agreement. NPC is working collaboratively with Hornblower through regular weekly meetings to ensure an integrated approach to ticketing technology, to ensure compliance with the written lease agreement, to ensure a smooth transition in operations and to coordinate marketing efforts.

NPC Brand Development

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

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

Attraction Renewal

During 2014, NPC will undertake planning and investigation to revitalize several of its attractions:

Journey Behind the Falls: Consulting expertise will be retained to develop design concepts for the Journey Behind the Falls. \$50 thousand has been included in NPC's 2014 budget to proceed with the design concepts. Implementation of the concept would occur in 2015/2016.

Illumination Tower: Working with the Bi-National Illumination Board, NPC is investigating the feasibility of substantial lighting improvements for the American and Horseshoe Falls at an estimated cost of \$4 million. A preliminary assessment report of Falls Illumination was prepared with the cost to be shared with other members.

The existing lighting system is deemed dull and old, dating back to use of World War II searchlight luminaire housings (75 years old), with the last substantial bulb upgrades dating back to 1998. *The Fury Attraction*: \$75 thousand has been included in the 2014 capital budget to upgrade the current 360 degree theatre and film footage to include the gorge and power plant, as well as indirect promotion of other attractions around the Falls.

Butterfly Conservatory: NPC will be updating the film footage at the Conservatory. The upgrade will be done with existing staff resources.

Pan Am and Para Pan Am Games: On April 26, NPC provided a submission to Minister Chan to participate in welcoming the Pan Am and Para Pan Am Games in the summer of 2015.

Concert Venue: NPC is investigating alternative sites to establish a suitable venue to host concerts that will attract and re-attract visitors. 2014 activities will focus on investigation of options by NPC staff. Implementation of improvements would take place between 2014 and 2016.

Bicentennial War of 1812-14

NPC sites will continue to be a focus in cooperation with partners to feature enactments, special events and interpretation of the War of 1812-14. NPC investments in Bicentennial activities in 2013, such as the Laura Secord Walk and re-enactments at Old Fort Erie were well received.

2014 will also mark the last year in the commemorations of the 200th anniversary of the Bicentennial of the War of 1812. 2014 will mark the 200th anniversary of the Battle of Chippawa, the Siege of Fort Erie and the signing of the Peace Treaty that set the course for 200 years of Peace. As home to the greatest concentration of War of 1812 sites and battlefields anywhere in Canada, NPC is already working with its partners and heritage stakeholders on planned reenactment campaigns at its Battle of Chippawa Battlefield Park and Old Fort Erie locations. A special celebratory event to mark the end of the War and the 200 years of peace that has since prevailed with the signing of the Treaty of Ghent is also being planned.

Zip Line Program (RGO)

Working with a preferred proponent, identified through a competitive procurement process, NPC will begin the next phase of investigation of a potential Zip Line program. This will include further due diligence on matters such as the development of associated business cases and site plan designs for the proposed two aerial adventure courses at NPC's Rapidsview and Thompson Point sites, as well as the two zip line locations proposed for the Aero Car to Thompson Point and Boat Plaza to Ontario Power Generating Plant locations. Updates to the Board are scheduled for October and November 2013.

Business Rationalization and Introduction of Quality Management Program

During 2014-2016, NPC will continue with the modernization of its technology and Corporate Services support systems as well as the introduction of a Corporate-wide records management initiative. Modernization projects will continue in the areas of Technology, Procurement, Financial Reporting & Budgeting and Revenue Collection, including PCI

Compliance, Payroll and timekeeping services & Human Resources data management. The modernization process involves documentation of existing systems in a standard format, user friendly forms, gap analysis, development of work plans, staff training, introduction of new or upgraded technologies and new records management processes. The majority of the modernization program is funded with existing staff, and through the additional capacity provided by ongoing efficiencies. Funding of \$60 thousand has been provided to introduce a formal records management program in 2014. Additional funding requirements will be identified in 2014, for the implementation of records/document management software in 2015/2016.

The third party operational review of information technology services conducted in 2012 resulted in a number of recommendations to ensure dependable hardware, software and connectivity. Since that time, equipment has been upgraded and the network has been stabilized. NPC is reducing its dependency on outsourced IT expertise by incorporating additional skill set requirements when filling its IT staff vacancies and introducing a formal training program for IT staff.

During 2013, NPC hired Deloitte through an RFP process to undertake a review of its procedures surrounding credit card handling and PCI compliance, with recommendations to follow in a report. During 2014, NPC will be implementing the recommendations of the Deloitte study to address the risks associated with credit card handling and PCI compliance.

The Board has approved the introduction of a Quality Management Program, with the goal of ISO certification, likely under ISO 9001, within three years. The program is anticipated to require consulting expertise in the range of \$80,000 per year, and is being funded in the 2014 operating budget. The program is being led by NPC's internal audit staff and will include a staff team of departmental quality champions from across the organization.

Visitor Transportation System (WEGO)

On August 13, 2013 the new WEGO system completed its first full year of operations as part of a 10 year agreement with the City of Niagara Falls. The agreement provides for an external audit review of the operation to be jointly undertaken between year 2 and year 5 to review finances, responsibilities of the parties, passenger safety and traffic flow impacting the operations. Feedback from visitors using the new WEGO system has been very positive.

Two service enhancements have been added on a pilot basis, and will be evaluated following the 2013 season. They include an extension of service to Niagara on the Lake and extension of the season through the winter.

A pilot project to extend WEGO operation to/from Queenston Heights and to/from Fort George in Niagara on the Lake has been undertaken. The estimated operating cost of the pilot is \$73,900, funded from ridership passes and the existing VTS operating budget. The service increases opportunities and visitor traffic for NPC venues such as MacKenzie Printery, Laura Secord House and McFarland House.

NPC continues to collaborate with the City of Niagara Falls in improving and enhancing an integrated and efficient visitor transportation system for tourists visiting the area.

Parkway Bridge and Roadway at CNP building

As part of its efforts to improve vehicular, pedestrian and cyclist traffic within Queen Victoria Park, NPC has been reconstructing the Canadian Niagara Power (CNP) bridge along the Parkway. The project is funded through Federal and Provincial grant funding received as part of the VTS agreement with the City of Niagara Falls.

The original bridge was built in 1902 and consists of five specific spans, each extending over 90 metres in length, 100% self-supporting, similar to a Roman Arch. Reconstruction of the bridge is preserving this heritage structure. Bridge construction is scheduled to be completed by Spring 2014.

The construction will include a new pedestrian walkway over the area formerly referred to as the ice breaker bridge. The location will offer exceptional views of the rapids and falls area to pedestrians, and will feature the original ice breaker locomotive, known as the 'Ice Drag' as a historical feature. The Ice Drag was used to remove ice before it could enter the forebay to the CNP power plant.

Forthcoming Programs & Activities

Emergency/Risk Management Program and Inspections

NPC Board has recently approved an Enterprise Risk Management Policy and a coordinated approach to risk management. Current practice at NPC is that the responsibilities for identifying risks and implementing risk reduction measures and strategies are divided amongst several departments and staff members. NPC has established a cross departmental team to develop a coordinated approach to Risk Management.

Power Plants – Adaptive Re-use of Historical OPG Assets

NPC is the custodian of three historic power generating buildings: Ontario Power Generating Station (OPGS), Canadian Niagara Power Generating Station (CNP), Toronto Power Generating Station (TPGS), as well as Ontario Power Gatehouse (OPGH). All of these facilities are over 100 years old and have historical significance, and they are no longer able to produce hydroelectricity. NPC wishes to adaptively reuse these three historic power generating facilities and their associated structures (gatehouse, surge tanks, weirs, tunnels and elevators), all of which are located in a significant area adjacent to Niagara Falls.

The Ventin Group (TVG) was retained by the Province to conduct formal analyses of the facilities and their reports were received by the Ministry of Tourism, Culture and Sport and presented to NPC in November 2008. NPC subsequently received \$1.55 million in 2009, and has been using the funding to undertake urgent rehabilitation repairs and make plans for the facilities' future use. There remains \$215 thousand of this funding which will be used to proceed with planning and procuring the redevelopment. Despite this funding, there still is considerable risk and financial obligation associated with these facilities, as identified through the facility condition review undertaken by VFA in 2013. The financial obligation for Power Plants was quantified at approximately \$27.4 million in NPC's 2012 audited financial report. This obligation is beyond the means for NPC to undertake without the assistance of the Provincial government or a third party.

During 2013, NPC received input from leading authorities on industrial heritage and archaeology regarding adaptive re-use of the facilities, and a procurement process has been

developed to seek proposals that would preserve the heritage nature and the development of sites of world class caliber.

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

Incline Railway

NPC has used a capital grant of \$7 million from the province to rebuild the Incline Railway to improve the links and service between Niagara Parks and the Fallsview Tourist area. The redevelopment of the Incline enables people of all ages, families with strollers and persons with disabilities to safely travel the steep incline. The reconstruction will also allow year round service and provides a breath-taking view of the Falls and Table Rock Complex. The incline officially re-opened on August 16, 2013.

During 2013, designs were completed on the remaining site plan elements of the Incline Railway to enable year round operations. The construction project will be tendered in the Fall of 2013, and construction completed in early 2014.

Investment in Deferred Maintenance

NPC has received the initial condition assessment report from VFA on deficiencies and maintenance requirements on its facilities. The report identifies a preliminary estimate of \$90 million in capital improvements, of which approximately \$21 million relates to the Heritage Power Plant Facilities.

The second stage of the VFA condition assessment review is underway and includes a review of NPC’s linear assets (trails, roadways, pipelines). The results of that review are expected in 2014. An updated estimate will be provided by VFA, when the Facility Condition Index (FCI) is applied.

The amount available to fund NPC’s capital needs and the prioritization process is identified in Section 10.3. There is a significant gap between funding available through operations, and the cost of addressing deferred capital maintenance. During 2015/2016, NPC will undertake the development of a long term asset management plan.

Oakes Garden Theatre

In 2012, a portion of the Pergola Wall at Oakes Garden Theatre was removed for safety reasons. An application in 2013, for shared provincial/federal funding to restore the wall was unsuccessful. NPC has included \$400 thousand in its 2014 capital budget to restore the Wall.

Parking Strategy and Automation (RGO)

NPC has over 70 parking areas across its lands, of which 9 are currently paid parking areas.

In May 2013, the Board approved the phased implementation of a new parking strategy, with the goals of

- Providing guests with value for money
- Reducing the number of times a guest has to ‘reach into pocket’

- Enhancing the experience of guests upon entering into parking lots Ensure minimal or no impact on the bottom line.

During 2013, NPC completed the first stages including the introduction of “pay once, complimentary re-entry all day” and the introduction of Ambassadors to enhance the guest experience. Transport for guests requiring assistance from the parking lot to upper Table Rock with golf carts has also been implemented. These initiatives have been well-received by visitors.

In 2014, NPC will be introducing an annual parking pass that will benefit local residents and repeat visitors who access Park facilities throughout the year. NPC will also be expanding its use of Pay and Display (Solar) Parking and Automated Parking (Pay and Park), with an RFP to be issued in Fall of 2013. Solar Parking is currently maintained through a third party agreement, which expires December 31, 2013.

Tree Planting Initiatives & Emerald Ash Borer

The “*Plant a Tree*” Program was introduced in 2011 to school groups for the first time presenting NPC’s young guests with a hands-on experience, planting young saplings under the direction of staff from NPC’s Horticulture staff. In 2014-2016, we will continue to provide the program which includes information on the importance of NPC’s stewardship roles in preserving and protecting our parklands. NPC will extend the offering through sales to other groups visiting our parks.

Emerald Ash Borer has been found at the Botanical Gardens in the arboretum. Branch sampling survey of 15 trees was conducted by staff across the grounds to confirm and the Canadian Food Inspection Agency has been contacted and are aware of the sightings. There are significant collections of Ash trees on Legends Golf Courses. NPC will continue with its tree planting programs and with its research work with the Canada Food Inspection Agency, including limited use of Treeazin, as required, to mitigate the impact on Niagara Parks horticultural assets.

Miller’s Creek Marina (RGO)

A preliminary report on the re-development of the Marina site was presented to the Board on April 26. A Fairness Consultant has been retained to oversee the procurement process for redevelopment. The process will commence with an RFI with the primary area for proposals being the Marina based operations. A draft concept plan, communication plan and proposed RFI will be presented to the Properties & Infrastructure Committee during 2014. NPC has withdrawn the existing OMB appeal that was filed in 2009. Future redevelopment must be consistent with NPC’s mandate and ensure that the lands are used in a manner that is acceptable to Provincial Policy Statements and conform with Provincial Directives.

Revenue Generating Opportunities Plan – Upcoming Renewals

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

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

RGO	Current Vendor	Date for new Contract
Bus Tour Operator	Double Deck Tours	December 2013
Coin Press	Coin Press Canada	December 2013
Food Trucks	Various	December 2013
Solar Parking	A-Park	December 2013
Jet Boating at Whirlpool	Niagara Gorge Jet Boating	December 2013
Art Corner	Niagara Video Productions	December 2013
Horsedrawn Carriage Rides	Sentineal Carriages Inc.	April 2014
Currency Exchange Booth	International Currency Exchange	April 2014
Automated Bank Machines	Direct Cash Management	May 2015
Photo Concession	Digital Attractions Inc.	June 2015
Niagara River Access License	Smugglers Cove Boat Club	December 2015
View Finder	CPC Vending	February 2016
Quick Service Coffee Shop	TDL (Tim Horton's)	July 2016

5.0 RESOURCES NEEDED TO MEET GOALS AND OBJECTIVES

During 2013, the General Manager has implemented a streamlined management structure (See Section 7.0 Human Resources). The structure is designed to assure greater accountability and build more capacity within the organization to manage specific service areas as well as better manage 3rd party relationships and the hundreds of external contracts each year.

Financial and human resource requirements for the priority projects identified in Section 4.0 of this Business Plan are being achieved within the existing staff complement, budget and partnerships, with the exception of additional funding required for the implementation of improvements to Illumination of the Falls, the Adaptive Re-use of the Power Plants and the Re-development of Millers Creek. Completion of these projects will require funding through public-private partnerships.

Following are the resources included in the 2014 budget for strategic initiatives:

Transition of Boat Tour Operator to Hornblower

The 2014 capital budget includes \$500 thousand for revitalization of the Boat Tour Complex, including retail and culinary outlets. Additional capital improvements to the lower landing and ticketing area are being undertaken by Hornblower, as per the lease agreement.

The transition of operator from Maid of the Mist to Hornblower has resulted in automation of the elevator portion of the attraction, such that 5 seasonal elevator operator positions will no longer be required. These positions have been reallocated to other NPC attractions.

As part of the initiative to upgrade and integrate ticketing applications, Hornblower and NPC have agreed to share the cost of project management, software upgrade to OMNI 7 and Point of Sale equipment upgrades for Attractions. The total cost is estimated at \$445 thousand, of which Hornblower has agreed to finance \$264 thousand. NPC staffing and equipment share has been included in its 2014 operating and capital budgets. As part of this initiative, an additional IT staff position with expertise in project management is being hired by NPC.

Attraction Renewal

In 2014, additional staff resources are being obtained by use of apprenticeships in Engineering to provide a cost effective approach to addressing the backlog in infrastructure maintenance.

For 2014, attraction renewal will focus mainly on engineering and design, as well as the development of cost estimates. Funding for engineering studies and design concepts (approximately \$125 thousand) has been included in NPC's 2014 budget.

Capital construction needs will be identified in the 2015-2017 business plan, once the concepts and engineering estimates have been completed.

Funding of upgrades to illumination of the Falls are estimated at \$3 million. This has not been provided in NPC's budget, and funding is being sought through Community Partnerships.

Infrastructure Renewal

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

Management conducted a full inventory of facility assets during 2012/2013 with assistance from VFA consultants. The preliminary cost estimate to address deficiencies is approximately \$93 million, including Power Plant facilities. \$860 thousand of these identified needs were completed in 2013 through Provincial grant funding. Once the Facilities Condition Index (FCI) is applied to the preliminary cost estimate of \$93 million, this value will change. VFA is continuing the asset condition assessment project in 2014, with a review of linear assets (i.e. roadways and trails) and underground infrastructure.

The need to invest in infrastructure was highlighted by the Provincial Government in its Tourism Competitiveness Report published in 2009 (The Sorbara Report).

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

Business Rationalization/Quality Management Program

NPC will engage a consultant to assist with the development, training and implementation of a Quality Management Program, such as ISO 9001 or equivalent. The implementation will occur over a three year period. \$80 thousand in consulting fees have been included in the 2014 budget for consulting expertise.

During 2013, NPC undertook an operational review of its Human Resources division. The study identified the need for changes to existing staff structure and job responsibilities, upgrade of technologies, as well as an additional senior staff position. The 2014 operating budget includes human and financial resources to implement the recommendations of the operational review.

Incline Railway

Architectural designs for the site plan amenities have been completed and NPC has utilized Moriyama & Teshima Architects for critical review of final site plan elements. \$550 thousand has been allocated for these final elements.

Power Plant Funding

Undeniably, the three Power Plants require considerable capital investment as reflected in the financial statements; NPC views these buildings as potential assets, presenting significant opportunity.

The NPC was pleased to receive \$1.55 million from the Province to identify risks, conduct priority rehabilitation and identify re-use options for the three power plants. The operating costs for the plants are approximately \$100 thousand covering annual insurance, maintenance and utilities. There is approximately \$215 thousand remaining from this funding, which will be utilized in 2014 to advance the project through the RFP process.

The following Provincial Approvals are anticipated during 2014:

- Change to Fiscal Year End from October 31 to March 31
- Annual report approvals (2011, 2012, 2013)
- Dunn Street accommodation lease
- Line of credit renewal (expiring October 31, 2014)
- Appointment of Auditor renewal
- Zip Line lease
- Removal of speeding offences from Regulation
- Potential legislative change to retain revenues from speeding offences
- Financing for new administrative space on NPC property

Documentation to request these approvals is anticipated to be forwarded to the Ministry by July 2014.

In addition, the following Ministry Approvals are requested by May 2014:

- Business Plan
- Use of Power Generation Station Capital
- Capital funding grant requests that are in the Business Plan

6.0 ENVIRONMENTAL SCAN

Year in Review

Renewal, investment and greater partnerships are words that best describe the 2013 tourism season for The Niagara Parks Commission, in this the 125th anniversary year of the opening of Queen Victoria Park.

Niagara Parks entered the year hopeful that it could build on the positive momentum and growth experienced during the 2012 tourism year. Economic forecasts were favourable, as low interest rates, stronger than expected employment data and a continued recovery in the U.S., led many in the tourism industry to believe a sustained upswing in the tourism economy was soon to take place.

An emphasis on renewal was an early theme NPC adopted as it entered the 2013 fiscal year, as both management and staff came together as part of a cross functional team to review the state of NPC's "front of house" operations. This team had an opportunity to visit each of NPC's sites and attractions, with a view to examining and offering suggestions on steps that could be taken to improve the overall state of repair and image of NPC's existing facilities. Excellent work was performed by this multilayered team, and as a result of their efforts, dramatic improvements and repairs were able to be achieved at facilities such as NPC's Whitewater Walk and Whirlpool Aero Car.

Early in the spring, provincial funding in the amount of \$2.9 million was also made available to undertake additional capital improvements throughout the Park system. Of this, almost \$2 million was invested into Niagara Parkway resurfacing, allowing NPC to repair 19 kilometres of this important roadway, with resurfacing taking place almost equally amongst the three communities in which NPC resides (Town of Fort Erie, City of Niagara Falls, Town of Niagara-on-the-Lake). Close to another \$1 million in provincial funding was also made available and invested in facility repair and maintenance projects, to address outstanding maintenance issues, some of which were identified by the cross functional NPC team.

In August, NPC was able to complete work on a \$7 Million provincially funded infrastructure project to replace its existing Incline Railway operation. On August 16, 2013 a public ceremony was held to launch the new fully-accessible system with Michael Chan, Ontario's Minister of Tourism, Culture and Sport in attendance. The rehabilitation of the Falls Incline Railway is an important development for Niagara Parks and its tourism partners, as the new Incline will vastly improve the links and service between Niagara Parks and the Fallsview tourism area.

The Falls Incline Railway has become an integral part of NPC's transportation system, and when combined with the integrated tourism transportation system (WEGO), provides an important service and benefit to all those who wish to visit and experience Niagara. NPC's efforts to improve the accessibility of this key access route into the Park were recognized on May 29, 2013, when the Commission received an *AccessibleNiagara.com Award*, during National Access Awareness Week, for its work in this regard.

During 2013, rehabilitation work on the Canadian Niagara Bridge continued. A vital transportation span crossing the Niagara Parkway, this rehabilitation effort is a key element

in the realization of the overall \$50 million provincial and federal infrastructure investment made to establish an integrated tourism transportation system in Niagara.

These significant infrastructure improvements are an excellent example of the type of partnerships established by NPC during the fiscal year. Another would be the numerous third party/stakeholder events conducted on NPC land or in cooperation with Niagara Parks, which helped contribute to the tourism activity and promotion of Niagara in 2013.

Beginning in the winter and spring of 2013, NPC was pleased to once again partner with Little Ray's Reptile Zoo of Ottawa, to host a new educational exhibit – Venom, at its Butterfly Conservatory. Venom was a true hands-on, learning environment for all. The exhibit included tarantulas, scorpions, highly poisonous toads, rattlesnakes, vipers and one of only two king cobras on display in Canada. The exhibit took place at the Conservatory from February 9th to May 12th.

In June, as part of the continued celebrations of the Bicentennial of the War of 1812, NPC was pleased to work with groups such as Parks Canada, The Regional Municipality of Niagara, the Niagara 1812 Legacy Council, the Friends of Laura Secord Group, the Six Nations Legacy Consortium and other local committees and volunteers, to commemorate the 200th anniversary of Laura Secord's famous walk into Canadian history. Working with its partners, several commemorative events, including a 32 kilometre walk were held on June 21 and 22, to mark the life and contributions Laura Secord. Participants in the ceremonies included Laureen Harper, wife of Canada's current Prime Minister.

This past summer, NPC also hosted two South Asian Cultural Festivals, drawing thousands of visitors to the region to participate and enjoy all that Niagara has to offer. As a meeting place for people from throughout the world, Niagara Parks was pleased to host these two new events, which helped to promote the great cultural diversity that makes not only Canada, but Niagara and Niagara Parks the great place it is to live and visit.

Popular new events to come to Niagara Parks in 2013 included a 5 kilometre (km) "Run or Dye" event – this celebratory 5km fun run subjected its participants to being bombarded from head to toe in different coloured dyes as they passed through several colour zones located along the Niagara Parkway and into Dufferin Island. This event, the first of its kind within the Parks, garnered tremendous media attention and drew close to 5,000 participants in only its first year.

On September 14, NPC was pleased to do its part to help host GranFondo Niagara Falls. Organizers of GranFondo Canada selected Niagara and Niagara Parks to be the site of its first Ontario based ride in 2013, having already established successful events in Whistler, British Columbia and Banff, Alberta. Gran fondos are mass participation cycling events that have enjoyed incredible popularity in Europe and are now gaining momentum in North America. With over 1,200 participants, riders were able to experience an epic 125 kilometre ride along the beautiful Niagara Parkway and into the rolling hills, beautiful vineyards and stunning views of the Niagara region - all on a fully supported dedicated lane, which started and ended in Queen Victoria Park.

While modest economic growth continued to resonate in 2013, nothing in the tourism sector assists its fortunes more than that of good weather. An unseasonably mild winter combined

with sun and warm temperatures throughout the year, did much to spur the economic fortunes of Niagara Parks in 2012. Unfortunately, the same cannot be said for 2013.

A return to normalcy this past winter, coupled with cool and wet conditions this spring and early summer put a damper on the enthusiasm of potential visitors to the region.

Unforeseen circumstances, beyond anyone's control, also had a negative and rather frustrating impact on NPC's ability to enhance its revenue generating abilities and opportunities in 2013. Be it a province wide elevator technician strike, which necessitated the closure of NPC's Journey Behind the Falls operations for ten days, to a work to rule campaign which altered NPC's traditionally strong educational tours, the 2013 season will be remembered as one of missed opportunities.

As well, statistics provided by the Ontario Ministry of Tourism, Culture and Sport indicate American visitation to this Province in 2013 failed to replicate the increases experienced in 2012, as U.S. border crossings into Ontario declined by 4.9% over the first six months of the year.

While overall American visitation to Ontario has continued to decline, U.S. visitors to the Park represent the largest segment of NPC's visitor mix. According to NPC's recent customer survey, which was conducted during the spring and summer of 2013, over 51% of respondents identified themselves as being a resident of the United States. Even more interesting is the fact many of these U.S. visitors identified themselves as residing in locales outside of the traditional rubber tire market of U.S. visitors who traditionally visit NPC sites and attractions.

The strength of the Canadian dollar also continued to draw potential domestic visitors away from Niagara and into the United States. According to the Ministry, Canadian visitors returning from the U.S. into Ontario rose by 3.3% in June, and over 2% for the first six months of the year.

The growth of overseas visitation to Ontario continued to be a bright spot, however, as international visitation rose by 3.8% during the first six months of 2013; a reflection of the continued growth being experienced in new and emerging markets such as China and South America, as well as a rebound in visitation from markets such as Mexico, Japan and France.

As a result of these factors, gross revenues generated by the Commission in 2013 reflect lower than expected returns, as revenues from NPC's commercial operations experienced a 1.9% decline over the first ten-months of the fiscal year versus 2012 actuals, or off budget forecast by 6.7%.

Overall attendance at NPC's attraction venues was also down 4.5%, over the first ten months of the fiscal year, resulting in a decline in gross revenues of 2%, or off budget by 6.2% Year to Date (YTD). In terms of retail operations, NPC experienced a 1.7% decline in gross revenues during the first ten months of the fiscal year, or down 4% from budgeted forecast. Gross revenues produced by NPC's culinary operations were off slightly, down 0.3% YTD, yet off budgetary forecast by 6%.

NPC's golf courses experienced resurgence in play 2013, as rounds played increased by 19.6% YTD, when compared to 2012. Increased investment in course maintenance, competitive pricing strategies and additional on-line marketing and promotion efforts have

allowed the unit to realize a 4.7% jump in gross revenues for 2013. Unfortunately, Golf still did not meet budgetary forecasts, as wet and cool conditions in the spring and early summer led to lower than expected play at both of NPC's signature sites, Legends on the Niagara and Whirlpool Golf Course.

Following the tremendous public attention and enthusiasm generated by the inaugural celebrations of the Bicentennial of the War of 1812, sustained interest in NPC's and this region's heritage sites failed to meet expectations, despite the best efforts and programming developed by Niagara Parks staff. Overall, NPC's heritage sites experienced an 8% reduction in attendance over the first ten months of the fiscal year, resulting in gross revenues generated by the unit being down by 21.5% for the year.

2014 External Overview

Entering 2014, continued economic growth in the U.S. economy is a positive sign and somewhat balances the continued uncertainty and weakness of the advanced economies of the Eurozone. Both the Bank of Nova Scotia Global Forecast and TD Economics project little in the way of growth in Europe in 2014, with both forecasting stagnated growth of between 0.6% (Bank of Nova Scotia) and 1.2% (TD Economics) for the year. While higher growth levels continue in the emerging economies of Asia and South/Central America, this too may slow, given the inflationary pressures this growth has brought, combined with slower than expected exports. As the Bank of Nova Scotia reported in September, "The Bank of Canada now states that in a number of emerging market economies, financial volatility has increased, adding uncertainty to growth prospects..."

In the United States, the economy has finally begun to brighten. As TD Economics reported in June, "We can finally say that this is an exciting time for the U.S. economy. Buoyed by improving balance sheets, consumers have found a newfound sense of optimism." Both the Bank of Nova Scotia and TD Economics predict the U.S. economy to grow by 2.6 and 2.8% this coming year. While this outlook is positive, the economies of the U.S. as well as those of other industrialized nations still face the threat of short term economic volatility. As the Bank of Nova Scotia pointed out in August, the potential is there "for shorter-term economic disruptions," based upon sharply fluctuating higher crude oil prices and recent global events now taking place (Syrian conflict). In fact, the Bank of Canada (October 2013) iterates that softer than expected US growth will push its economic forecast lower.

In terms of the Canadian economy, the Bank of Nova Scotia, TD Economics and the Bank of Canada predict slightly lower growth than that of the U.S., with advancements projected to be in the 2.3% to 2.4% range for 2014. However, after years of ramped up spending, brought about by stimulus funding and traditionally low interest rates, both government and Canadian households are expected to rein in their spending habits. As TD Economic reported in June, "In the wake of tighter mortgage insurance rules and endless warnings about the perils of Canadian's high debt levels, households have dramatically pared back their debt accumulation..." This move may impact to a great degree discretionary spending on such things as tourism activities for 2014 and beyond.

In the May 2013 Ontario Provincial Budget, the government itself identified the need to rein in its costs and projected program spending growth would be held to less than 1%. Overall the Government of Ontario projected GDP growth for the province to be 1.5% in 2013, 2.3% in 2014 and 2.4% in 2015.

2014 Internal Overview

During the winter of 2013, the Commission undertook a strategic plan review to develop a common vision and help establish a strategy that would outline five-year measurable goals to lead the organization forward.

The exercise also allowed NPC to review its current vision, mission, mandate and values, to determine if they truly reflected the Commission, its operations and the new course it intends to set in the future. This new strategic plan also establishes an important benchmark for the organization that will now guide the activities of the Commission over the course of this Three-Year Plan.

As a result, the operational focus and key deliverables of the organization will be directed in following areas:

- **Research and Development**
- **Human Resources**
- **Partnerships**
- **Facilities and Technology**
- **Finance**
- **Product and Services**
- **Image**

In keeping with this theme of renewal, NPC initiated an employee survey in the summer of 2013, to gauge employee views and impressions of the organization and to gain feedback on some of the steps it had recently initiated. This survey, the first to be conducted by the organization since 2005, is an important tool as it will provide great insight into NPC employee opinions, engagement levels, job satisfaction, organizational commitment, and work-life balance. The survey results will now be used to create actions plans to improve overall employee engagement, thereby leading to improved performance and productivity by the Commission overall.

2014 will usher in a new era, in terms of boat tour operations in the lower Niagara River. In preparation for this, NPC and its newest partner Hornblower Canada have been working together in terms of the marketing and coordinated promotional efforts required to ensure a seamless and financially beneficial transition in boat tour operations is achieved this season.

NPC will also be looking to conclude work on a potential new Zip Line Attraction Program within the Parks. Working with a preferred proponent identified through a competitive procurement process, NPC will begin the next phase of this overall procurement process, including the development of the business case for the preferred program as well as site plan review. Further public consultation will take place before a final decision is made. If successful, the Zip Line Program would begin implementation during 2014.

2014 will also mark the last year in the commemorations of the 200th anniversary of the Bicentennial of the War of 1812. As home to the greatest concentration of War of 1812 sites and battlefields anywhere in Canada, NPC is already working with its partners and heritage stakeholders on planned reenactment campaigns at its Battle of Chippawa Battlefield Park and Old Fort Erie locations. A special celebratory event to mark the end of the War and the

200 years of peace that has since prevailed with the signing of the Treaty of Ghent is also being planned.

NPC is also working diligently to ensure it is continually meeting the needs of its changing visitor base. In-Park surveys were initiated in 2013 and further psychographic research and consumer profiles will be required to ensure NPC delivers on what its visitors want. For example, efforts will be oriented towards matching NPC's vision, mission and strategic direction to the desired experiences and tastes expressed by our visitors. This survey research is extremely important to NPC, given the era of economic constraint and pressures that will be brought to bear on consumers in the upcoming year.

The use of technology in customer-focused organizations is essential and must keep pace with advancements in the use of mobile devices, social media, payment devices and for communication of and the consumption of new products. As an example, NPC's web presence has allowed it to realize an increase in on-line sales of its popular Adventure Pass – with on-lines sales rising 54.6%, or an additional 17,800 units over the first ten months of the year, when compared to 2012. This translates to more than 61.2% in additional on-line pass revenues generated in 2013, or an additional \$851,000.

NPC already has a significant presence on-line through Facebook, Twitter, "Trip advisor" and other social media platforms and work in these areas will continue. Better integration of technology for tourism opportunities, such as the use of mobile "smart" technology to make purchase decisions, is becoming the norm and is an expectation of international and domestic travelers. Demanding consumers also expect coordination and linkages between experiences. It is up to NPC to provide that for them, if we are to encourage their visitation to all that Niagara Parks has to offer.

A move by both Federal and Provincial government to reign in program spending will have an impact on government agencies as they prepare to enter the 2014 tourism season. In its March 2013 budget, the Federal government announced its intention to reduce program spending by \$5.2 billion over the next three years. This decision has already had an immediate impact on the tourism sector, as The Canadian Tourism Commission has indicated it will eliminate direct to consumer marketing efforts into the United States, Canada's and Niagara's biggest tourism market. This loss in marketing support will be hard for agencies to replace, given the tight budgetary framework and lower than expected economic growth experienced in 2013.

Provincially, the government has promised to limit program spending by less than 1%, and may hinder the potential ability of the government to provide the type of economic assistance provided previously to assist agencies such as Niagara Parks with outstanding infrastructure challenges that continue to confront it.

2014 Economic and Visitation Forecast

The growth in the new and emerging economies of Asia, India and South America continue to outpace those of the traditional North American, European and Japanese markets. This growth has been reflected in increased tourism visitation to Ontario, particularly from the nations of China, India and Brazil. The question is how long this growth can continue, given the inflationary pressures some of these nations now face, coupled with the slower than

expected trade and recovery taking place in the advanced economies projected for the Eurozone.

Global Forecast Update as at August 29, 2013

REAL GDP	Scotiabank Group 2014 Forecast August 29, 2013	TD Economics 2014 Forecast June 18, 2013
Canada	2.3%	2.4%
U.S.	2.6%	2.8%
Mexico	3.7%	3.7%
Eurozone	0.6%	1.2%
United Kingdom	1.8%	1.5%
Germany	1.3%	1.7%
France	0.3%	1.0%
REAL GDP	Scotiabank Group 2014 Forecast August 29, 2013	TD Economics 2014 Forecast June 18, 2013
Japan	1.7%	1.4%
China	7.3%	7.5%
India	5.8%	6.2%
Brazil	2.8%	3.1%

2014 – 2016 Visitation Forecasts – Total U.S. Visits

In its most recent forecast of U.S. visitors to Ontario, the Ministry of Tourism, Culture and Sport has projected an overall increase in U.S. visitation to Ontario for 2014. With an economic recovery finally beginning to take hold, it is hoped American discretionary spending will increase, resulting in a slight increase in visitation to the province in the 2014 and 2015 tourism years.

According to the Ministry, U.S. visitation growth is expected to be modest during the course of this Three-Year Plan, with zero growth expected in year three of the Plan. During the next several years, the Ministry is projecting:

- 2014 – 12,373 million visits (2.4% growth projected for year)
- 2015 – 12,544 million visits (1.4% growth projected for year)
- 2016 – 12,539 million visits (0.0%/no growth projected for the year)

2014 – 2016 Visitation Forecasts – Ontario Visits within Province

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

- 2014 – 93,397 million visits (2.6% growth projected for the year)
- 2015 – 94,945 million visits (1.7% growth projected for the year)
- 2016 – 95,986 million visits (1.1% growth projected for the year)

2014 – 2016 Visitation Forecasts – Visits from the Rest of Canada

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

- 2014 – 4,847 million visits (2.2% growth projected for the year)
- 2015 – 4,943 million visits (2.0% growth projected for the year)
- 2016 – 4,986 million visits (0.9% growth projected for the year)

2013 – 2015 Total Overseas Visits to Ontario

In terms of the overseas market, visits remain modest in size yet significant in terms of the revenues generated for the Commission. According to the Ministry, overseas visitation to Ontario will continue to grow, before finally showing signs of settling by year three of this Plan. According to the Ministry, Overseas visitation is expected to grow to:

- 2014 – 2,443 million visits (5.3% growth projected for the year)
- 2015 – 2,543 million visits (4.1% growth projected for the year)
- 2016 – 2,561 million visits (0.7% growth projected for the year)

7.0 HUMAN RESOURCES

NPC had a total workforce in 2013 of 1,677 employees – with 1,397 being seasonal and 280 being full time. With part-time staff included, the FTE count is approximately 820 positions. This staff complement is under review to determine how it matches with the requirements of the current business model. There are no significant changes in staffing levels anticipated in 2014.

Labour Relations

Labour relations efforts continued to be strengthened in 2013 through initiatives to invite input and measure engagement. Meetings were held on a quarterly basis with both union executives in order to discuss concerns and proactively develop solutions to issues. These meetings were in addition to regular Labour/Management meetings that are held to address specific collective agreement operational issues. Two Town Hall meetings were held, with all NPC staff invited to attend in order to discuss NPC performance and upcoming initiatives. Staff also attended the Lead Agencies Forum for information/best practices sharing with human resource staff from other Ontario government agencies.

Two grievance mediation sessions were held in 2013 order to address several outstanding issues. These sessions were very successful in settling 15 outstanding cases with 38 remaining. Additional mediation will be planned for 2014.

In 2013, NPC conducted a voluntary Employee Survey to measure staff engagement. 585 surveys were completed for an overall return rate of 35%. The survey was completed by 52.5% of full time staff, approximately 71% of non-student seasonal staff and by 7% of the NPC's 850 students. The survey not only reviewed internal results, but also benchmarked NPC against a database of over 160 organizations representing 90,000 employees. Comparative data was also gathered against similar organizations to NPC representing over 2500 employees. Staff will be reviewing results and department/location-specific plans will be developed in 2014 to build on successes and to address areas for improvement.

The current collective agreement between the NPC and OPSEU, local 217-Park Employees expires October 31, 2013 and negotiations are anticipated to conclude in early 2014. Negotiations will also be taking place with Workers United Canada Council on the renewal of a collective agreement with restaurant servers which is set to expire August 31, 2014.

Employee Training

Training continued to be a priority for the Commission in 2013 as there were in excess of 934 registrations for a variety of programs including NPC orientation, Customer Service, Code of Conduct, Accessibility and Procurement. As well, over 500 staff were trained in Health and Safety programs including orientation, CPR/First Aid/AED, WHMIS, Loader, Backhoe and Forklift, Aerial Work Platform, Electrical Safety Workplace Accommodation and Joint Health and Safety Certification. NPC modified its training delivery model to promote additional external courses for networking and enhanced understanding of best practices. 100 licences were purchased for Lynda.com to provide a wide variety of on-line training resources and self-paced learning modules. NPC also coordinated a shared service arrangement with the Region of Niagara for computer skills training with over 300 staff participating in these courses.

In 2013, NPC hosted a speaker series to equip over 321 supervisors and staff with leadership skills and current best practices. This series was conducted by well-known author and leadership expert Jim Clemmer. NPC also hosted programs to build and enhance report-writing and business case writing skills.

A new Customer Service training initiative was commenced in 2013 in partnership with the Ontario Tourism Education Corporation (OTEC). The development of the program will be completed in 2013 with delivery to staff in fiscal 2014.

Health and Safety

A number of Health and Safety initiatives were pursued in 2013. NPC continued its review of policies, procedures and initiatives in order to strengthen its overall health and safety program. As a continuation of the 2012 Workwell Audit, NPC also completed implementation of recommendations outlined in phase one of the Action Plan and commenced implementation of phase two involving a risk assessment of NPC jobs. The process of risk assessment has been developed, and all current jobs throughout the NPC have been identified and prioritized based on risk potential. In 2014, a questionnaire will be completed by management and workers in consultation with Joint Health and Safety Committees on actual risks associated with each job. Phase two also includes development of a training matrix and enhanced tracking systems. Given the magnitude of the requirements of the process, this phase is expected to be completed in 2015.

In 2013, two meetings were held with all Joint Health and Safety Committees to share knowledge and key learnings to help strengthen NPC's safety efforts. All committees provided reports on their activities and had discussion on suggestions for improvements. These sessions included presentations from the Health/Safety and Engineering departments keep committees current with the corporate health and safety initiatives.

NPC continues to develop and monitor its contractor safety program. The Vendor of Record program was expanded in 2013 and now includes six trades, with five more planned for 2014. All firms accepted into the program were required to undergo an NPC orientation program and were also required to provide information on their health and safety programs for due diligence. Over 100 spot checks were carried out in 2013 with only two (2) issues identified and resolved. Health and Safety continues to be involved in all major NPC events to ensure that employee, public and participant safety precautions are properly in place.

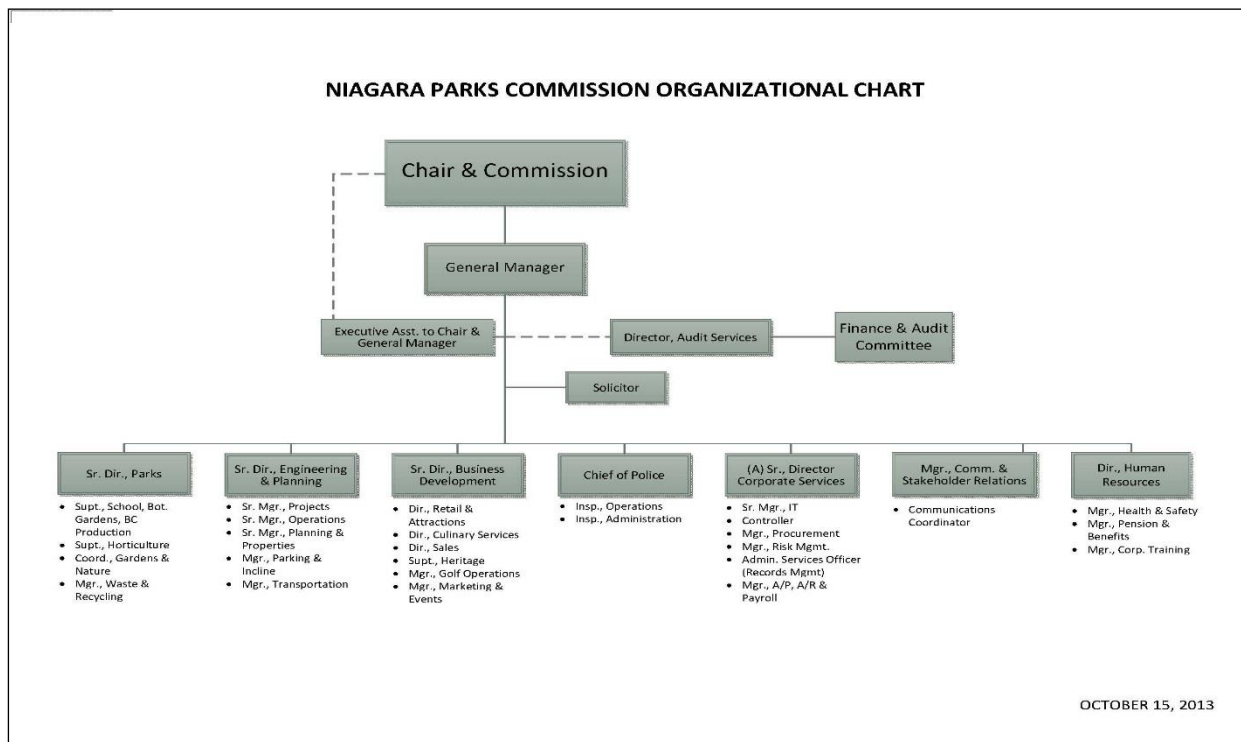
As part of its role in Safety Groups, the NPC had five targets in 2013, to include health and safety orientation, JHSC terms of references, housekeeping, slips trips and falls, and physical demands information as it relates to early and safe return to work.

NPC continued to strengthen its early and safe return to work program, by conducting onsite training sessions to all management staff to discuss the process and requirements for workplace accommodation. As the result of its efforts, NPC received a WSIB rebate in the amount of \$160,000.

Recruitment, Selection and Organization Structure

In 2013, NPC engaged over 40 job competitions for full time positions. While total full time staff numbers only changed slightly, there continued to be substantial reorganizations of some departments to achieve efficiencies and shape new operating models. This resulted in

the elimination of some existing positions and the creation of new ones. Among the new hires were 3 new members of the General Manager's Executive Management team as well as the creation of a new legal department. Other changes included rightsizing within a number of departments. In addition, significant reviews were undertaken within the Business Development and Human Resources departments for efficiency improvements as well as effective response to new business requirements and best practices.



Also in 2013, NPC won an Employer Champion Award for the work that it does within local secondary schools in helping to prepare students for the transition from school to work. This award was presented by the Provincial Partnership Council.

In 2013, NPC recruited and hired six apprentices in Small Engine Mechanics, Masonry, HVAC and Culinary in order to respond to provincial skills shortages and to provide succession planning for anticipated retirements over the next 3-5 years.

In terms of seasonal recruitment and employment, NPC attended 12 job fairs in 2013 and received over 1000 applications for employment. Another 1578 unsolicited applications were submitted for a total applicant pool of 2578 compared to 2425 applications received in the previous year. NPC hired approximately 300 new seasonal employees into available peak season positions.

Accessibility for Ontarians with Disabilities

NPC will meet all of the 2013 Provincial legislative timelines and requirements of the Integrated Accessibility Standard. For Human Resources, this includes the completion of the Accessible Employment Standard programs and processes. NPC has procured the services of an Accessibility Consultant to assist in identifying and achieving all accessibility requirements throughout the organization.

A Public Information session was held in fiscal 2013 to present NPC's multi-year accessibility plan. Sessions were well received. Another session is planned for the Fall of 2013 to update the public of additional initiatives.

General

Human Resources coordinated a number of employee events in 2013 to honour staff and to promote engagement. Events included Retirement Recognition, Service Recognition, an Employee Picnic, Take Our Kids to Work and a series of United Way events to promote teamwork and community assistance. NPC won a United Way Community award for its employee fundraising and spirited efforts.

Future Initiatives

Staffing /Organization Structure

- Regular Staffing plans and the organization structure will continue to be a priority in 2014-2016 as NPC evaluates its business model and operational business needs to meet the requirements of its new strategic plan.
- Seasonal staffing efforts will focus on new business operations support and requirements for the final year of the commemoration of the War of 1812 initiatives.
- NPC plans to increase its apprenticeship program in 2014 and 2015 to meet succession planning needs. Anticipated additions include apprenticeships in plumbing and welding.
- A Human Resources database of volunteer applications will be initiated in 2014 and further established in 2015/2016 to meet identified organizational volunteer needs.
- NPC will introduce a comprehensive background check program in 2014 to ensure due diligence in hiring

Health and Safety

- Review/revise key policies such as locate, lockout, confined space and hot work.
- Implement the next phase of the risk assessment by distributing questionnaires to staff to identify possible risks, and then to address those risks with mitigating measures.
- Review proposed revisions to the legislative training requirements of worker and supervisor awareness as well as JHSC certification requirements.

Employee Relations

- NPC will engage in collective bargaining with OPSEU, Local 217-Park Employees in late 2013/early 2014
- Collective bargaining will also take place in the Fall of 2014 with Workers United Canada Council, which represents NPC Restaurant Servers.
- Collective bargaining will take place with NPC Police in the Fall of 2015.

Training

- A new Customer service training program will be implemented in 2014.

- A new training model will be established in 2014/2015 to promote HR facilitation of on-line and external opportunities for networking and best practice exposure. This will include investigation of partnerships for shared service arrangements and technology improvements for modularized learning.

Employment Engagement

- NPC will create departmental/location teams in 2014 to address the results of the employee survey. This will include the development of action plans to build on identified strengths and to address areas of concern.
- A mid-season appraisal process will be established in 2014 to provide early feedback and seek input on goals and objectives.
- Pulse surveys will take place in 2015/2016 to measure improvements.
- Update of job evaluation systems will take place in 2014 and 2015, including market benchmarking studies to ensure that NPC is competitive and able to attract and retain top talent.

Accessibility for Ontarians with Disabilities

- The requirements of the Accessibility for Ontarians with Disabilities Act have been captured in an Action Plan for 2014-2016. NPC will continue to work with its Accessibility Consultant to meet all requirements.

Technology

- In 2014, staff will work with the IT department to improve seasonal recruitment technology for resume/application screening.
- A review of HRIS systems will take place in 2015/2016 to explore system replacement.

Impact of Initiatives on Workforce Requirements

Effective staffing initiatives will position NPC to meet the challenges of a changing tourism economy while ensuring appropriate business and succession strategies are in place.

A continued focus on health and safety includes proactive measures that will not only assist NPC in its efforts of due diligence, but also promote NPC's commitment to health and safety and to its employees. Continued accelerated efforts toward implementation of the Accessibility Standards highlight NPC's commitment to persons with temporary and permanent disabilities and its efforts to ensure a workplace which is free from barriers.

Appropriate labour and employee engagement strategies emphasize the value that NPC places on its staff and promotes NPC as an employer of choice.

An effective training model will ensure current learning which is both relevant and in line with best practices. This includes a renewed focus on customer service and the establishment of consistent standards and expectations for NPC staff to promote competitive advantage and positive image for NPC as a first and repeat destination of choice for visitors.

The optimal use of current technology will enable NPC to effectively respond to information and reporting needs on which decisions are based and also ensures operational efficiencies to support the requirements of the strategic plan.

8.0 PERFORMANCE MEASURES

Section 3.0 and Appendix A of the Business Plan provides a chart of achievements in 2013, in comparison with the targets established in the 2012-2015 Business Plan.

In 2013, NPC identified a series of performance measures for its various operations.

Research and Development

- External customer survey developed in 2013, and undertaken in 2014
 - Completed in-house with students and presented to Board in September
- Investigate and implement new e-commerce and web-related technologies, mobile computing, use of QR codes and measure increase in sales volumes resulting from new technology options
 - Increased on line pass sales by 55%; increased presence on Facebook and Twitter

Human Resources

- Coordination of early and safe 'Return to Work' program within 24 hours of a workplace incident 90% of the time
 - Achieved
- Improve attendance/leave statistics by 5%
 - Achieved
- Begin corporate-wide tracking of staff training attendance, and increase % of staff participating in a minimum of 10 hours of professional training by 15%
 - Centralized tracking of attendance achieved; Increases in staff attendance in many areas of training but formal training strategy deferred to 2014 due to staff vacancies in Human Resources.
- Response time to fill seasonal job order requests from location Managers within 48 hours 95% of the time
 - Achieved

Image

- Meet media requests for information, interview within 6 hours 90% of the time
 - Achieved
- Track value of media generated (# of impressions generated)
 - Achieved
- Annual multi-disciplinary staff tour of facilities at end of season from both a customer service and risk management lens, including review of implementation of prior season recommendations
 - Completed
- External Service survey results – good + very good/excellent => 90% and poor/unacceptable <= 10%

- Presented to Board on September 20
- WEGO satisfaction rate: 89%
- Parking satisfaction rate: 83%
- Individual satisfaction rates for various attractions, with Maid of the Mist and Butterfly Conservatory ranking highest

Partnerships

- Percentage of partnership arrangements with supporting agreements
 - In-house solicitor hired. Most significant partnerships have legal agreements, the remainder will be completed over the planning period as part of the records management program initiative
- Volunteer participation statistics
 - Deferred due to HR staffing restructuring and vacancies

Facilities

- Set unit cost targets for maintenance activities against standards of quality
 - To be established in 2014
- Establish revenue targets for commercial facilities on a per square foot basis
 - To be established in 2014
- Complete asset condition assessment and establish asset inventory database
 - In progress with VFA consulting; building structures completed; linear infrastructure and underground infrastructure in progress.
- Target 95% rate of completion of projects on time and on budget
 - Incline Railway project completion delayed from March to August due to unforeseen requirement to stabilize foundation at lower Incline.
 - Condition of underground hydro tunnels resulted in changes to Park roadway improvements, and focus on reconstruction of CNP Bridge.
 - Capital budget funded from operations for 2014 was reduced by approximately \$2 million to offset lower earnings from operations.
- Cost per acre for maintenance by type of area (large, medium, highly intensive) areas
 - To be developed in 2014, by new Senior Parks Director
- Cost per horticultural bed (sq. ft. unit cost over season)
 - To be developed in 2014, by new Senior Parks Director
- Park maintenance to standards through attainment of crew cycle times within + or - 5% of scheduled activity.
 - To be developed in 2014, by new Senior Parks Director

Information Technology

- Number of completed projects that are aligned to business requirements

- Prioritized project portfolio completed and updated regularly 100% alignment with business requirements
- % of PC's/laptops > 5 years old - approximately 25% remaining
- % of IT staff attending a minimum of 14 hours technical training (on-line or off-site)
 - 75% of staff
 - Lynda.com corporate training established
 - Partnership with Regional training facilities
- Currency of software versions
 - Upgraded accounting, payroll and budgeting software in 2013
 - Standardization of desktops with Office 365 and new PC's.
 - Kiosks
 - Major upgrade to ticketing software in 2014
- Help desk ticketing system implemented; continuous improvement noted through reporting to Board in October.
- Introduction of Fibre & WiFi and further network improvements in 2014
- PCI compliance review underway
- Consolidation of postage handling
- Scorecards created for golf, capital, procurement
- Visio training and process mapping in many areas

Finance

- Achievement of approved targets for budgeted revenue, costs and margins for commercial operations
 - Revenue targets not achieved, however, they were offset by reductions in operating and capital spending to achieve a neutral impact on Accumulated Surplus, before depreciation
- ISO Quality control program researched and approved for 2014
- Achieve 15% savings in legal fees through retention of in-house legal services
 - In-house solicitor and legal assistant retained in 2013
 - Reduction in amount paid to external Counsel, enhanced service including legal presence/support at Commission and Committee meetings
- Set up tracking process for cost saving or cost avoidance achieved through procurement process and improve savings by 10% over 2011 results
 - Savings tracker scorecard completed and submitted to Finance & Audit Committee on a quarterly basis
- Upgrade and integration of finance technologies(general ledger, financial reporting, budgeting, attractions, culinary)
 - Completed
- Reduction in use of line of credit in off season (interest costs reduced by 10%)

- Achieved: short term interest expense declining (2013: \$21,160; 2012: \$49,090; 2011: \$68,885)
- Implement vendor performance process to evaluate compliance with RFP/tender criteria, including client/vendor review meeting
 - Implementing in Fall 2013
- 10% improvement in procurement cycle time
 - New forms to ensure mandatory information completed
- Proactively identify contracts that will expire in 2013 so that pre-planning can begin in advance of procurement requirement.
 - Completed – built into new contract data base structure
- Submission of reports to Ministry by deadlines required by Ministry
 - Completed - 100%

Products & Services

Culinary

- Achieve Gross Margin and Cost of Goods Sold targets for quick service operations and full service locations as detailed in 2013 budget
 - Actual results below target for 2013, initiatives implemented to mitigate
 - Corporate restructuring undertaken during 2013
 - Menu management and overhead reduction in 2014 budget
 - Internal audit completed to identify efficiencies

2014 measures

- Labour cost per transaction in Quick Service outlets
- Labour productivity in Full Service Operations; Front of house, Back-of-House and combined meals per labour hour
- % of cost per location represented by full-time/non-moveable overheads
- % of cost per location allocated to non-usable product (waste, etc.)

Retail & Attractions

- Attendance statistics – maintain at 2012 level
 - Cool spring weather, Incline Railway out of service until August 16, elevator strike and electrical outages impacted ability to meet targets in 2013 – did not achieve 2012 levels;
 - Initiatives to improve reliability of elevators and electrical systems and installation of generators for redundancy
 - Acquisition of Business Interruption Insurance to manage risk
- Wage cost percentage for individual retail & attraction locations – meet target provided in 2013 budget detail
 - Achieved; but higher % due to shortfall in revenue targets

- Percentage increase of Adventure Pass sales in park and percentage increase of up sell for non-adventure pass attractions – improve by 2%
 - Achieved – sales through consignment partners and online sales have increased
- Gross margin and cost of goods targets for all retail locations – meet target provided in 2013 budget detail
 - off target due to lower attendance, as identified above
- External service survey results (mystery shoppers) unacceptable - less than 10%
 - High user satisfaction rates from in-house survey of 371 respondents
 - 30% of respondents stated that they purchased merchandise at Niagara Parks stores
 - Average spent (of customers surveyed) \$42.19
- Average spend per visitor by retail location – maintain at 2012 level
 - Achieved

Golf Operations

Administrative report of KPI's approved by Board in August 2013, reflecting performance comparing year to date June 2012 to year to date June 2013

- Rounds played up 18%
- Revenues up 2%
- Canadian golfers (versus U.S golfers) as a percentage of total continues to increase
- 68% of golfers completing comment cards rate playing conditions as excellent or world class
- Ditch dredging and French drains tremendously improved drainage on 5 holes at Battlefield
- Changes in agronomy and cultural practices and staff scheduling at Legends improved conditions.
- 6 greenside sand traps and 4 fairway sand traps were rebuilt in 2013
- Tracking effectiveness of marketing initiatives through promo codes
- Engaged Rick Smith as a partner for the Golf Academy
- Customer service training for frontline staff completed
- Partnered with Niagara Golf Trail and Ontario Tourism Marketing Partnership (OTMP) for co-funding of U.S. marketing campaign
- Re-launched VIP Club to promote weekly last minute offers
- Launched interactive mobile application for customer convenience and promotions
- Website enhanced
- Started new league at Legends

9.0 RISK IDENTIFICATION ASSESSMENT AND MITIGATION STRATEGIES

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

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

In 2011, NPC created an internal audit division, and retained a professional internal auditor. During 2012, a second internal auditor was hired and NPC Board approved governing policies for Enterprise Risk Management and Internal Control. Regular risk assessments and reporting to the Board are part of the internal audit program.

During 2013, internal audits were undertaken in several areas, including Golf, Human Resources, Culinary and Engineering as well as Travel, Meals & Hospitality. Several of the recommendations have been implemented, with the balance to be completed in 2014. In 2014, NPC plans to implement a Quality Management Program with resources from internal audit, an external consultant and representatives from across the organization.

10.0 FINANCIAL BUDGET AND STAFFING

The NPC is expected to be a self-sustaining Operational Enterprise. NPC generates revenues from a variety of operations. The largest source of revenue earned is from the Commission's commercial activities. In 2013 this source generated \$66.6 million or 87% of total revenues. The remaining \$9.9 million or 13% is generated from water/land rentals, fees, sundries and premium earned on U.S. funds. This revenue is intended to allow NPC to operate in a self-reliant manner while covering the expenditures needed to support the work in the maintenance, parks and administrative departments, operate its own police force, and permit NPC to reinvest in its infrastructure.

10.1 Summary of 2013 Results

The actual results presented in this section are subject to final audit verification.

Table 10.1.1 below provides a summary of 2013 revenues, expenditures and deficit, compared to the approved budget.

The net deficit for 2013 after interest, depreciation and non- recurring items is \$4.462 million.

<i>(In thousands of dollars)</i>			
	2013 Budget	2013 Actual	2012 Actual
Revenue Producing Operations*	\$ 70,232	\$ 66,621	\$ 67,283
Land Rent	6,689	6,678	6,629
Commissions, rentals & fees*	2,773	2,867	2,756
Other	150	370	330
Total Revenues	<u>79,844</u>	<u>76,536</u>	<u>76,998</u>
Cost of Goods Sold	11,087	11,087	11,112
Operating Expenses	<u>63,187</u>	<u>61,273</u>	<u>60,386</u>
Total Expenses	<u>74,274</u>	<u>72,360</u>	<u>71,498</u>
Net Surplus before undernoted items	5,570	4,176	5,500
Interest	1,706	1,660	1,769
Amortization of capital assets and capital funding	<u>7,013</u>	<u>6,990</u>	<u>6,890</u>
Net deficit from operations	(3,149)	(4,474)	(3,159)
Net increase in Power Plant Obligation	(665)	(589)	(638)
Contributed assets (OPG - Big Becky Site)	-	1,085	-
Disposal value of former Falls Incline Railway	-	(484)	-
Net deficit for the year	\$ (3,814)	\$ (4,462)	\$ (3,797)

***Note: Maid of the Mist elevator revenues are included in the revenue producing opportunities and Dock rentals are included under "Commissions, rentals & fees."**

Total revenues for 2013 are \$76.536 million. Expenses of \$72.360 million are below budget by \$1.914 million, as reductions were made throughout the year to offset the shortfall in 2013 targeted revenues. The net loss, after deducting interest, amortization, capital funding and the change in Power Plant obligation is \$4.462 million. 2013 capital expenditures were reduced from the \$4.4 million budget to offset the shortfall in operating results.

The most significant impact to revenue producing operations in 2013 was the delay in the opening of the Incline from the March 31 target date, to the official opening date of August 16. The direct revenue loss from Incline attraction revenues for the first ten months of 2013 was \$924 thousand when compared to revenues collected November through August 2012. Revenues from the Incline since the August opening have been meeting budget targets.

Construction of the Incline also indirectly affected culinary, retail and other attraction revenue at Table Rock Complex. The construction resulted in a change in pedestrian flow from the Hotel District, resulting in less pedestrian traffic in the upper level of the Table Rock Complex. Parking revenues in the Falls Parking Lot were also lower than budgeted, due to loss of parking spaces in the construction staging area. Revenues for the Table Rock Complex operations and Falls Parking rose in August, upon opening of the Incline.

Equipment failure at the Fury causing closure of the Attraction for 15 days from July 12 to July 26 resulted in an estimated loss of revenues of \$233 thousand. An elevator breakdown in June at the Journey Behind the Falls attraction resulted in closure of that attraction for 6 days. Re-opening was delayed due to a strike of elevator operators. Estimated lost revenue for the Journey closure was \$100 thousand. Other factors contributing to revenues not meeting the budget target were cool, wet weather in spring and early summer, resulting in fewer visitations in Niagara Falls in May through July.

Table 10.1.2 below provides a summary of 2013 actual revenues from NPC revenue producing operations with comparison to 2013 budget and 2012 actual results.

	2013 Budget		2013 Actual		2012 Actual
Attractions	\$ 22,211	\$	20,964	\$	20,973
Retail	17,650		17,192		17,435
Culinary	16,547		15,641		16,505
Parking/WEGO/Incline	9,128		8,760		8,342
Golf	4,201		3,659		3,515
Heritage	495		405		513
Total	\$ 70,232	\$	66,621	\$	67,283

The audited statements for 2013 are scheduled to be reviewed by the Commission at the February 2014 Board meeting. The significant accounting principles used in the preparation of the audited financial statements will be in accordance with Public Sector Accounting Standards and Regulation 395/11 to the Ontario Financial Administration Act.

Tangible Capital Assets

Tangible capital assets of the NPC are described by asset class in Table 10.1.3 below. NPC owns tangible capital assets with a historical cost value of approximately \$296 million, and a net book value, after depreciation of \$158 million. Approximately 73% of the net book value represents assets in the building, roadways and structures class.

Table 10.1.3 Schedule of Tangible Capital Assets

<i>(in thousands of dollars)</i>			
	Cost	Accumulate Amortization	Net Book Value
Land & Improvements	\$ 31,494	\$ -	\$ 31,494
Buildings, Roadways, Structures	214,034	98,336	115,698
Equipment, Furnishings & Vehicles	44,404	38,749	5,655
Capital Works in Progress	5,639	-	5,639
Total	\$ 295,571	\$ 137,085	\$ 158,486

Grant funding for capital works such as amounts received for the redevelopment of Heritage Sites, Falls Incline Railway etc., is taken into income at the same rate that the corresponding asset is depreciated (or amortized) over its useful life. This is in accordance with Regulation 395/11 under the Financial Administration Act. These amounts are netted with depreciation in Table 10.1.3.

10.2 November 2013 – March 2017 Forecast

The three year forecast reflects a positive trend with revenues at a level which are expected to cover all costs, including depreciation and amortization of power plants by fiscal 2017. This revenue level will permit NPC to undertake a number of crucial repairs, upgrades to its facilities and operational activities that have been deferred due to lack of funding. Scheduling of capital works improvements will include contingency planning should revenues not reach expected levels.

During 2013 NPC's Board approved a transition from an October 31st fiscal year end to a March 31st fiscal year end, effective March 31, 2015. This requires a transition period. The first fiscal period ending March 31st will cover the 17 months of November 1, 2013 to March 31, 2015.

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

Table 10.2.1 provides a summary of the forecasted revenue and expenditures for the next three years.

Table 10.2.1 NOV 2013 - MAR 2017 REVENUE AND EXPENSE FORECAST

<i>(in thousands of dollars)</i>	Nov. 2013 - Oct. 2014 Amended	Nov. 2014- Mar. 2015 Stub	Nov. 2013- Mar. 2015 17 month	Mar. 2016 12 Months	Mar. 2017 12 Months
Total Revenues, excluding Zip Line Program	\$ 82,979	\$ 9,529	\$ 92,508	\$ 84,702	\$ 86,320
Total Expenses	<u>76,801</u>	<u>22,243</u>	<u>99,044</u>	<u>78,007</u>	<u>79,232</u>
Earnings before interest, amortization and Zip Line	\$ 6,178	\$ (12,714)	\$ (6,536)	\$ 6,695	\$ 7,088
Interest expense	1,701	726	2,427	1,550	1,470
Amortization of capital assets and capital funding	7,013	2,923	9,936	6,800	6,700
Accrual Adjustments	-	600	600		
Net increase in Power Plant Obligation	<u>665</u>	<u>260</u>	<u>925</u>	<u>700</u>	<u>713</u>
Net deficit for the year before Zip Line Program	(3,201)	(17,223)	(20,424)	(2,355)	(1,795)
Contributed Asset - Boat Plaza Building	2,124	-	2,124	-	-
Potential revenue from Zip Line Program				1,663	2,163
Net surplus (deficit) for the year	\$ (1,077)	\$ (17,223)	\$ (18,300)	\$ (692)	\$ 368

Assumptions

The following assumptions were used in preparing the forecast:

- The forecasts are conservative and based on revenues and attendance at similar levels to the three year average (2011 – 2013) actual attendance.
- The new boat tour lease arrangement with Hornblower is estimated to result in a net surplus impact of \$4.248 million.
- Revenues include projected new revenues from the phasing of a potential Zip Line program commencing in 2015.
- Revenues budgeted for second level Table Rock operations are based on a full year of operation for the Falls Incline.
- Increase in attractions' revenues for 2013 are based on approved prices
- Revenue operations reflect recently negotiated third party agreements with Tim Horton's, Au So Sushi and Pizza Pizza, and anticipated new agreements to be negotiated in 2014 and 2015, as identified in Section 4 of this Business Plan.
- Retail revenues are assumed to increase over 2013 levels with a new merchandising strategy, capital investments in the Boat Tour plaza and a full year of the Incline Railway improving pedestrian traffic at the retail outlets in the upper level of the Table Rock plaza.
- Completion of the Big Becky project results in a reduction of land rental of \$80 thousand.
- Culinary operations include projected reductions in cost of goods sold through menu management (\$100 thousand), as well as reduced wages and benefits (\$426 thousand) through a corporate restructuring completed in February 2013.
- Parking fares and licensing reflect the implementation of the new parking strategy, including additional solar units.
- The budget reflects the addition of ambassadors to enhance visitor experience.
- The golf budget reflects refurbishment of approximately 225 bunkers at Legends and Whirlpool, addressing the most frequent complaint of golfers.

- The budget also includes an update of the design of the irrigation system at Whirlpool and the Botanical gardens, in order for the project to be “shovel ready”, in the event that grant funding becomes available.
- The Human Resources budget incorporates resources to implement the recommendations of the operational review conducted in 2013
- General rate of inflation at 1.5% for expenditures, except where prices are fixed by existing contracts. Overall repairs & maintenance expenditures established at 2013.
- Utilities increases: 4% hydro; 1.5% water/wastewater; 3% natural gas
- Insurance premiums reflect new Business Interruption insurance and estimated October renewal premiums.

10.3 2014 - 2016 Capital Works Plan

Projects funded from NPC Operations

The forecasted earnings before interest and depreciation for 2014-2016 will generate funding for capital works and equipment projects as illustrated in Table 10.3.1.

	2013 Budget	2013 Actual	2014 Budget	2015 Projected	2016 Projected
Projected Earnings before Interest and Depreciation	\$ 5,569	\$ 4,176	\$ 6,178	\$ 6,695	\$ 7,089
Project Earnings from new Zip Line Program *				\$ 1,663	\$ 2,163
Applied to Debt Charges	\$ (3,200)	\$ (3,364)	\$ (3,220)	\$ (3,200)	\$ (3,200)
Available for capital from current operations	\$ 2,369	\$ 812	\$ 2,958	\$ 5,158	\$ 6,052
Funded from Prior Year's Surplus	\$ 2,551	\$ 357	\$ 2,579	\$ 150	
<i>Funded from Operations</i>	\$ 4,920	\$ 1,169	\$ 5,537	\$ 5,308	\$ 6,052
Funded by Provincial Grant (Incline)	\$ 7,000	\$ 7,000	\$ -		
Funded by Provincial Grant (VFA Safety Projects)		\$ 860	\$ -		
Funded by Provincial Grant (Paving)	\$ -	\$ 2,000	\$ -		
Administrative Facilities - funded by debt or grant				\$ 2,000	
Funded by Provincial Grant (Application Submitted)	\$ -	\$ -	\$ -		
Funded by Peace Bridge Authority (Old Fort Erie)	\$ 57	\$ 57	\$ -		
Funded by VTS Agreement - Bridge/Bus Stops	\$ 4,626	\$ 4,626	\$ 1,274		
Contributed through Big Becky Site Restoration	\$ -	\$ 849	\$ -		
<i>Funded from Grant, Debt or Other</i>	\$ 11,683	\$ 15,392	\$ 1,274	\$ 2,000	\$ -
	\$ 16,603	\$ 16,561	\$ 6,811	\$ 7,308	\$ 6,052

* NPC is in negotiations with preferred proponent - earliest startup occurs in 2015

A listing of capital expenditures by Asset Type and by Priority are provided in Tables 10.3.2 and 10.3.3 respectively.

Table 10.3.2 Capital Expenditures by Asset Type*(in thousands of dollars)*

	2013 Actual	2014 Budget	2015 Projected	2016 Projected
Facilities Improvements	\$ 7,910	\$ 2,734	\$ 4,131	\$ 2,429
Fleet	\$ 269	\$ 685	\$ 534	\$ 609
Equipment	\$ 1,237	\$ 1,155	\$ 900	\$ 1,026
Infrastructure	\$ 7,145	\$ 2,237	\$ 1,743	\$ 1,988
	\$ 16,561	\$ 6,811	\$ 7,308	\$ 6,052

Table 10.3.3 Capital Projects By Priority*(in thousands of dollars)*

	2014	2015	2016	Total
Safety & Regulatory	1,212	945	1,077	3,233
Revenue Generating Opportunity	72	56	64	192
Supported by a ROI	1,133	883	1,007	3,023
Strategic Initiative/Image	1,960	1,527	1,742	5,229
Asset Life Cycle Maintenance	1,338	3,043	1,189	5,570
Operational Requirement	1,096	854	974	2,924
Total	\$ 6,811	\$ 7,308	\$ 6,052	\$ 20,171

Major projects included in the 2014 capital budget include an upgrade to the Boat Tour retail and culinary facilities, completion of the final site plan elements at the new Incline Railway, implementation of the Attractions ticketing/Point of Sale software, OMNI and equipment and reconstruction of the Pergola Wall at Oaks Garden Theatre, in addition to many small capital refurbishment projects and equipment/fleet renewal.

Administrative Facilities

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

NPC has renegotiated its lease at the Dunn Street facility, which houses 36 administrative staff from various departments. The lease is currently with the Province, awaiting OIC approval. The lease will expire in May 2015, and it is anticipated that the College will be utilizing the leased space for its own purposes within the near future.

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

During early 2014 NPC will undertake a Space Planning Study, with the purpose of planning for the lease, or construction or rehabilitation of additional administrative space in time for vacating Niagara College by the lease expiry date of May 2015. A provision for debt financing of \$2 million for 2014/2015 construction costs has been included in the capital budget, in the event that financing is required.

Capital Expenditures: Needs Assessment

The VFA Asset Inventory project has identified a preliminary estimate of \$93.62 million for capital needs, including Power Plant capital needs, but excluding linear and underground assets, which are still being reviewed. \$860 thousand of the most urgent needs were addressed in 2013, through grant funding. NPC will continue with the VFA study and the timing of the work will depend on available funding.

Earnings generated through operations have not been adequate to allow necessary capital works and equipment projects to meet a reasonable standard over the past several years, and the current level of funding available from operations has been insufficient to address the critical capital needs requirements of NPC.

NPC is currently updating its condition assessment records in a joint project through the Province and this estimate of backlog will be updated in the 2015-2017 Plan. The new Boat Tour lease agreement and potential Zip Line program provides the opportunity for higher earnings to start to address the capital backlog.

This plan is prepared on the basis that capital works will only be completed with revenue sources available from operations. During 2014 – 2016, staff will be reviewing capital assets for potential redundant assets that can be disposed of or rented, and the proceeds applied to refurbish or replace priority assets under NPC policy. The majority of the capital improvements forecasted in the planning period are for health and safety repairs involving concrete or paving replacement, kitchen equipment and the acquisition of new computers and computer servers.

Summary of Staff Numbers

NPC employed approximately 280 full-time and 1,397 seasonal staff (full-time equivalent approximately 820 positions) during the 2013 high season. There are 617 unionized employees and 845 students, part time contract and other non-union staff. Of the unionized staff, OPSEU represents 530 Park and Police employees and Workers United Canada Council represents 87 restaurant servers. This staffing complement is expected to remain relatively constant during the planning period.

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

Overall staffing levels increased slightly in 2013 over 2012. While NPC continues to reorganize to ensure optimal efficiencies, NPC is not planning for significant increases or decreases in its overall staff levels over the next three years.

Strengthening Current Operations

A number of vacancies from retirements have been filled with skilled individuals. The 2014 – 2016 operating budget reflects improvements in staffing in the Human Resources division, new project management resources in the IT Division and apprentices for trade positions in Engineering.

11.0 INFORMATION TECHNOLOGY/ELECTRONIC SERVICE DELIVERY PLAN

A third party operational review of IT services was identified as a key project in the 2012 - 2014 Business Plan. An RFP for the Operational Review was awarded to Deloitte in the fall of 2011, and a report provided to the Board in January 2012.

The findings and recommendations of the Deloitte report focus on gaps and inherent risks within NPC IT operations. Deloitte provided recommendations to improve operations and transform NPC's IT environment to a defined operating model. During 2013, NPC continued transformation of its IT service delivery.

Accomplishments of 2013

- Financial software Epicor was converted from 7.2 to 7.4
- Business intelligence tool - Racsoft was acquired, installed, and implemented. Racsoft is employed for financial planning and analysis.
- Aloha POS software replaced Silverware at Legends and Jencess at Whirlpool Golf for Culinary services.
- Network remediation included doubling network speeds on the core network, increasing bandwidth between Dunn Street and Oak Hall and increasing bandwidth to the internet from Oak Hall. Aged but critical switches were replaced.
- Failover DSL circuits were implemented at key transaction sites. New technologies were introduced at McFarland House, White Water Walk, Sir Adam Beck, Mathers Arch, and the Floral clock dramatically improving network speed and performance.
- Replaced the damaged fiber at Toronto Power and implemented a new fiber network at the Incline Attraction that connects Table Rock
- Standardized desktop computing to Windows 7 and Office 365. Majority of workstations have been converted with balance to be completed by January 2014.
- Cloud based email and the Lync collaboration tool has been installed in over 80% of employee's accounts. With the use of Citrix XenAp and second factor authentication, employees with approved security can now access network files remotely.
- A new virtualized file server was created to organize enterprise wide file organization by venues and departments. This work effort consolidated servers, folders, and files.
- Process improvements in contract management, procurement forms management, communications on the hours of operation, upcoming events and cell phone charges. Actionable scorecards developed for Engineering capital, golf rounds, golf surveys, procurement, and contracts.
- At the Revenue Office, the aged server and aged desktops were replaced mitigating business interruption risk.
- At Queenston Heights, the failing Culinary server was replaced to improve performance and reliability.
- For Retail, a new virtualized, network price ticketing solution improved the readability of price tickets for our Guests.

- Six self-serve guest kiosks and six turnstiles at the Incline Car attraction were added to the Network to improve ticketing options.
- Police Services have leveraged our internal network and added additional CCTV security cameras and recorders.
- A Police data logger was procured for 911 calls.
- Implemented an IT ticketing system to record, track, and communicate status of IT service tickets. On average received 343 IT service tickets monthly, and closing 320 monthly – an average of 93% closure (as of July 31st)
- Deloitte Canada has been engaged to provide PCI compliance advice, and to help develop RFP's for payment processing and the payment gateway. They have developed a data flow diagram of our current network scenarios and after interviewing staff, are providing PCI compliance recommendations from which a remediation plan will be developed.

Plans for 2014-2016

The top four priorities for IT for 2014 to 2016 are as follows:

- Conversion of ticketing software to OMNI 7, as a joint initiative with new Boat Tour operator.
- Develop and implement a network plan to create a more robust, stable, and reliable network that is compliant for PCI purposes, and investigate options for extending wireless access at NPC facilities.
- Infrastructure remediation and standardization through upgrade of aging hardware and maintenance of current versions of software licenses.
- Business projects - assess and implement departmental process improvements by identifying business requirements and implementing new functionality/integration with information technology.
- Improve skills development of IT staff (in-house and external support), orientation of three new staff members and implementation of training plan

PCI Compliance Remediation

Deloitte will be providing recommendations for remediation for NPC to be PCI compliant. This will include the segmentation of the network for POS devices.

Network Remediation

This involves segmenting POS devices and adding fiber connectivity from Oak Hall to Table Rock – a main transaction center. This will increase reliability, and performance for Falls Parking, the Incline Car attraction and Table Rock. Also, network infrastructure will be added for the first guest wireless devices in 2014.

Infrastructure Remediation

It is necessary to upgrade Windows XP devices to Windows 7 in order to continue to use Office 265 past April 2014. Failing PC's over five years in age will be replaced as Office 365 is rolled out. For emergency response, Push-to-Talk radios which cover the park will be

deployed. Failing IBM SurPOS devices and six aged and failing Aloha servers will be replaced.

A records management project will be defined (scope), planned and resources assigned before the project commences. Projects are planned for a new payment gateway, payment process and pay at the table technology. For Culinary Services, Open Table will be implemented. For Sales a CRM project will realize a cloud based solution. Depending on approval of resources a labour timekeeping solution is proposed.

IT Staff Development

IT staff structure is broken down into three service areas – Helpdesk Services, Application Services and Network Services. With the addition of the Network Support Specialist, Systems Administrator and Senior IT Support Specialist (replacement position) during 2013, the overall skill level has improved. Additionally the IT budget supports one course per IT team member to increase functional skills in their perspective IT service area.

12.0 INITIATIVES INVOLVING THIRD PARTIES

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

Following is a chart outlining a number of significant third party partnerships to NPC:

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
BUSINESS DEVELOPMENT, EVENTS & PUBLIC RELATIONS		
Falls Fireworks Series	To raise financial support from local Stakeholders to present fireworks series within the destination.	Fireworks support business for all partners. NPC cannot present project alone.
Sponsorship Policy	Generate revenue to offset costs of event programming in the Park	Review Sponsorship Policy, confirm rights and benefits package in preparation for 2014, issue RFP for sponsorships company
Illumination Support of the Falls	NPC is a member of the Niagara Falls Illumination Board. Established in 1925, the Board is a Not for Profit Corporation made up of representatives from the City of Niagara Falls Ontario, Ontario Power Generation Inc., City of Niagara Falls New York, New York State Parks and The Niagara Parks Commission. It is the Illumination Board's responsibility and mandate to finance and maintain the nightly illumination of both the Horseshoe and American Falls.	NPC's over 80 year commitment with the Board is seen as a way to further the enhancement and promotion of the Falls for all those who come to visit. NPC also shares in a revenue strategy with the Board with dinner & tour packages
New Year's Eve	Co-host annual NYE show in Queen Victoria Park, by way of a one-year contractual relationship with the City of Niagara Falls and other community stakeholders.	To maximize revenue and PR potential for NPC and the stakeholders. NPC to maintain a yearly decision on participation based on ROI.
Vehicle Transportation System (VTS)	In August 2011, NPC and The City of Niagara Falls announced approval of a 10-year contractual agreement to develop an integrated Visitor Transportation System (VTS) to provide a seamless connection between tourist areas within the City and The Niagara Parks Commission and its sites and attractions. The rubber tire bus system became operational on August 13, 2012	Participation in this new integrated system has allowed NPC to modernize its aging bus fleet. NPC's People Mover buses were first acquired in 1985 and had begun to show their age. As a result of this agreement, NPC has received 11 new fully accessible buses (9 articulated/2 single buses) as part of the overall \$50 million in funding provided by the Federal and Provincial governments for this project. NPC's buses were over 25 years old and not accessible.

THIRD PARTY NAME	PARTNERSHIP OBJECTIVE	PARTNERSHIP STRATEGY
BUSINESS DEVELOPMENT, EVENTS & PUBLIC RELATIONS		
Regional Tourism Organization (RTO)	<p>RTOs have the responsibility for marketing as well as longer-term strategic planning for tourism regions, including product development, workforce strengthening and the provision of travel information.</p> <p>NPC currently is a board member of the provincially established RTO in Niagara (RTO #2); one of 13 provincial tourism regions, which co-ordinates the diverse interests of the tourism community throughout the Niagara region.</p>	<p>Given's NPC's limited marketing budget, participation in the RTO allows NPC to be able to take part in and help influence the cooperative advertising and marketing strategies undertaken to promote visitation to and increased stays within the region.</p>

PARKS		
Environment Canada (Habitat Stewardship Program) and the Ontario Ministry of Natural Resources (Species at Risk Stewardship Fund)	<p>To acquire resources needed to protect, maintain, and preserve natural areas that make up 25% of NPC lands. In addition, resources are used for education and outreach both internally and externally.</p>	<p>By providing matching funding for the preservation and restoration of natural areas in the care of the NPC.</p>
Niagara College and Brock University	<p>Provision of year-long thesis projects for various Environmental, Recreational, and Technical programs to support NPC Naturalist and Botanical Gardens. The in-kind value is estimated at \$100,000.</p>	<p>Provide in-kind support in the form of research projects which provide NPC staff with valuable data for moving forward with environmental as well as technological initiatives.</p>
Corporate and non-profit support (OPG, Friends Groups, Naturalists, NPCA, Land Care Niagara, NRC, MNR, Ontario Access Coalition (Boulderers), Royal Astronomical Society Club – Niagara Centre, Niagara Geological Society)	<p>Alliances have allowed for environmental, educational, and recreational initiatives that we would not have the internal resources to achieve.</p>	<p>Partnerships provide support for numerous preservation and restoration activities on NPC lands with a total estimated value of \$100,000 for the 2012/13 fiscal year.</p>

PARKS		
Ontario Power Generation	Improvements on the Lands, Protection Program	Native Plant Nursery License Agreement and donation of land.
Monarch Teachers Network, Toronto and Region Conservation Authority and Niagara Falls Nature Club.	To increase NPC Butterfly Conservatory educational programming and outreach, in addition to revenue generating opportunities through sales of teaching kits.	Provides the capabilities to offer educational programming to local teachers and students using Monarch Butterfly life history along with providing funding to offset Monarch workshop costs to participants.
Parks Canada	Marketing Partner	Retail outlet at Table Rock; Adventure Pass Promotion
Canadian Food Inspection Agency	Research in management and control of invasive species	Research in controlling damage from Emerald Ash Borer

HERITAGE		
Federal Government	Redevelopment of Historic Sites	Infrastructure Funding- \$4.47 million
Bicentennial Council	Legacy Funding and planning partners	Re-enactment at Chippawa, Laura Secord walk; Monument at Queenston Heights
Provincial Government	Redevelopment of Historic Sites	Infrastructure Funding- \$4.47 million
Printery Group	Maintain the Printery Collection	Grants, volunteers, collections \$20,000

SCHOOL OF HORTICULTURE		
Olds College, Olds Alberta	Articulation agreement for Niagara Parks School of Horticulture graduates to obtain a Bachelor of Applied Science Degree (block transfer)	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program as a national program of recognition
Awaji Landscape Planning and Horticulture Academy (ALPHA Academy), Hyogo, Japan	Exchange program allows Japanese students to attend the NPC School of Horticulture for advanced study to earn a one year certificate; Niagara Parks School of Horticulture students have an opportunity to seek internship placements in Japan to complete required components of the Niagara Parks program	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program globally
Professional Land care Network (PLANET), United States PLANET (cont'd)	This governing body of the landscape industry for North America has accredited the Niagara Parks School of Horticulture program as being the equivalent of a four-year bachelor degree program	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program as a national program of recognition

SCHOOL OF HORTICULTURE		
Redeemer University/College	Articulation agreement will allow Niagara Parks graduates entry into Bachelor of Science program with advanced standing	Supports Corporate Excellence objective in building the Niagara Parks School of Horticulture program as a national program of recognition
City of Niagara Falls	Schools in Bloom program ~ Niagara Parks School of Horticulture students actively participate in a consultative capacity with all Niagara Falls High Schools to beautify school properties and engage young people in horticulture	Supports Corporate Excellence objective Demonstrates commitment to Natural and Cultural Stewardship
Niagara Catholic District School Board	This partnership allows high school students enrolled in horticulture and a High Skills Major program in horticulture to complete their studies at the Botanical Gardens with a hybrid teaching model using class lectures with studies in the gardens and working with Niagara Parks students	Supports growth of Niagara Parks diploma program through enhanced reach to potential future students; increases applicants to program
District School Board of Niagara	Agreements to provide a learning site for high school students to advance their horticultural education and High Skills Major program within the Botanical Gardens (final agreement pending)	Supports growth of Niagara Parks diploma program through enhanced reach to potential future students; increases applicants to program

CORPORATE SERVICES		
Vendors of Record For Various Contracted Services	Ensure efficient and effective delivery of services or provision of goods, in keeping with NPC Mandate, Vision and Standards.	Competitive procurement with detailed specifications and agreements to meet NPC objectives

13.0 IMPLEMENTATION PLAN

Sufficient resources have been incorporated in the 2014–2016 budgets to accomplish the current and forthcoming activities and programs identified in Section 4, with the exception of deferred capital investments, re-construction of the irrigation system at Whirlpool Golf and Botanical Gardens, the Falls Illumination initiative and Adaptive Re-use of the Power Plants.

Hornblower and Boat Service Transition

Staff continues to support the current operator to the end of 2013 operating season with marketing, sales and communications support. Maid of the Mist Steamboat Company has confirmed in writing with NPC that it will vacate the upper ticketing plaza by October 31, 2013 and the lower dock area by December 20, 2013 and will cooperate with NPC requests for access.

Hornblower Canada will commence operations January 1, 2014. To help with this significant transition, a cross departmental team with expertise from finance, technology, sales, engineering and revenue producing operations has been established to ensure a smooth transition and regular biweekly meetings with the new tour operator are in place. The new ticketing software (OMNI 7 upgrade) is underway in collaboration with Hornblower. A dedicated project manager is being hired by NPC, and the conversion is to be completed by March 31, 2014.

NPC's new in-house solicitor is providing advice on the implementation plan and interpretation of lease wording, as well as all communications with the current and future tenant.

NPC Brand Development

Research conducted in 2013, through customer surveys and the HLT study will be used to develop a brand strategy. NPC will leverage its membership with key tourism organizations, its relationship with Hornblower and with a potential new Zip Line operator to generate renewed interest in Niagara Parks.

Attraction Renewal

NPC will use market research from the CTC, TIAC, OTMPC, Ministry of Tourism and TPN as well as NPC direct research to inform the redevelopment of its attractions, culinary services, golf operations and heritage sites.

New film footage is planned for the Fury and Butterfly Attractions.

In 2014, NPC will work with its partners on the Illumination Board to develop a strategy for upgrading and modernizing the lighting system over the Horseshoe and American Falls. Improvements are not incorporated into NPC's budget and will require outside financial assistance in order to be implemented.

Bicentennial War of 1812 – 1814

NPC continues to work with community partners to deliver events that celebrate key anniversary dates in 2013 and 2014. Sufficient funds have been incorporated into the operating budget to address NPC's share of these initiatives.

Zip Line Program

NPC has conducted an open procurement for an operator of a multi-location Zip Line attraction and the procurement process is still in progress. A business case is being completed for review by the Board in November 2013. Should the Board approve the proposal of the preferred proponent, a phased implementation is being considered.

Business Rationalization and Introduction of Quality Management Program

The modernization of NPC's technology and work processes continues in 2014, and includes a formal program for Records Management as well as a Quality Management Program. Both of these latter programs will be conducted with a combination of NPC staff and external consultant expertise.

Power Plants

NPC's 2012 audited financial report incorporates an asset retirement obligation of \$27.5 million to stabilize and mothball three power plants. During 2014–2016, NPC staff will continue to explore options for third party partnerships for adaptive re-use of the power plants. Funding for stabilization and refurbishment of the power plants is not available without third party assistance.

Final Construction Elements at the Incline Railway

Construction of final construction elements at the Incline Railway is planned for 2013/2014. Moriヤマ & Teshima Architects have helped guide final site elements for the Incline Railway.

Investment in Deferred Maintenance

NPC will continue to address critical deficiencies in infrastructure, and is continuing with the completion of an asset inventory, with assistance from VFA consultants. Documentation of NPC's linear and underground assets will be undertaken during 2014 and development of a long term asset management strategy will be completed in 2015.

Oakes Garden Theatre

Reconstruction of the Pergola Wall is included in NPC's 2014 capital budget.

Parking Strategy and Automation

To implement its new parking strategy NPC has approved changes to its parking fee structure and will increase its use of solar parking units. NPC has participated in a joint procurement with its neighbouring municipality, Niagara on the Lake to take advantage of economies of scale.

Emerald Ash Borer

NPC will continue its tree planting program and research work with the Canada Food Inspection Agency to mitigate the impact on Niagara Parks horticultural assets.

Millers Creek Marina

During 2013, NPC retained a Fairness Consultant to oversee the competitive procurement process for the redevelopment of Miller's Creek Marina. The procurement documents are currently being prepared. It is anticipated that the procurement should be completed prior to the 2015 boating season. In the interim, NPC is expected to renew the agreement with the existing operator, Warren DAC Inc (WDI) for the 2014 boating season. Miller's Creek Marina has been operated by WDI since 2007.

In 2013, prior to the start of the boating season, NPC engaged the services of AON Risk Solutions to undertake a liability and safety risk assessment of the marina which yielded a comprehensive list of recommendations. Both Warren DAC Inc and the NPC have undertaken works at the Marina in 2013 to address legislative requirements (NPC replaced the underground fuel tank) as well as several signage and miscellaneous items highlighted by the liability and risk assessment report.

Revenue Generating Opportunities

Contracts with a number of NPC existing RGO's operated by third parties will expire during the planning period. They are identified in Section 4 of the Business Plan. A business case will be prepared and competitive process conducted as the contracts expire. Part of the business case evaluation approach includes an analysis of "make or buy", as to whether NPC should continue to use a third party to operate the RGO, or to undertake providing the service directly.

14.0 COMMUNICATION PLAN

In 2014, Corporate Communications will help support and implement the Commission's overall key priorities identified within this Plan and the newly adopted Strategic Plan. The Strategic Plan embraces three fundamental principles: Positive engagement, renewal, and service improvement. In order to attain these principles, seven key areas of focus have been developed, which will guide NPC's operations over the course of the next several years. These areas of focus include: Finance, Image, Partnerships, Products and Services, Human Resources and Research and Development.

Background

This plan outlines the approach and recommended tactics for Corporate Communications in 2014. During the past year, the Commission benefitted from positive attention garnered by the 125th anniversary of the opening of Queen Victoria Park, the continued celebration of the Bicentennial of the War of 1812 and the opening of the new year-round fully accessible Falls Incline Railway.

Additional media coverage obtained by such first year events as the "Run or Dye" fun run and GranFondo Niagara, which drew 5,000 runners and approximately 1,000 riders to Niagara Parks and Niagara respectively, did much to lift the profile of the Commission in 2013. The development of a new strategic plan, establishment of a cross functional team to review NPC's "Front of House" operations and the undertaking of a new employee survey – the first conducted since 2005 – were also key initiatives, which required the support of internal communications activities in 2013.

Despite these positive developments, overall visitation and tourism spending, which had increased in 2012, for the first time in a number of years, failed to match the expectations of many in the tourism sector. A return to a more normal winter and cool and damp weather conditions during the spring and early summer did much to stall a sustained tourism recovery, which was hoped for in 2013.

2014 Business Goals

- Provide both external and internal communications support to the Commission's diverse operational units and revenue-generating departments.
- Support the efforts required to ensure a successful launch of the new Hornblower Niagara Cruises tour boat operations in the lower Niagara River.
- Assist in the advancement and establishment of a possible new Zip Line program within the Park in 2014.
- Communicate results and help address issues identified in the 2013 employee survey and help address issues by way of an internal communications plan, which will help to foster improved employee morale and engagement as the Commission enters into a contract year with two of its employee groups.
- Initiate internal communications plan to support NPC's various departmental units, as well as respond , with the assistance of a new internal communications coordinator who will be retained

2014 Communications Goals

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

Strategic Considerations

New Boat Tour Operations in 2014

2014 will usher in a new era, in terms of boat tour operations in the lower Niagara River. NPC and its newest partner Hornblower Niagara Cruises have been working together in terms of the marketing and coordinated promotional efforts required to ensure a seamless and financially beneficial transition in boat tour operations. Hornblower has an extensive network across North America and internationally. This creates significant opportunities to work together to promote the boat tour operation, NPC and Niagara Falls to increase visitation.

Union Negotiations

Contracts negotiations with two of NPC's employee groups - OPSEU Local 217 Parks employees and Workers United Canada Council Local 2347 representing Parks restaurant servers, will need to be renegotiated in 2014. Corporate communications will assist in employee communications strategies/activities to support the efforts required to reach a mutually beneficial agreement with our loyal staff.

Existing Employee Communications Channels

The seasonal and dispersed nature of NPC's workforce presents communications challenges, particularly since a number of employees work outdoors during the tourism season. Ways to effectively reach employees to address issues identified in the 2013 employee survey are required to achieve business goals.

Changing Media Environment

The media landscape is changing dramatically with the impact of digital communications on traditional media, in particular newspapers. This creates both challenges in generating media coverage in traditional media outlets and opportunities to create content that will be used by various media and social media outlets.

Transition to Full In-House Corporate Communications Model

With tourism yet to recover to traditional levels, resources for corporate communications continue to be limited. Ways to leverage limited resources to achieve business and communications objectives are required. The addition of an in-house Communications Coordinator will be of great assistance, as the communications unit seeks to support the efforts of the Commission with its internal and external stakeholders.

Build and Strengthen Relationships with Tourism Stakeholders

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

Key Target Audiences/Stakeholders

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

Success Factors

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

Advance preparation and a proactive approach

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

Consistency

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

Employee Communications

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

Internal communications must therefore play an important role in ensuring all employees have accurate information on the future decisions that have been made and the reasons behind those decisions. This is especially relevant, given the launch of NPC's new strategic plan, the recently completed employee survey and upcoming contract negotiations that are to take place in the year ahead. An informed and engaged workplace will be therefore be key, as corporate communications undertakes its work in support of the organization in 2014.

Communications Protocol with the Ministry of Tourism, Culture and Sport

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

Commitment to Transparency

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

Tactics

Media Relations

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

Earned media coverage through public relations activities cost-effectively supplements advertising buys, maintains the profile of NPC in major tourism markets and helps open new markets internationally and domestically. Over the first ten months of 2013, NPC public relations and media relations activities generated an estimated \$24,604,055 million in public relations value, with total media impressions generated estimated to be over 327,465,874.

2014 media relations activities will include:

- Development of a Corporate and Public Relations editorial/event calendar that will identify all events, milestones and other story opportunities throughout the year to ensure ongoing coverage and a proactive approach to media relations;
- Issuing media advisories and news releases for all events of media interest thereby promoting the Parks and providing more reasons for guests from Canada, the United States and international markets to visit and or return to NPC on a regular basis;

- Increasing awareness of the role and importance of the Parks as a provincial and national treasure;
- Promoting the Parks as one of the most respected Parks agencies in Canada; and
- Developing joint media relations campaigns with Hornblower Niagara Cruises and the preferred proponent of the proposed new zip line attraction to ensure maximum positive international coverage and enthusiasm for these two new attractions is garnered;
- Continuing efforts to generate coverage in ethnic and vertical media including:
 - Developing media lists and pitching stories to all of the major ethnic media in the Greater Toronto Area including Chinese, Italian, Portuguese and other large groups whose first language is other than English;
 - Targeting environmental magazines in Canada and the United States to pitch stories about the unique environment, flora and fauna of the Falls and the success of NPC in protecting them in the face of one of the most visited tourist attractions in the world;
 - Targeting publications and special sections that reach history enthusiasts across North America and in Europe to continue to promote the bicentennial of the War of 1812, in particular the re-enactments of the battles of Chippawa and Fort Erie; and
 - Targeting freelance writers and bloggers specializing in tourism, environment, history, horticulture and other areas of specific interest.

Employee Communications

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

- The employee newsletter;
- Memos/Bulletins from the General Manager and/or Chair which have proven to be valuable in communicating important information to staff immediately and unfiltered, on issues of critical importance to the Commission;
- The employee website with all relevant policies, issues and happenings within the Park;
- On a bi-annual basis, the Chair of the NPC will meet employees directly to share information on various topics, including the Commission performance during the year, the new strategic plan it has adopted and results of the new employee survey;
- Smaller, more informal group discussions between management and staff will take place on a departmental basis, to hear individual concerns and issues faced by employees on a daily basis, as well as to share departmental survey results and actions plans to respond to issue raised by staff at the workplace

Stakeholder Outreach Initiatives

Commission and Public meetings that have been held with residents over the past several years have been successful in demonstrating NPC's commitment to openness and transparency. In 2014, the Commission will continue to consult on various issues including:

- Holding open commission meetings throughout the year
- Providing bi-annual public information sessions to the community, in each of the three communities in which NPC resides, to appraise residents of NPC actions and performance
- Hosting an annual accessibility consultation with members of the public to discuss NPC's efforts in implementing its multi-year accessibility plan, which is required under provincial government legislation as part of the Accessibility for Ontarians with Disabilities Act (AODA)

NPC needs to take a more proactive approach within the industry associations and partnerships it is involved in. While NPC has established relationships with local stakeholders such as NFT, the RTO and OTMPC, greater emphasis and efforts need to be directed to such groups as the CTC, TIAC and TIAO to better promote Niagara Parks and its issues, the destination, and the importance of the tourism sector. NPC's continued role in these organizations is two-fold:

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

NPC - Provincial Agency

As a provincial agency, the Commission has a number of processes and reporting mechanisms including: a Memorandum of Understanding (MOU) with the Ministry of Tourism, Culture and Sport, Business Plan, Annual Report, and Issues Notes, designed to inform and ensure its accountability to the Province of Ontario.

Social Media

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

Speaking Opportunities

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

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

NPC Website

Detailed information is posted on NPC's corporate website to ensure continued openness and transparency with the public. NPC will continue to enhance this site, as well as its main marketing site www.niagaraparks.com, to further promote the Commission and drive visitation and sales to the Commission.

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

Marketing Overview

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

The objective of the Marketing Plan is to fulfill NPC's Strategic Plan related to focus areas including Research & Development, Partnerships, Image, and Products & Services. A key goal over the next three years is to enhance NPC branding, developing Niagara Parks stories and ensuring that all touch points present consistent and impactful imagery. Other goals include:

1. Knowing and understanding our customer
2. Being more targeted with promotional efforts
3. Pricing

Traditional initiatives to be considered in developing the 2013/14 Marketing Plan will include:

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

NPC has memberships or relationships with industry associations such as TPN, Canadian Tourism Commission (CTC), Ontario Tourism Marketing Partnership Corporation (OTMPC), Toronto Tourism, Attractions Ontario and Niagara Falls Tourism. Moving forward, NPC's strategy is to ensure the benefits of these associations are leveraged to their fullest extent as

NPC finances do not adequately support independently reaching markets outside the destination.

NPC's in-destination billboard campaign continued in 2013, to raise awareness of NPC products among leisure market customers. Visitors to the destination have fixed discretionary spending so the objective is to increase NPC's market share through raised product awareness. There are many other attractions with billboard presence in the destination however, creating a high level of awareness and staff will reconsider the effectiveness of this media for 2014 and the potential of enhancing efforts towards signage and communications on NPC property. One example is to maximize the in-Park digital video network, which allows cross promotion all of venues to customers through monitors located at attractions and Welcome Centres.

In 2013, Marketing developed a souvenir brochure as well as a new series of educational posters designed to enhance the visitor experience at the White Water Walk attraction. The response to this initiative was very positive and further informational efforts will be considered for 2014.

Support for WEGO, the visitor transportation system developed in cooperation with the City of Niagara Falls, included a brochure, website and signage. Onboard posters as well as an "infotainment" video system provide messaging to riders, which exceeded 1.6 million trips in the first year of operation.

Resources were reinstated in 2013 to execute a Customer Satisfaction survey. (An annual tracking study in place since 2001 was suspended in 2012.) The results of this survey provided NPC valuable data on visitor demographics, place of origin and spending habits. An internal reporting system wherein staff input customer postal/zip codes at cash registers to track visitor spending is also in place. These two resources form the basis of NPC's methodology to track the return on advertising investments and will be continued in 2014.

Digital efforts support NPC's eight websites, with concentration on maximizing direct sales and social media initiatives. On an ongoing basis, NPC researches online marketing efforts and provides engaging and up-to-date imagery and content to reach new markets, drive traffic and conversion, and meet consumer demand for credible and exciting travel planning information. Other Digital initiatives include:

- A Search Engine Optimization (SEO) audit identified ongoing changes to ensure that website performance is maximized to increase visitation and online booking revenues: year over year online Pass sales (units) increased over 55%
- Ad word buys on Google and Facebook in 2013 garnered significant return on investment and will be a key advertising strategy for 2014
- Responsive design revisions will provide mobile-friendly offerings to take advantage of growth in the use of devices including iPhones and iPads
- Increased presence on social media through Blogs, Facebook and Twitter accounts, adding video components and executing contests to build email databases
- Ongoing efforts are also being made to ensure all websites meet the January 2014 deadline for AODA standards for accessibility

- Improvements to the Niagara Parks e-store to permit easy and secure online purchasing of retail products, including Falls souvenirs and niche products such as Pop & Lolly's candy, Butterfly merchandise, Golf e-gift certificates
- Completion of a review of online affiliate sales with the objectives of controlling commissions paid and maintaining the integrity of branding, pricing and ticket security
- Developing a responsive and effective online reputation management program
- Implementing a digital Customer Relationship Management strategy for pre-during- and post-consumer engagement via E-Mail, Social Media and Mobile
- Producing and distributing consumer e-Newsletters regularly to the leisure and targeted niche databases to feature events, golf, sales programs and promotions.

15.0 APPENDIX A – CORPORATE GOALS AND INITIATIVES ACHIEVED IN 2013

FOCUS AREA: FINANCE		GOAL: Align Financial Resources to efficiently deliver products & services		
	Objective	Strategies	Initiatives	Progress to Date
A	Maintain a business centred operating environment	Rationalize each business unit to assess its life cycle and anticipated contribution to long term financial stability	Internal audit review of human resources, golf and culinary services	Internal reviews for golf, human resources and culinary completed; Project Charter for golf review with Ministry reps completed; Queenston Heights and Riverview restaurant operating models adjusted; competitive processes for restaurant franchises in core area: Tim Horton's, Pizza Pizza, Au So Sushi
		Initiate an aggressive business development strategy; new opportunities for four season experience	Investigate new events and attractions	Crashed Ice event during November/December period; AJAC event for September 2013; Zip Line attraction RFP completed and in evaluation stage
		Introduce Enterprise Risk Management program	Staff training	Draft presentation prepared for staff workshop; template created for reporting risk on RGO's; staff attended risk seminars on playgrounds; trail maintenance; Standard procurement checklist and updated procurement forms, new Accounts Receivable policy to manage credit risk; PCI compliance project underway; 2 day Report Writing Course held in August 2013
B	Achieve a positive financial position	Establish and measure performance against pre- determined financial results	Margins for all revenue producing operations reviewed in detail and budget targets established	Expenditure reductions to offset 2013 revenue shortfalls - managing budgets within targets and adjusting to changing circumstances; prioritizing capital projects
C	Evaluate and communicate financial performance	Identify expected results and related performance indicators for each business unit	Procure and implement new financial reporting tool; staff training on use of Racsoft reporting tool for variance monitoring and analysis of business results	Monthly reporting of financial results to Board. Dashboards being prepared on regular basis since 2012, and stored in secure Management directory; currently manually input; to be automated as part of Racsoft project implementation in 2014
		Incorporate an indicator tracking system that is integrated with decision- making	Implement Financial Business Intelligence Solution; Upgrade financial software	Upgrades to payroll (PDS) and accounting systems (Epicor) completed; new business intelligence software (Racsoft) in initial implementation phase;
		Internal and external quarterly reporting on financial	Monthly reporting of financial	Additional detailed commentary on revenue producing operations added

	performance against forecasts, trends, targets	progress to Finance & Audit Committee	to interim financial reports; June to October financial reports include projection to year end
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FOCUS AREA: IMAGE		GOAL: Generate interest in the NPC Brand		
	Objective	Strategies	Initiatives	Progress to Date
A	Rejuvenate the NPC Brand	Assess and update the current branding of NPC products, services and attractions.	Audit current products and services and marketing programs.	Staff assessed current products and services as well as marketing programs. Three year brand initiative to be launched as part of 2014-16 business and marketing plans.
		Identify ways to consistently represent NPC's brand and incorporate with marketing and promotional materials	Update Website including SEO review; responsive design; expanded use of social media; signage throughout NPC; positioning of Adventure Pass and Magic Pass	SEO review and recommendations implemented; responsive design work planned for website; sign committee continued to review sign requests and install new signs as budget permitted; Adventure Pass and Magic Pass led high season and off-season promotions respectfully; first campaign undertaken in August/September with results to be evaluated in October.
B	Promote the uniqueness of the natural, cultural and heritage characteristics of the Niagara River Corridor	Determine the products, services and attractions that have unique characteristics that distinguish the NPC from other tourist operators	Emergent NPC based special events a positive	New events held at Nature Glen; Bicentennial events at heritage sites including Laura Secord Commemorative Walk and Siege at Fort Erie; new bike rental program by third party operator; third party events supported using NPC assets - ex. GranFondo; South Asian Festivals
		Align NPC uniqueness with marketing and promotional materials	Marketing Plans and Bicentennial Commemorations	Core NPC attractions included in products such as Adventure Pass; Golf courses included in new promotions; Heritage sites included in Bicentennial Commemoration promotions including those by the Legacy Council.
C	Focus marketing, communication and promotional materials on target markets.	Conduct ongoing market research to ensure products, programs, services and attractions have unique characteristics that distinguish NPC from other tourist operators	Customer Surveys; Best Practice benchmarking	NPC undertook customer surveys in summer as well as surveys at Golf and Culinary operations; results to be used in 2014 Marketing Plan; staff assessing other operators' practices such as Golf; Culinary; Attractions.
		Introduce a management strategy to ensure internal and external communication is timely, accurate and complete and delivered to the intended audience	Assess use of Communication Agency; Establish Corporate Communication meetings	NPC assessed effectiveness of outside Communication Agency and recommended proceeding with developing internal capacity and resources and ending use of Agency; Corporate Communications staff began meeting weekly to discuss communication plans; tactics; evaluating programs

D	Expand the reach of NPC marketing and promotion through collaboration initiatives	Establish cooperative marketing partnerships with similarly positioned businesses and organizations that will result in greater awareness of NPC initiatives	Leverage Bicentennial Commemorations; Work with TPN and NFT	NPC's Bicentennial activities included in 1812 Legacy Council's programs; NPC leveraged TPN's leisure campaign; NPC leveraged NFT's Travel Trade and MCIT programs
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FOCUS AREA: PARTNERSHIPS GOAL: Negotiate and maintain mutually beneficial operating partnerships

	Objective	Strategies	Initiatives	Progress to Date
A	Align with businesses, community stakeholders and the Province of Ontario to create tourism destination packages that produce positive net results.	Encourage and promote the development of the tourism industry in Ontario by developing tourism products with local, regional, provincial and national operators and organizations	Meet with CTC; OTMPC; TPN and NFT to steward relationships; NPC represented on Boards and Committees of TPN and NFT; Nurture consignment programs; leverage memberships including those in travel trade and MCIT markets	NPC Business Development staff held meetings with CTC; OTMPC; TPN and NFT to discuss strategic plans and marketing plans. NPC staff strengthened relationships locally with TPN and NFT; Meetings held with top 10 consignment partners; meeting held with partners to re- develop winter pass program.
		Establish a consistent event protocol with partners such as City of Niagara Falls for the delivery of community sponsored events and activities that have tourism focus, and where appropriate take lead on such events.	Work with City of Niagara Falls on bid for Red Bull Crashed Ice; New Year's Eve and with Winter Festival of Lights Board on annual WFOL event	Bid completed for second Red Bull event and NPC support submitted through report to Commission; Commission approved New Year's event support and preparations underway for 2013 event; NPC staff and Commissioner representative provided input to WFOL strategic plan
B	Form partnerships with local stakeholders to maximize resources	Continue to work with local and regional police services, the Illumination Board and "green" partners to enhance the visitor experience.	work with community partners on BiCentennial operations	Staff work with interns from the Willoughby School of Restoration Arts on resource management; First Nations interpretive training for Parks Canada and Six Nations tour guides. Media events for the NOTL Bicentennial activities and 1812 Legacy Council. Work with Queenston Heights Native Monument Committee; Laura Secord celebrations; NPC working with neighbouring sites as their 200th anniversary events take place in Fort York, Fort George and Stoney Creek. Work began in July, 2013 with the Illumination Board on the enhanced illumination of the Falls.
		Maintain and/or strengthen partnerships with volunteer based organizations and individuals to extend full and part time staff resources.		Meetings with Fort Erie 1812 Committee; Niagara Falls 1812 Task Force; NOTL Bicentennial Committee, Queenston Heights Native Monument Working Group; Niagara 1812 Legacy Council; Six Nations Legacy Consortium; work with Friends of Laura Secord on 200th

			anniversary and Laura's Walk; speaking engagements at Historic Fort York Queen Charlotte Ball; CBC coverage of Queenston Heights Event aired in January.
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FOCUS AREA: PRODUCTS & SERVICES		GOAL: Deliver a wide range of educational, recreational and environmental tourism opportunities		
	Objective	Strategies	Initiatives	Progress to Date
A	Capitalize upon tourism trends to create new and improved customer experiences	Conduct regular market research to identify changing needs of the target markets and new trends in tourism development	Implement customer surveys to determine customer satisfaction levels and customer interests in current and potential products and services.	Conducted intercept surveys during summer of 2013 to assess various NPC products and services including attractions, culinary services, retail, heritage, WEGO and parking.
		Strategically segment the target market, designing attractions, events, products and services accordingly	Investigate new attractions	Environmental feasibility and impact assessments for Zip Line attraction completed. RFP for build, finance & operate completed and proposed solution is in consultation process; Public Information sessions held on August 1, 2013. Commission approved moving to business case and contract phase in August 2013. Cross department team meeting with Hornblower Niagara Cruises monthly; Marketing team bi-weekly; Omni team monthly; to work on transition of boat service in 2014.
		Take advantage of changing demographics, new approaches and processes and trends in visitor attendance to create new and/or enhanced tourist experiences	Utilize major events to improve visitor experience and develop performance measures	Preparation for AJAC Testfest at Legends; contract award for Golf Academy Service provider; Mobile golf app implemented; Venom exhibit; continued growth of third party events using NPC facilities (ex. GranFondo; Run and Dye; South Asian Festivals)
B	Create a welcoming, full-service environment responsive to the needs of the customer	Institute customer focused management practices, service quality standards, policies, procedures and related measurement tools	Customer service training and management tools	Cross functional management team worked with Ontario Training Education Corporation (OTEC) to develop in-house hospitality training program to assist managers with quality control training - includes coaching cards and recommendations on updates to performance appraisal forms
		Maintain safe, accessible facilities	Completion of accessible incline railway; WEGO accessible buses	Accessible attraction reopening in August 2013 Accessible buses completing first full year of operations Accessible bus stops constructed. AODA Public Session Held to review multi- year plan

	Objective	Strategies	Initiatives	Progress to Date
		Adopt a service culture to reach 100% satisfaction/absence of customer complaints	Customer service training sessions held in Golf and Culinary Services; Monitor website and social media comments; implement customer comment card system in golf and culinary operations	Customer service training undertaken at beginning of season in both Golf and Culinary Services operations; Golf implemented new comment cards; culinary continued comment cards and implemented new web-based comment system; all website and social media comments answered
		Provide customer service training to all levels of staffing	Customer service training	Cross functional management team worked with Ontario Training Education Corporation (OTEC) to develop in-house hospitality training program to assist managers with quality control training
		Have regular interactions with the customer base to profile needs and satisfaction level with current offerings	Review of pricing and discounting practice including survey of current and potential partners	HLT has provided first draft of study of industry practice and recommendations
C	Ensure that operating environments are safe for both visitors and employees	Establish safety standards and practices throughout the organization	Implement Phase 2 of Workwell audit	Developing action plan to assess job risks and develop operating procedures to minimize risks. NPC received a safety rebate of \$160,000
		Monitor ongoing staff compliance of such standards and practices		

FOCUS AREA: HUMAN RESOURCES		GOAL: Create an operating culture in which innovation is encouraged and rewarded		
	Objective	Strategies	Initiatives	Progress to Date
A	Foster an attitude of continuous improvement	Establish management tools and processes that will facilitate continuous improvement to program, service and attraction delivery	Conduct employee survey	Survey design and collection method determined through cross functional employee team, including mgmt and union representation. Survey conducted during July 2013 and NPC has received results; NPC employee website relaunched in March with inclusion of messages from GM; established NPC network, which is a biweekly digital summary of hours of operation, events and special information (road closures); and what people are saying on social media
		Recognize employee creativity and contributions to the change process	GM Town Hall sessions with employee groups	Two town hall sessions held in past year, as well as two sessions with trainer Jim Clemmer on personal accountability and managing change
		Establish and maintain succession planning processes	New supervisory training program for new and potential supervisor	Refreshed supervisory program content through review with Niagara Region; established relationship with

			staff for succession planning; consider succession planning in recruitment process; Commence refresh of job evaluation tools and process	leadership Niagara; new hires in Corporate Services have added to finance, procurement and technology skillsets within NPC; operational review of Human Resources department; RFP for job evaluation tool redesign has been awarded. Project to commence in Fall 2013 in conjunction with implementation of HR operational review recommendations and filling of HR vacancies.
		Develop an awards program relating to excellence in desired areas of the Commission		
B	Instill ownership and teamwork throughout the organization	Consistently apply operating methods and standards to eliminate program and service delivery silos		United Way Day in July instilled teamwork throughout the organization. A number of cross-functional teams created for other employee events- Employee Picnic, United Way program
		Engage employees in long term planning and day-to-day decision-making	Involve staff in a cross functional review of all attractions	Team reviewed front line attractions and made recommendations on maintenance improvements that could be readily implemented at low cost; negotiated flexibility in union contract for painting teams to catch up on backlog; merged roads and paint/sign crews to provide event support and efficiently use staff talents.
		Create an accountability framework that measures employee performance and celebrates success.		Commendations provided to NPC staff by the Commission for exercise of health and safety measures that saved lives
		Deliver training that is relevant to the work that staff do.	IT and HR staff to facilitate low cost training arrangements in readily accessible formats; Training partnerships with Niagara Region	Over 300 registrations at Regional training facility average cost of \$25 pp Membership in Lynda.com for online software training Lunch & learns Training videos through you-tube Microsoft 365 licenses allow for home use of software, improving employee access to training; AODA training, Jim Clemmer Leadership Training, more assertive advertising across the organization of available courses and webinars

FOCUS AREA: FACILITIES & TECHNOLOGY		GOAL: Maintain state-of-the-art infrastructure and equipment		
	Objective	Strategies	Initiatives	Progress to Date
A	Initiate an organization-wide system of asset management	Complete an overall assessment of infrastructure and identify capital work required to bring to acceptable standards of operation aligned with corporate goals	Develop comprehensive database with assistance of VFA consultants in partnership with Province	Inventory of assets completed and preliminary report presented. Engineering developing workplan to address deficiencies within available funding
		Institute an Asset Management Plan to annual operating and capital budget establishment and control process	Utilize the results of the data provided by VFA to plan and implement optimal spending decisions based on priority.	The report is being utilized to identify capital spending decisions in the 2014 budget and beyond.
		Link the Asset Management Plan to annual operating and capital budget establishment and control process	Engineering and Finance will work together to enter appropriate data into FMW (Racsoft).	FMW Operating plan is being implemented in 2013 and capital plan/salary plan in 2014
		Establish facility maintenance standards that are incorporated with day-to-day operations	Interdisciplinary Team Assessments were conducted at all major sites.	264 tasks were created from these visits. Engineering has 151 tasks, 63 were completed with 17 in progress.
B	Ensure facilities and amenities are relevant to the core business of the NPC	Maximize the contribution that each facility and amenity can make to the core business of the NPC	WEGO Bus Stops modified for accessibility throughout the park, Incline Railway Redevelopment, CNP Bridge rehabilitation, ICE Bridge being re-purposed to enhance the visitor experience.	WEGO - Dec. 31, 2013 INCLINE - Aug. 16, 2013 CNP BRIDGE - Mar. 30, 2014 ICE BRIDGE - Construction commenced on June 24th 2013 and is planned for completion on or about Dec. 1st, 2013.
		Repurpose underutilized assets to strengthen the financial position of the NPC	White Water Walk, Whirlpool Aero Car and Maid of the Mist Marketplace underwent several renewal efforts.	White Water Walk will be complete by September 1st. Whirlpool Aero Car and Maid of the Mist Marketplace were completed by June 15th.
C	Ensure technology system infrastructure is aligned with organizational needs	Leverage existing technology to better inform the decision-making process.	Develop corporate wide Records Management program that complies with MOU and incorporates industry best practices	Project charter completed; leveraging knowledge from provincial experts; arranging training for August/September; stabilization of network; commenced PCI compliance project; desktop standardization with Office 365.
		Develop software applications to monitor the functioning of each business unit	Develop scorecards	Golf scorecard; procurement scorecard; automating completion of procurement request forms

FOCUS AREA: RESEARCH & DEVELOPMENT		GOAL: Ensure the Commission and administration decisions are evidence-based		
	Objective	Strategies	Initiatives	Progress to Date
A	Establish research and development processes in all facets of operation	Integrate evidence based systems of inquiry to the decision-making process at all levels in the organization.	Implement customer surveys to determine customer satisfaction levels and customer interests in current and potential products and services.	Conducted intercept surveys during summer of 2013 to assess various NPC products and services including attractions, culinary services, retail, heritage, WEGO and parking.
		Conduct regular best practices research to determine new and innovative ways of achieving the core business	Conduct a study of current pricing and discounting practices	Engaged HLT Advisory Services to examine NPC's current discounting, commission and pricing practices, survey competitive landscape to benchmark practices, highlight survey findings and make recommendations to NPC - study to be completed by August 2013

16.0 APPENDIX B – CORPORATE GOALS AND STRATEGIES 2014 THROUGH 2016

FOCUS AREA: FINANCE		GOAL: Align Financial Resources to efficiently deliver products & services			
Objective	Strategies	Initiatives	2014	2015	2016
A. Maintain a business centred operating environment	Rationalize each business unit to assess its life cycle and anticipated contribution to long term financial stability	Implementation of recommendations from Internal audit reviews of sales & marketing. Ongoing review of culinary and golf operations to improve profitability. Changes to retail merchandising strategy to incorporate new boat tour; establish and monitor margins for individual revenue producing operations; update and integrate human resources, payroll and timekeeping technologies based on 2013 internal review	X	X	
	Initiate an aggressive business development strategy; new opportunities for four season experience	Preparation of Zip Line business case and application for OIC approval. Implementation of new Zip Line attraction program, subject to business case results. Assess and make changes to consignment programs; grow Adventure Pass and Wonder Pass programs; leverage relationships with CTC; OTMPC; TPN and NFT to grow business. Complete grant applications to Habitat Stewardship Fund, Tourism Development Fund, Great Lakes Sustainability Fund. Prepare business case for development of Miniature Village based on landscape architects concept. Implement improvements in 2016, subject to feasibility/business case conclusions and funding availability.	X	X	X
	Introduce Enterprise Risk Management program	Formalize Health and Safety Risk Assessment program to include visitor accident investigation system (2014), Playground safety program (2014), Public Washroom hygiene program (2014), sidewalk/trail inspection maintenance and repair program (2015), Sign maintenance/inspection/repair program (2015). Develop and implement tracking system for program (2016)	X	X	X
B. Achieve a positive financial position	Establish and measure performance against pre-determined financial results	Implement capital planning and salary planning modules of new RacSoft financial planning software. Continue to monitor performance measures	X		
C. Evaluate and communicate financial performance	Identify expected results and related performance indicators for each business	Standard performance measures for productivity - retail per square foot, culinary cost per cover	X	X	X
	Incorporate an indicator tracking system that is integrated with decision-making	Monitor new dashboard results on maintenance costs for NPC park sections, and identify opportunities for efficiencies and improvements	X	X	X
	Internal and external quarterly reporting on financial performance against forecasts, trends, targets	Quarterly reporting to Province, monthly reporting to Commission	X	X	X

FOCUS AREA: IMAGE		GOAL: Generate interest in the NPC Brand			
Objective	Strategies	Initiatives	2014	2015	2016
A Rejuvenate the NPC Brand	Assess and update the current branding of NPC products, services and attractions.	Implement a three year brand development program. Consistently tell Niagara Parks' stories.	X	X	X
	Identify ways to consistently represent NPC's brand and incorporate with marketing and promotional materials	Develop brand guidelines; Leverage NPC membership with key tourism organizations; leverage new boat service and new attractions such as Zip Line to generate renewed interest in all Niagara Parks.	X	X	X
B Promote the uniqueness of the natural, cultural and heritage characteristics of the Niagara River Corridor	Determine the products, services and attractions that have unique characteristics that distinguish the NPC from other tourist operators	Develop stories about all NPC products and services; position those stories with appropriate audiences; undertake attraction renewal at Journey Behind the Falls, Niagara's Fury and Butterfly Conservatory as well as Falls Illumination; leverage national milestones such as War of 1812 Bicentennial; 2015 Pan Am/Para Pan Am Games; Canada's Sesquicentennial to position NPC products and services.	X	X	X
C Focus marketing, communication and promotional materials on target markets.	Conduct ongoing market research to ensure products, programs, services and attractions have unique characteristics that distinguish NPC from other tourist operators	Nurture a research culture; implement annual customer survey program; conduct regular year-round surveys	X	X	X
	Introduce a management strategy to ensure internal and external communication is timely, accurate and complete and delivered to the intended audience	Develop Corporate Communications strategy and annual plans	X	X	X
Expand the reach of NPC marketing and promotion through collaboration initiatives	Establish cooperative marketing partnerships with similarly positioned businesses and organizations that will result in greater awareness of NPC initiatives	Work with CTC; OTMPC; TPN; NFT as well as local tourism operators	X	X	X

FOCUS AREA: PARTNERSHIPS		GOAL: Negotiate and maintain mutually beneficial operating partnerships			
Objective	Strategies	Initiatives	2014	2015	2016
A. Align with businesses, community stakeholders and the Province of Ontario to create tourism destination packages that produce positive net results.	Encourage and promote the development of the tourism industry in Ontario by developing tourism products with local, regional, provincial and national operators and organizations	Leverage new products such as Hornblower Niagara Cruises; Zip Line attraction as well as core attractions to partner with other operators and destination marketing organizations; Act as a core partner with the Niagara Golf Trail to support Niagara as a golf destination; position heritage sites, particularly Old Fort Erie as part of Bicentennial Commemoration; work with Province and Toronto 2015 in hosting opportunities for Pan Am/Para Pan Am Games; work with partners to enhance the Falls Illumination and develop new associated programming; work with organizations such as the Trans Canada Trail; Trees Ontario and Parks and Recreation Ontario on Active Living programs; Leverage NPC's gardens and trails in eco-tourism products (ex. Gardens of Ontario); work with Ontario Culinary Tourism Alliance and the TPN to grow culinary tourism opportunities with NPC products	X	X	X
	Establish a consistent event protocol with partners such as City of Niagara Falls for the delivery of community sponsored events and activities that have tourism focus, and where appropriate take lead on such events.	Assess NPC role in Winter Festival of Lights; Work with City of Niagara Falls to develop an Events Strategy; Work with Niagara Sport Commission to support local sport tourism events; work with Toronto 2015 and the Ministry of Tourism, Culture and Sport in hosting the 2015 Pan Am and Para Pan Am Games	X	X	
B. Form partnerships with local stakeholders to maximize resources	Continue to work with local and regional police services, the Illumination Board and "green" partners to enhance the visitor experience.	Work with partners to develop and implement an enhanced Falls Illumination Program.	X	X	
	Maintain and/or strengthen partnerships with volunteer based organizations and individuals to extend full and part time staff	Develop a Human Resources database of volunteer applicants. Work with departments to identify volunteer needs and use targeted advertising and word of mouth to acquire necessary resources	X		
C. To develop mutually beneficial partnerships that ensure quality leisure and recreation experiences for all individuals, families, and communities involved with the Niagara Parks Commission.	Continue to work with local and regional government agencies to develop partnerships to preserve and enhance the natural environment of Niagara Parks.	Trees Ontario will partner with NPC to provide mentoring of tree seed collection as an outreach training program for the public. Trees Ontario and Niagara Parks will work together to develop and plant a 20 acre parcel of land on NPC property. Partnering with Niagara College on ecosystem restoration, environmental sustainability, and technology initiatives	X	X	

FOCUS AREA: PARTNERSHIPS			GOAL: Negotiate and maintain mutually beneficial operating partnerships		
Objective	Strategies	Initiatives	2014	2015	2016
	Work with local and regional partners to develop the Cycling route around Niagara and within Niagara Parks	Partnering with Regional Niagara Bicycling Committee & the Greater Niagara Circle Route Committee to develop ongoing promotion and enhancement of cycling with Niagara Parks. Work with event organizers such as Niagara Sport Commission and GranFondo to support cycling events.	X	X	X
	Work with local, regional and federal government agencies to protect the natural heritage of the Niagara River and Niagara Parks	Partnering with local Conservation Authorities, Canadian Food Inspection Agency, and the Ministry of Natural Resources to determine the effects of invasive species, to remove invasive species of plant and insects and to protection of native species at risk	X	X	X

FOCUS AREA: PRODUCTS & SERVICES			GOAL: Deliver a wide range of educational, recreational and environmental tourism opportunities		
Objective	Strategies	Initiatives	2014	2015	2016
A. Capitalize upon tourism trends to create new and improved customer experiences	Conduct regular market research to identify changing needs of the target markets and new trends in tourism development	Implement annual customer survey program (intercept surveys); conduct web-based surveys year-round.	X	X	X
	Strategically segment the target market, designing attractions, events, products and services accordingly	Use market research and profiles from the CTC; TIAC; OTMPC; Ministry of Tourism; TPN to assess against NPC research. Use research information to inform re-development/capital plans for attractions, culinary services; golf operations and heritage sites.	X	X	X
	Take advantage of changing demographics, new approaches and processes and trends in visitor attendance to create new and/or enhanced tourist experiences	Implement new exhibit in Butterfly Conservatory themed around swamp life (reptiles) for 2014. RFI issued in 2013 to provide ideas for future educational exhibits into 2015 and beyond at the Butterfly Conservatory. Zoom bike rental offering bike rentals to guests at Smuggler's cove and Aero Car locations.	X	X	X
B Create a welcoming, full-service environment responsive to the needs of the customer	Institute customer focused management practices, service quality standards, policies, procedures and related measurement tools	Implement new OTEC customer service training	X		

FOCUS AREA: PRODUCTS & SERVICES		GOAL: Deliver a wide range of educational, recreational and environmental tourism opportunities			
Objective	Strategies	Initiatives	2014	2015	2016
	Maintain safe, accessible facilities	Donna Herrington to provide key requirements in 2014-2016. Formalize Risk Assessment program as outlined under Enterprise Risk Management Strategy	X	X	X
	Adopt a service culture to reach 100% satisfaction/absence of customer complaints	Implement coaching card system to measure employee adherence to customer standards	X		
	Provide customer service training to all levels of staffing	New OTEC course delivered to all staff	X		
C	Ensure that operating environments are safe for both visitors and employees	Conduct gap analysis of health and safety policies (2014). Conduct a gap analysis of departmental safety practices (2015)	X	X	
	Monitor ongoing staff compliance of such standards and practices	Assess compliance of all safety performance data against current policies (2015). Enhance tracking system to measure compliance(2016)		X	X

FOCUS AREA: HUMAN RESOURCES		GOAL: Create an operating culture in which innovation is encouraged and reward			
Objective	Strategies	Initiatives	2014	2015	2016
A	Foster an attitude of continuous improvement	Introduce Employee/Volunteer Background Check policy and program. Implement results of employee survey and conduct follow-up pulse surveys; appoint and train a cross departmental team of quality improvement auditors from within each business division	X	X	X
	Recognize employee creativity and contributions to the change process	Introduce re-vitalized Employee Suggestion program			X
	Establish and maintain succession planning processes	Human Resources department to facilitate preparation of formal succession plans for each department	X	X	X

FOCUS AREA: HUMAN RESOURCES			GOAL: Create an operating culture in which innovation is encouraged and reward		
Objective	Strategies	Initiatives	2014	2015	2016
	Develop an awards program relating to excellence in desired areas of the Commission	Establish Quality Service program		X	X
B	Instill ownership and teamwork throughout the organization	Consistently apply operating methods and standards to eliminate program and service delivery silos	appoint and train a cross departmental team of quality improvement auditors from within each business division	X	
	Engage employees in long term planning and day-to-day decision-making	Contract negotiations with Park Employees (2014), Servers (2014) and Police (2015)	X	X	
	Create an accountability framework that measures employee performance and celebrates success.	Introduce mid-season performance appraisal process	X		
	Deliver training that is relevant to the work that staff do.	Deliver new Customer Service hospitality program Conduct training needs analysis across departments and develop corporate training plan. Promote on-line and external training model	X		

FOCUS AREA: FACILITIES & TECHNOLOGY			GOAL: Maintain state-of-the-art infrastructure and equipment		
Objective	Strategies	Initiatives	2014	2015	2016
A	Initiate an organization-wide system of asset management	Complete an overall assessment of infrastructure and identify capital work required to bring to acceptable standards of operation aligned with corporate goals	Complete Phase II of VFA condition assessments to the remainder of NPC assets (roads, trails, and all underground infrastructures (sewer, water, electrical)).	X	X
	Institute an Asset Management Plan to annual operating and capital budget establishment and control process	Inventory and tag all assets. Training on VFA database.	X	X	

FOCUS AREA: FACILITIES & TECHNOLOGY			GOAL: Maintain state-of-the-art infrastructure and equipment		
Objective	Strategies	Initiatives	2014	2015	2016
	Link the Asset Management Plan to annual operating and capital budget establishment and control process	Setup capital planning module to be utilized in 2015 and future budgets.	X		
	Establish facility maintenance standards that are incorporated with day-to-day operations	Identify a target (Facility Condition Index) FCI for NPC. Engineering is planning to discuss with the ministry and the other agencies involved in the VFA condition assessment to establish target FCI.	X		
B. Ensure facilities and amenities are relevant to the core business of the NPC	Maximize the contribution that each facility and amenity can make to the core business of the NPC	Rejuvenate Journey Behind the Falls (JBTF), Niagara's Fury and Butterfly Conservatory and update/re-develop Boat Tour Marketplace to support new boat service. Parking strategy identified to improve the customer experience and improve returns in existing areas and open new ones.	X		
	Re-purpose underutilized assets to strengthen the financial position of the NPC	JBTF will be targeted for significant improvements. Investigate feasibility	X		
C. Ensure technology system infrastructure is aligned with organizational needs	Leverage existing technology to better inform the decision-making process.	Complete Microsoft 365 standardization; upgrade ticketing technology to OMNI 7, PCI compliance project; web-based marketing and sales strategies	X	X	X
	Develop software applications to monitor the functioning of each business unit	Integration of human resources, payroll and timekeeping technologies,	X	X	X

FOCUS AREA: RESEARCH & DEVELOPMENT			GOAL: Ensure that Commission and administrative decisions are evidence-based		
Objective	Strategies	Initiatives	2014	2015	2016
A. Establish research and development processes in all facets of operation	Integrate evidence based systems of inquiry to the decision-making process at all levels in the organization.	Introduction of new non-union job evaluation process to include internal equity, market research and benchmarking (potential for upgrade of union plan as well). Undertake regular customer surveys. Ensure that financial reporting as well as operational reporting systems are robust to provide management with necessary research and planning information.	X	X	X

FOCUS AREA: RESEARCH & DEVELOPMENT		GOAL: Ensure that Commission and administrative decisions are evidence-based			
Objective	Strategies	Initiatives	2014	2015	2016
	Conduct regular best practices research to determine new and innovative ways of achieving the core business	Attend professional association conferences to learn about best practices; liaise with other provincial agencies; liaise with other organizations that have an international customer base	X	X	X
	To develop quality leisure and recreation experiences for all individuals, families, and communities involved with the Niagara Parks Commission.	Trees Ontario and Niagara Parks will work together to develop and plant a 20 acre parcel of land on NPC. 2013 partnering with Brock University to provide a research report to determine the status of cycling in Niagara Parks.	X	X	
	To develop quality leisure and recreation experiences for all individuals, families, and communities involved with the Niagara Parks Commission.	Determine and monitor visitor use of the Niagara Glen and other natural areas through counters located along the trail - the number of users and where they go. Determine interest of visitors to the Glen through guided tours and questionnaires. Determine carrying capacity, report and recommendations.	X	X	

17.0 APPENDIX C - RISK MANAGEMENT ASSESSMENT

#	Risk	Related Strategic Priority	Impact & Scope Description (Consequences)	Likelihood and Impact	Mitigation Strategies (Action Plans)	Overall Risk Assessment	Risk/Mitigation Funded?	Risk Owner	Target Dates for Mitigation Strategies
Risk Category:		Strategic/Policy/Performance - This risk category includes strategic, policy and performance risks as well as political commitment risks and stakeholder/public perception risks. Includes risks related to implementing (or not implementing) new policies or changes to existing policies (i.e.: misalignment of agency policies with those of the OPS); risk that strategies and policies will fail to achieve targeted results and to provide value for money/cost-effectiveness; risk of not meeting publicly announced government commitments; risk of not meeting public expectations.							
1	Public resistance to new attractions (Zip Line)	Positive Engagement/Image	Reputational risk for Niagara Parks Commission, Commissioners and Ministry; public acceptance of new attractions	Likelihood: Medium Impact: Medium	Feasibility study and RFP issued. Preferred proponent shortlisted by cross departmental evaluation team, public information sessions to solicit input on proposed program of preferred proponent. Opportunities provided for public input online, through written correspondence or verbally at PIC. Acceptable sites agreed to by Board in principle, based on public feedback. Business case, proposed contract wording and preliminary site plan information to be returned to Board in November 2013. Public information session to follow Board deliberations, before final decision is made. Fairness Consultant retained to oversee process.	Medium	Yes	General Manager and Senior Management team	October 2014

2	Non compliance with records management commitments in MOU and Privacy legislation	Positive Engagement/Image	Reputational risk in the event of loss of critical or heritage documents, breach of privacy, inability to provide information in an efficient manner or to respond to FOI requests	Likelihood: Medium	Records management program charter prepared; external consulting expertise to be retained through competitive procurement; \$60,000 funding included in 2014 operating budget; staff consulting with Ministry and Archives of Ontario representatives with experience in these matters. New technologies to be researched during 2014	Medium	Yes	Senior Director Corporate Services	October 2016
				Impact: Medium					
3	A negative reaction to results of forensic investigation released in November 2012	Positive Engagement/Image	Reputational risk for Niagara Parks Commission, Commissioners and Ministry of Tourism: public confidence in NPC and Province to appropriate manage public resources; Provincial resources to review and correct	Likelihood: Low	Media releases at the Provincial and NPC level prepared in advance of announcement. Board briefed before announcement. Board Chair is the media spokesperson for NPC; quarterly progress reporting to Province on recommendations; only outstanding item is approval of Real Estate Acquisition & Disposition Policy which will be consistent with the Realty Directive; appraisals required for all proposed realty transactions.	Low	Yes	GM	November 2013
				Impact: Low					
4	Power Plant contingent liability	Positive Engagement/Image	Reputational risk for Niagara Parks Commission, Commissioners and Ministry; continued decline of heritage power plant facilities and rising cost of restoration	Likelihood: Low	Research & consultation with industry experts on industrial heritage. RFI for adaptive reuse based on visioning exercise. Tender process to crystalize the opportunities which these facilities represent. Maintenance work completed with Provincial funding that was provided.	Low	Yes	NPC Board, General Manager and Senior Management Team	October 2014
				Impact: Medium					

Risk Category: Accountability/Governance - This risk category includes governance, accountability, organizational, legal/contractual compliance and controllership/accountability risks. Includes the risk that organizational structures, roles and responsibilities are not defined and implemented to meet agency objectives; risk that agency culture and management commitments do not support organizational structures; controllership/accounting risks; risk of failing to comply with government directives; risks related to costs of complying with a contractual agreement or of litigation; risk that a government initiative or action will contravene a contract or agency policy; conflict of interest risks for Board members and inadequate ethics/codes of conduct.									
5	Risk that organizational structure, accountabilities and responsibilities are not defined, designed, communicated or implemented to meet organization's objectives.	Corporate transparency	Loss of provincial and public confidence; failure to use resources efficiently and effectively; failure to meet objectives	Likelihood: Medium Impact: Medium	New organization structure in several departments, operational reviews of IT, Human Resources, Culinary, Golf, Engineering and Sales/Marketing completed. Implementation of recommendations and staffing changes in progress. In-house legal services hired to reduce risk and manage legal costs. Modernization of Corporate Support services in progress. New Quality Management Program introduced as part of 2014-2016 Strategic Initiatives. NPC will retain consulting expertise on ISO 9001 or similar and train cross departmental quality management team.	Low	Yes	General Manager	October 2016
6	Risk of not meeting contractual compliance with Ministry and outstanding recommendations of Provincial audits	Corporate transparency	Loss of provincial and public confidence; failure to use resources efficiently and effectively; failure to meet objectives	Likelihood: low Impact: high	New governing policy framework being implemented with several new governing policies completed; business plan and quarterly reports submitted within deadlines, including progress reports on Provincial audits. Internal audit division performing compliance audits in sensitive areas; OIC application for line of credit to be completed early in 2014. Records Management Program to be initiated during 2014	Low	Yes	NPC Board, General Manager and Senior Management Team	October 2014

7	Risk of non-compliance with contractual agreement with Boat tour operator	Positive Engagement/Image	Financial penalties; cost of litigation; diverts focus of Board and management from strategy and operations	Likelihood: Medium Impact: high	Close monitoring of contractual agreements and implementation requests by in-house solicitor, approval of all contractual changes by Board; regard for contractual requirements and reasonable notice to Maid of the Mist operator. Regular meetings with Hornblower.	Medium	Yes	General Manager and Corporate Solicitor	May 2014
8	Risk of not meeting contractual deadlines for grant related projects: parkway improvements and incline railway	Renewal	Loss of funding source	Likelihood: Low Impact: Medium	Incline and bridge reconstruction followed new procurement process and have been awarded. Design for remaining incline site plan components completed. Regular reporting to P & I committee on project status; ongoing dialogue with Provincial, Federal and Municipal officials regarding project progress and adjustments required	Low	Yes	Management Team	December 2014
9	Culture and management commitments do not support the formal structure	Positive Engagement/Image; Service Improvement	Loss of provincial and public confidence; failure to use resources efficiently and effectively; failure to meet objectives	Likelihood: Low Impact: Medium	internal audit workplan focuses on underperforming and high risk areas. New Quality Management Program introduced for 2014. Records Management Program introduced and funding for external consulting expertise retained. Modernization programs continuing. New corporate training strategy to be developed. All management staff have signed Code of Conduct. Employee survey conducted. Town Hall sessions with employees to review new Strategic Plan, Corporate Values. Training sessions for supervisors to assess findings of employee survey and implement strategies to address weaknesses and learn from areas that are strong in employee and/or organizational engagement	Low	Yes	Management Team	October 2016

Risk Category:		Operational - This risk category includes program, service and operational risks. Includes business continuity risks; financial risks; changes in public demand (i.e.: demographics shifts that can impact attendance); change in demand for services; risks that products or services will not be completed or delivered to quality standards or in a timely manner; risks associated with program efficiency, effectiveness and customer service.							
10	Risk of not meeting French Language Service designation in Niagara Region	Positive Engagement/Image; Service Improvement	Inability for Province to designate Niagara Region; additional costs associated with compliance	Likelihood: Medium	Recruitment of bilingual staff and bilingual training of existing staff at Oak Hall	Low	Yes	Director of Corporate Services	Oct-14
				Impact: Low					
11	Risk on not meeting AODA standards	Positive Engagement/Image; Service Improvement	Loss of credibility with Province or Public	Likelihood: low	AODA consultant retained and project plan in place; ongoing meetings with Senior Management Team; projects included in 2013-2014 Business Plan. Consulting with public	Low	Yes	Senior Management Team	Oct-14
				Impact: Medium					
12	Capital and operating projects deferred due to revenues lower than budget	Renewal	Failure to maintain assets to adequate standard, lost business opportunities	Likelihood: medium	Multi-year capital planning process; Condition assessment project to provide more details by asset category; new pricing structures implemented; ongoing review of margins for revenue generating operations taking place monthly; identify redundant assets for sale; revenues from new boat tour lease. Departmental revenues based on seven factors to improve efficiency. Monitor revenues/ expenditures; delay some capital until more revenue certainty.	Medium	Yes	Management Team	Oct-16
				Impact: Medium					

13	Insufficient revenues and/or profitability to sustain operations	Financially self-sufficient	Failure to achieve adequate profit from commercial operations and/or to control costs in a manner that ensures NPC remains financial self-sufficient in the long term	Likelihood: medium	Attraction renewal and introduction of new attractions and branding program to increase visitation. Line of credit to assist with short term financial requirements and plan for modifications to business plan. Minimum balance in accumulated operating surplus established at \$2 million to provide financial flexibility to continue operations. New boat tour operator lease provides guaranteed revenue stream to assist with addressing infrastructure back log, revitalize operations and improve long-term sustainability. Parking automation strategy to increase profitability of prime parking lots.	Medium		Management Team	Oct-16
				Impact: Medium					
Risk Category: Workforce - This risk category includes workforce compensation risks and workforce risks. Includes labour relations and human resource risks; risks associated with potential skills shortages; risks associated with changing job markets, high employee turnover, employee illness and staff complaints.									
14	Risk related to skill shortage; specialized staff skills not available	Positive Engagement and Employee focus	Minimal turnover in workforce for over a decade and minimal investment in skills development due to financial constraints	Likelihood: Low	Filling vacancies from recent retirements, organizational restructuring and changes in senior leadership are bringing new skills into the organization and opportunities for succession planning. Workforce is stable. Recent updates to code of conduct provides clear direction on expectations	Low	Yes	Management Team	Ongoing
				Impact: Medium					
15	Risk of increased costs from anticipated salary settlements	Positive Engagement/ Employee Focus	Recent settlements with bargaining units and provincial wage constraints for non-union staff increases have minimized the risk of increased costs;	Likelihood: medium	Contract renewal during 2014; Negotiating strategy approved by Board; Provincial constraint measures; early conciliation; employee survey provides insight into areas to provide non-monetary improvements. Ongoing labour management meetings with OPSEU	Medium	Yes	Bargaining Committee which is comprised of Senior Directors	Spring 2014
				Impact: Medium					

Risk Category:		Information Technology & Infrastructure - This risk category includes capital project risks and I & IT risks. Includes risks relating to new capital projects including changes in construction costs and project delays; risk that information (i.e.: performance data) is incomplete or inaccurate; risk that information technology doesn't support business requirements; business continuity risks and IT privacy and security risks.							
16	Risk that information or technology infrastructure does not support business requirements	Renewal/ Modernize technology systems	Financial constraints and competing capital needs have resulted in software that has not been updated and hardware that has been failing. The impact is reduced productivity and inefficiency, lost revenues and increased customer wait times. Organization has experienced server downtimes, network connectivity disruptions and obsolescence restrictions, cumbersome workaround procedures.	Likelihood: Medium	IT operational review completed by Deloitte; Servers, PC's and POS units replacement program continuing in 2014; IT Operational review has prioritized recommended strategies to modernize. Workplan has been developed and shared with cross-departmental management team. Recruitment for network and system administrators completed in 2013. Recruitment for Project Manager for OMNI upgrade in progress. OMNI upgrade being undertaken in conjunction with Hornblower to coordinate ticketing and marketing. Implementation of Office 365 to be completed in 2014. New records management program will include evaluation of appropriate technologies for document management. Electronic agenda tool for Board meetings under review. Integration of HR, Payroll and timekeeping technologies to take place during planning period.	Medium	Yes	Senior Director of Corporate Services	October 2016
				Impact: Medium					
17	Risk that processing of credit card information does not meet contractual obligations under PCI compliance standards	Financial self-sufficiency; Positive engagement/image	Inability to collect revenue by credit cards, which currently represents about 50% of revenues generated by commercial operations	Likelihood: Low	Retention of Deloitte PCI consultants to undertake systems review recommendations and staff training; Deloitte assisting with preparation of RFP for payment processor and payment gateway; capital budget includes funding for network improvements	Medium	Yes	Senior Director of Corporate Services	October 2014

18	Risk related to equipment failure	Infrastructure Renewal	Age of equipment and unreliable maintenance contracts resulting in loss of revenue; reputational loss; loss of public confidence in the event of extended or repeated failures.	Likelihood: Medium	RFP for maintenance service to be issued in 2014 with focus on dependability and cost control. Investigate options for redundancy in access to attractions	Medium	Some maintenance improvements are funded. Long term asset management strategy being developed.	Senior Director Infrastructure Services	October 2016
				Impact: high					

Risk Category:		All Other Risks - This risk category includes risks that do not fit in any of the above categories. Includes corporate social responsibility risks (i.e.: environment, climate change, energy management, health promotion, waste reduction, fair trade practices); risks associated with organizational assets, (i.e.: facilities, equipment, personal safety, physical security) and risks associated with third parties such as service or goods providers.							
19	Risk that Emerald Ash Borer will cause extensive damage to NPC horticultural assets	Condition assessments to collect data to create renewal/restoration strategy	Extensive grouping of emerald ash on Legends Property	Likelihood: Medium Impact: Medium	Emerald Ash Borer has been found at the Botanical Gardens in the arboretum. Branch sampling survey of 15 trees was conducted by staff across the grounds to confirm and the Canadian Food Inspection Agency has been contacted and are aware of the sightings.	Medium	Yes...for planning work. Renewal/restoration strategy will be developed in conjunction with Provincial strategy.	Director of Horticultural Services	2016
20	Dunn Street Lease – expires (notice to extend)	Ensure that facilities are relevant to the core business of NPC	NPC is operating on a month to month basis for its administrative facilities at Dunn St. If Niagara College sells or provides notice of termination, NPC will require additional space for 36 administrative staff.	Likelihood: Low Impact: Medium	NPC has received a new lease from Niagara College in draft form covering the two years ended May 31, 2015. The lease will be submitted to Board for approval in November 2013 and then submitted with business case for OIC approval.	Low	Yes	NPC Solicitor	April 2014
21	Failure of irrigation systems at Whirlpool Golf and Botanical Gardens	Maintain asset integrity	Revenue and expense impacts due to constant shutdown to maintain; loss of greens; potential loss of valuable plant specimens at Botanical Gardens.	Likelihood: Medium Impact: Medium	Engaged the original designer for the Irrigation system so that shovel ready construction documents are prepared. Construction, estimated at \$2 million, will require debt financing or grant funding	Medium	Design – yes; Construction - no	Senior Management Team	March 2015

18.0 APPENDIX D – PAID ATTENDANCE

	2013 Actual	2012 Actual	2011
<u>Paid Attractions</u>			
Maid of the Mist Elevator	1,552,349	1,588,639	1,536,503
Journey Behind the Falls	689,535	738,862	730,409
Butterfly Conservatory	283,139	291,940	287,840
Whirlpool Aero Car	113,343	92,822	101,894
White Water Walk	201,322	199,443	195,282
Sir Adam Beck	11,766	16,013	13,636
Niagara's Fury	266,113	317,106	292,818
*Floral Showhouse	21,273	18,687	120,066
Total	3,138,840	3,263,512	3,278,448
<u>Golf</u>			
Oak Hall Par 3 Golf Course	2,034	2,806	2,156
Whirlpool Golf Course	27,079	27,258	22,873
Legends on the Niagara	50,795	39,179	39,913
Total	79,908	69,243	64,942
<u>Historic Sites</u>			
**Old Fort Erie	14,276	18,042	12,588
**Laura Secord Homestead	6,480	6,252	4,265
Mackenzie Printery	4,667	2,809	2,212
**McFarland House	2,952	3,410	704
Total	28,375	30,513	19,769
<u>Transportation</u>			
People Mover	-	344,397	448,843
Falls Parking Lot	280,792	300,578	-
****Falls Incline Railway	213,766	614,898	544,987
Floral Showhouse Parking	23,413	14,226	-
Butterfly Conservatory Parking	65,667	63,790	-
***WEGO Transportation Service	923,964	127,285	-
Total	1,507,602	1,465,174	993,830
Total	4,754,725	4,828,442	4,477,055

* Beginning in March 2012, NPC instituted paid admission to NPC's Floral Showhouse

** These three historic sites underwent significant renovations in 2011, and opened in mid-season.

***New WEGO Transportation Service, which has replaced the Peplemover, was initiated in August 2012 - WEGO attendance represents Green Line ridership trips which is not individual ridership

**** Note: Incline for 2013 opened in August 2013 as attendance is assumed as follows: Sales for a 1 way pass counts as 1; Sales of 2 way and all day pass are counted as 2.