

THE ST. LAWRENCE
PARKS COMMISSION
AN AGENCY OF THE
GOVERNMENT OF ONTARIO

**Parks of the
St. Lawrence**



**Les Parcs du
Saint-Laurent**

LA COMMISSION DES
PARCS DU SAINT-LAURENT
UN ORGANISME DU
GOUVERNEMENT DE L'ONTARIO

St. Lawrence Parks Commission

ANNUAL REPORT

2019 / 2020

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MESSAGE FROM THE CHAIR

Rich in historic, cultural and recreational opportunities for the residents of Ontario and the many domestic and international visitors to our region, St. Lawrence Parks Commission (SLPC) is a dynamic tourism organization that is central to the economy of Eastern Ontario. As Chair of the SLPC, I am pleased to present the 2019/20 Annual Report on behalf of the dedicated staff and board members who serve this organization.

The 2019/20 year was successful for the SLPC generating \$14.495 million in revenue from operations and a net surplus of \$2.298 million. This surpassed budget by \$1.356 million.

As stated in previous annual reports, SLPC is proud that over the past 10 years, the Commission has improved its operational performance significantly. In 2008, SLPC covered approximately 47% of its costs through revenue generated from its operations. In 2019/20 SLPC covered 73% of its expenses through revenue from operations. Overall attendance to SLPC attractions in 2019/20 excluding Marina activity increased at all sites, with impressive results at historic sites and campgrounds. Overall attendance saw a decline this year by only approximately 3% (21,000 visitors) in 2019/20 compared to 2018/19 due to the cancellation of Fort Henry's winter event Lumina Borealis. SLPC Board continue to make difficult evidence-based decisions regarding performance of events and business units to drive the Commission even closer to its goal of being a self-sustainable agency.

As the SLPC continues to prosper, community partnerships remain a priority with government counterparts, tourism partners and with residents in the communities where we operate facilities, parkways and have land holdings. In my role as Chair, I was proud to be in attendance at two official openings of community fairs such as the Williamstown Fair, Canada's Oldest Annual Fair. Reaching out to local communities underlines the importance and benefits of SLPC in Eastern Ontario. Staff across various business units participated in a variety of local fairs and festivals along the St. Lawrence River Corridor, bringing awareness and elevating communications with local communities and our partners.

Last year, the Commission held two public meetings in the Townships of Front of Yonge and Leeds and the Thousand Islands to hear from the community concerns and issues regarding the operation of the 1000 Islands Parkway. Listening to local residents has greatly improved collaboration with the Townships and operation of the Parkway including further support from the Ministry of Transportation. Working closely with the Township of Front of Yonge, SLPC lead local community support for the annual Vincy Unity Picnic Canada – 20-year anniversary. The Annual Vincy Picnic held at Brown's Bay is a family friendly picnic hosted by the St. Vincent and the Grenadines Associations of Montreal, Ottawa and Toronto. Unfortunately, due to COVID-19 the organizing committee had to cancel the 2020 summer annual event; however, we are excited to support festivities next year.

The Commission worked closely with the Townships of South Dundas and South Stormont regarding numerous issues of mutual interest, Long Sault Parkway operation, water levels in the St. Lawrence River and infrastructure. While understanding the potential for enhanced regional economic impact with working together, one noteworthy achievement is the collaboration regarding solutions for water and wastewater at the various SLPC sites located in these Townships. This strong collaboration was an important milestone for the Commission and Townships to find solutions to the beyond useful life infrastructure throughout our campgrounds and beaches and respecting the Provincial Policy Statement to pipe into municipal systems where available.

SLPC once again partnered with the City of Kingston and Correctional Service Canada to operate tours at Kingston Penitentiary. Over 72,000 visitors were hosted in 2019 an increase of 5% from

2018. This new tourism product continues to fascinate guests and is a powerful trip motivator for tourism to the City of Kingston. SLPC looks forward to continuing this partnership.

After seeing success in the international travel trade market from sales missions in the UK and Asia, SLPC continued with sales missions last year in Germany and Switzerland. This market continues to grow with our historic sites, Fort Henry and Upper Canada Village resulting in increases in group sales of 62% and 147% respectively. SLPC will continue to explore opportunities in both the domestic and international travel trade industry as our attractions are ideally located along the 401 corridor between Montreal and Toronto and just one hour south of the nation's capital.

SLPC has been committed to expanding access to its facilities for all guests in a variety of ways and I am proud to say that Fort Henry is now one of the only national historic sites in Canada to offer inclusive washrooms. SLPC staff continue to work with national organizations to improve accessibility with accessible shuttle service, ASL interpretation and autism sensory experiences.

SLPC continues to face serious challenges with its aging infrastructure, especially the beyond useful life septic systems and washrooms within our campgrounds and beaches in addition to deferred capital maintenance. Over the last fiscal year, SLPC is working closely with Infrastructure Ontario, MHSTCI and local municipalities to evaluate the feasibility of connecting to municipal services. We have gained a solid understanding of our infrastructure needs over the past fiscal year and are positioning the agency to be shovel ready on several key infrastructure projects.

Year to year SLPC conducts ongoing analysis of the performance of its attractions and events to improve cost-efficiency and to deliver high-quality products as well as experiences. Fort Fright returned to its original size encompassing the majority of Fort Henry grounds with great success and reviews from visitors. Other areas of review include SLPC's stewardship role that it plays in the operation and management of the 1000 Islands Parkway and for its extensive landholdings.

An important focus for the Board, Senior Leadership Team and staff is the development of the five-year Strategic Plan and I look forward to working with the Board and staff to develop this strategy to guide the SLPC in dealing with its diverse priorities and trials.

As we look to 2020, uncertainty and challenges lie ahead with the imposing ongoing impacts of COVID-19 and its disruptions on SLPC operations.

Finally, I would like to recognize the leadership of General Manager & CEO, Hollee Kew, the Senior Leadership Team and all staff members of the SLPC for their continued dedication and passion. To the other SLPC Board members, a sincere thank you for their commitment of time, energy and expertise.

MESSAGE FROM THE GENERAL MANAGER & CEO

St. Lawrence Parks Commission (SLPC) is one of the largest tourism destinations in Eastern Ontario, extending 200 km from Kingston to near the Quebec border. Facilities include thousands of hectares of park land and attractions on the St. Lawrence Heritage Corridor that provide a major source of recreational opportunities for residents and visitors to the Eastern Ontario Gateway to Ontario.

The SLPC supports the Ontario Ministry of Heritage, Sport, Tourism and Culture Industries' efforts to strengthen Ontario's tourism industry. We employ over 500 dedicated people throughout the year including a complement of full time, part-time, seasonal and students to deliver quality visitor

experiences. SLPC operations generate a regional economic impact between \$70 - \$100 million annually to the province's economy making our operations a significant economic driver that improves the lives of the people living in the region and province.

In 2019/20, SLPC hosted over 600,000 visitors, attracting significant visitation from Ontario, Quebec and internationally. SLPC's role as a tourism draw brings visitors to local community businesses and adds to the vitality of the region and works in partnership with local municipalities and Destination Marketing Organizations. SLPC also received a Tourism Award last year from the Kingston Chamber of Commerce for the Kingston Pen Tours, which to date, have contributed significant economic impact to the local economy in the City of Kingston and area and also \$3 million to the United Way of Kingston, Frontenac, Lennox & Addington to support youth homelessness initiatives.

Following participation in sales missions to China, South Korea, Japan and the UK and Ireland, SLPC participated in the Destination Ontario sales mission and marketplace in Germany and Switzerland to educate qualified agents about SLPC attractions and establish new relationships with key operators in this important market. This will continue to be an area of focus moving forward.

SLPC continues to build on accessibility initiatives. Fort Henry has introduced accessible shuttle service to evening events and ASL interpretation at Sunset Ceremonies. The Advanced Battery washroom project was completed, and our Sensory Sunday's program continued this season with the added experience of a 30-minute tactile tour in addition to the traditional 60-minute tour for those visitors on the autism spectrum. Access to tourism experiences for all visitors is important and staff will continue to work with organizations like the Canadian National Institute for the Blind, Canadian Hearing Society and the Alzheimer's Society of Ontario to educate employees and create accessible sites and experiences.

SLPC's historic sites, Upper Canada Village and Fort Henry, both saw significant visitations to their main season during the summer months with Upper Canada Village welcoming close to 157,000 visitors, up 4% to budget and Fort Henry showing growth from 41,000 visitors in 2018 to 45,000 in 2019, up 10% to the previous year and to budget. At Upper Canada Village, group tour activity was 11,236 which doubled 2018/19 activity. Kingston Pen Tours extended tours were regularly sold out all season and all other tours were sold out every weekend and every day for 7 straight weeks in July and August.

SLPC continues to deliver exceptional, crowd-pleasing fall and winter events at its historic sites, which extend the tourism season and contribute significantly to the SLPC's financial performance. Fort Fright, Pumpkinferno and Alight at Night collectively attracted over 110,000 visitors in the months of October through January. SLPC performs an ongoing review and refinement of the visitor experience of all events. Staff are always seeking to refresh these events that is both engaging for guests and financially sustainable.

Despite our strong performance, weather once again played a significant role in many of the SLPC's operations. The winter and spring were one of the wettest and rainiest on record. Montreal recorded 28 inches of rain, the 5th highest November to May total since 1942 and in Ottawa, 24 inches fell during the same period, 7th highest on record since 1890. The higher than normal water levels in the St. Lawrence River in our eastern properties negatively impacted extended stay and transient campsites at Ivy Lea and created unfavourable conditions at Brown's Bay Beach. The continued unsettling weather in the fall also caused significant damage to equipment at Skywood Eco Adventure, resulting in its early closure as well as the early closure to Fort Fright at Fort Henry.

SLPC campgrounds continued to post positive advances in net revenue and admissions, showing increases of 8% and 2% respectively. The Learn to Fish program was alternated throughout the various campgrounds and increased participation by 12%.

At Upper Canada Golf Course, a new automated irrigations system and improvements in drainage created a much safer and enjoyable course. A new 2 for \$50 incentive was instrumental in seeing a 12% increase in revenue this past season.

A newly established operating plan for Skywood Eco Adventure proved to be effective in controlling expenses and review of the operational model for future years.

Although Chrysler Park Marina faced several challenges with a drop in seasonal boaters and winter damage to the slips and gas dock, camping and cabin rentals was a bright spot and momentum is building to make this an agreeable profit centre for the operation. Staff are working towards enhanced customer experience to regain seasonal business. Staff held several open invitation group meetings with seasonal boaters to hear issues and suggestions for revitalizing the Marina and improving operations.

The SLPC will face an unprecedented year ahead with the unpredictability of COVID-19 and resulting impact on tourism. Delivering quality visitor experiences and striving for sustainability continues to be challenged with extremely aging infrastructure, with the most serious being septic systems and washrooms within our Parks system. To further our understanding of our infrastructure, SLPC participated in a land asset inventory pilot project with the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI) and Infrastructure Ontario. The project generated evidence-based decision-making information for asset management planning and to inform Multi-Year Planning budget submissions. SLPC now has a solid knowledge of our infrastructure challenges and are working towards shovel ready submissions with MHSTCI.

SLPC is working closely with MHSTCI, Infrastructure Ontario and our local municipalities to evaluate long-term sustainability of this critical infrastructure and the feasibility of a path forward to revitalization, by connecting to municipal services where possible and renewing all capital assets to meet the needs of a growing customer base and climate adaptation. SLPC have prioritized our environment and have benchmarked our green-house gas emissions with the establishments of goals and objectives to reduce our impact on the environment we care deeply about.

With the rapidly changing marketplace and growing consumer demand for e-commerce and immediacy of information, SLPC is working closely with the I & IT Cluster at MHSTCI for assistance and guidance on the development of an RFB for a new website.

With the two year mark approaching on my time in the role as General Manager & CEO at the St. Lawrence Parks Commission, we have made remarkable progress on getting the business in order and now can drive significant improvements with our upcoming strategic planning process and our understanding of our infrastructure and business unit performance. I have appreciated the support I have received from all SLPC management and staff, in addition to the support of the staff at the MHSTCI, the SLPC Board of Commissioners, and our numerous tourism and community partners throughout the region.

CORPORATE OVERVIEW

MANDATE

The SLPC was established in 1955 and is a Board-governed agency of the Government of Ontario. Its mandate is to provide tourism, cultural, educational and recreational opportunities for residents of Ontario and visitors to the province through the presentation and interpretation of historic attractions, and the development and operation of parks, campgrounds, scenic parkways and recreational areas. The SLPC supports the Ministry of Heritage, Sport, Tourism and Culture Industries' efforts to strengthen Ontario's tourism industry by promoting economic growth through the delivery of cultural and tourism experiences and championing participation in sport and recreational activities across Ontario. As a key economic driver in Eastern Ontario, the SLPC will focus efforts on new product development and program enhancements that will draw new and returning customers to the region and strengthen Ontario's reputation as an internationally recognized tourism destination.

MISSION

The purpose of the SLPC is to generate lasting visitor growth, drive economic prosperity, and build community partnerships in Eastern Ontario.

The SPLC is a revenue-generating tourism business offering customer-focused, entertaining and educational experiences that maximize its natural, leisure and heritage assets.

LEGISLATIVE AUTHORITY

The SLPC operates under the authority of the *St. Lawrence Parks Commission Act*, and reports to the provincial government through the Minister of Heritage, Sport, Tourism and Culture Industries. The Board of Commissioners' governance responsibilities include overseeing the business affairs of the SLPC by making policy decisions and setting strategic directions; establishing land use regulations; approving budget priorities; translating government policy into agency policy; ensuring wise use of public assets; and representing the SLPC within the community.

The SLPC supports its operations through:

- Fees charged at its attractions and retail outlets and revenue generated via concessionaires;
- An allocation from the Government of Ontario; and
- Agreements, donations, sponsorships and partnership advertising funds in support of its facilities and programming.

CORE PRINCIPLES, VALUES AND BELIEFS

- Success must be achieved through excellence in the presentation and promotion of quality attractions and facilities and high private sector-calibre retail establishments which complement rather than compete with the private sector.
- SLPC has a vital role to play in the development of tourism in Eastern Ontario, not only through excellence in the presentation and promotion of its attractions and facilities, but also by helping to develop regional programs which are responsive to the demands of the tourism markets.

- Its greatest future strength must be built upon leadership and motivated people, with Commissioners, staff and communities working together.
- SLPC is committed to responding to the needs of its visitors through service and courtesy.
- SLPC is dedicated to communicating effectively with visitors, staff, community leaders, associations, private tourism operators and the Ministry of Tourism, Culture and Sport.
- SLPC believes that the development and implementation of a unique corporate image will heighten public awareness of the SLPC as a unified corporate entity with distinct programs and facilities and serve as a cornerstone for marketing and a source of pride for staff.
- SLPC is committed to responsible and ethical management of its attractions, facilities and services.
- SLPC is committed to the principles of its corporate vision. It will guide corporate planning and new initiatives and it will also assist in setting priorities for existing programs and set the stage for cooperative activities with the private sector and other stakeholders.

OBJECTIVES

- To encourage and promote the tourism industry in Eastern Ontario on a year-round basis for the economic benefit of the people of the region and the province.
- To acquire, preserve, develop and maintain historic and recreational resources within SLPC's jurisdiction for the benefit of the people of Ontario and enjoyment of visitors to the province.
- To manage historic sites, campgrounds, parkways, recreation areas and/or other facilities which enhance SLPC's contribution to tourism development, recreation, learning and heritage conservation.
- To provide SLPC's services and facilities at a high standard of excellence for the recreational and learning enjoyment of its visitors.

STRATEGIC PILLARS

The SLPC is guided by its Strategic Pillars, which were updated in November 2017.

Pillar I – Support a Health, Safety and Environmental Culture

SLPC will continue to develop a “safety-first” culture that creates a healthy work environment where employees always feel safe and activities leave a minimal environmental footprint in every location. SPI (Safety Performance Index) and root cause analysis will inform safety progress. SLPC’s Multi-year Accessibility Plan will ensure the SLPC meets Ontario’s accessibility laws and removes accessibility barriers. The SLPC Wellness Committee will encourage and promote habits of wellness among SLPC employees.

Pillar II – Move towards Operational Self-Sufficiency

SLPC will continue to improve overall performance by continuing to emphasize both revenue generation and a margin focused model. SLPC will develop and implement sustainable, continuous improvement practices to constantly reduce costs and eliminate waste, and to improve quality and increase flexibility across all SLPC Business Units. Continued focus on budget adherence through variance analysis, metrics and accountability will be applied to improve overall financial performance. Further, SLPC will maintain a continuous effort to outpace inflation with cost structure improvements.

Pillar III – Optimize and Balance Resources and Profits

SLPC will optimize and balance resources and profits in order to ensure product quality, visitor satisfaction, and increased profitability. SLPC will continue to offer existing and potential clients a broad range of competitive products and services within the Historical Sites and Parks and Recreation attractions. SLPC will endeavor to be perceived as a tourism industry innovator through exceptional creativity, depth and capacity with a focus on high yield programming and special events designed to enrich visitor experience. Reinvestment of operational gains to sustain product quality, tourism experience excellence and grow and enhance programs and product mix will contribute to organizational and financial sustainability. The preservation of our core Heritage Sites remains paramount and new product will be considerate of heritage impact such that new offerings are non-dilutive to our core product.

Pillar IV – Grow and Expand the Customer Base

Investments in enhanced product quality, special events, thematic daily/weekend programming, perceived “value for money” and a strengthened SLPC brand will be designed to support provincial, national and international market development and reinforce ongoing regional and provincial market penetration.

Pillar V – Build a Talented and Committed Workforce

SLPC will excel at attracting, developing, and retaining competent and flexible personnel to support an ever-evolving high performing organization; through enhanced leadership and employee engagement. SLPC’s focus will be to continue to invest in a culture of motivated improvement and personal accountability. Investment in the educational development of staff will continue in all professional development categories. Enhanced capacity to serve international visitors in their language must be considered.

2019/20 ST. LAWRENCE PARKS COMMISSION BOARD OF COMMISSIONERS

Chair:

Bob Runciman
Brockville
January 17, 2019 – January 16, 2022
2019/20 Remuneration: \$3,038

Vice-Chair:

Bruce Wylie
November 13, 2019 – November 12, 2022
2019/20 Remuneration: \$325
Brockville

Vice-Chair:

Linda Ann Daly
Kingston
April 24, 2013 – April 17, 2018
January 18, 2019 - August 3, 2019
2019/20 Remuneration: \$350

Commissioners:

Margaret Fancy
Mallorytown
October 23, 2013 – November 22, 2019
2019/20 Remuneration: \$750

James Garrah
Gananoque
October 30, 2013 – October 29, 2019
2019/20 Remuneration: \$825

Robert Tchegus
Kingston
April 26, 2017 – April 25, 2020
2019/20 Remuneration: \$300

Guy Tondreau
Cornwall
June 28, 2017 – June 27, 2023
2019/20 Remuneration: \$1,050

Linda Shanks
Kingston
August 31, 2017 – August 30, 2020
2019/20 Remuneration: \$900

Debora Daigle
Cornwall
June 28, 2017 – June 27, 2020
2019/20 Remuneration: \$1,050

Pierre Santoni
Mallorytown
March 7, 2018 – March 6, 2021
2019/20 Renumeration: \$0

Tammy Hart
April 4, 2019 – April 3, 2022
Newington
2019/20 Remuneration: \$900

Todd Lalonde
October 17, 2019 – October 16, 2022
Cornwall
2019/20 Remuneration: \$150

Gordon Stencell
October 25, 2019 – October 24, 2022
Kingston
2019/20 Remuneration: \$0

SENIOR LEADERSHIP TEAM 2019/20

Hollee Kew
General Manager & CEO

Mia Robertson
Executive Administrative Assistant to the General Manager & CEO and Ministry Liaison

Geoff Waycik
Director, Historic Sites

Dawn Ellis-Thornton
Manager, Fort Henry National Historic Site of Canada (until December 31, 2019)

Kathryn Lowe
Acting Manager, Fort Henry National Historic Site of Canada

Tracey Ogilby
Manager, Upper Canada Village

Jennifer Tarini
Director, Parks and Recreational Facilities

Robert Hamilton
Manager, Maintenance and Operations

Brent Sommerville
Regional Parks Operations Manager

Tim Robins
Manager, Recreation & Leisure Facilities

Al Adibi
Director, Corporate Services

Shannon Moulton
Human Resources Coordinator

Susan LeClair
Acting Director, Marketing & Customer Experience (until September 9, 2019)

Krista Doyle
Acting Director, Marketing & Customer Experience

BUSINESS UNITS

UPPER CANADA VILLAGE

- Generated over \$4.5 million of revenue and received 256,000 visitors.
- Saw a decrease in net financial performance of 12% year-over-year.
- Group tour activity doubled this year compared to 2018/19.
- Events included a Celebration of Canadian Music, Horse Lovers Weekend and Annual Fall Fair and Quilt Show.
- Medieval Festival was attended by 8,230, which was 5% under budget.
- Time Traveler summer camp was sold out of all spots.
- Pumpkinferno attracted over 51,500 visitors over 20 nights of operation and Alight at Night over 41,000 over 25 nights.

FORT HENRY NATIONAL HISTORIC SITE OF CANADA

- Fort Henry visitation during the main season improved 6% over budget and previous year.
- Great Hall rentals increased by 15% over budget, 27 weddings or receptions were held at Fort Henry in 2019.
- Bytown Catering introduced BeaverTails to the Advanced Battery.
- Accessibility and Inclusion initiatives saw the introduction of accessible shuttle service to evening events, ASL interpretation at the Sunset Ceremony and the completion of the Advanced Battery washroom project. Fort Henry is one of only a few heritage sites nationally to offer inclusive washrooms.
- Sensory Sunday's program continued this season with the added experience of a 30-minute tactile tour in addition to the traditional 60-minute tour.
- New interpretive programming included Music of the Regiment, Artillery Tour, Ronald L Way Interpretive Days and Fort Henry Guard Regimental Band and Choir.
- Fort Fright was redesigned to have the haunted house route end in the parade square for a carnival style experience and included partner experiences with Improbable Escapes and Haunted Walks.
- Introduced Indigenous Cultural Workshops and welcomed local Indigenous artisans to the Trade Square.

KINGSTON PEN TOURS

- Generated close to \$3.1 million of revenue and received 72,000 visitors.
- Saw an increase in net financial performance of 3% year-over-year.
- Attendance performance statement similar to UCV (from 68k to 72.5k visitors)
- Extended tours frequently sold out all season and all other tours were sold out every weekend and every day for 7 straight weeks in July and August.
- Modified programming on Prisoners' Justice Day on August 10 where tour guides explained the day's relevance in modern day corrections while admission's staff distributed CSC approved brochures.

CAMPGROUNDS & BEACHES

- Parks net income was \$1.854 million and 12% ahead of budget.
- Revenue was up \$135,000 or 3% over the previous year.
- Continued to focus on adding French/Language students to the staffing complement.
- Staffing challenges were significant throughout all parks with students leaving to pursue work in other fields or higher-earning jobs. The hiring protocol made it difficult to replace students quickly.
- Alternating the Learn to Fish program throughout the campgrounds produced an increase of 12% in participation. SLPC's Learn to Fish program offers instruction in both official languages.
- Upgraded 73 existing basic and one service 15-amp sites to 30 amp and water. Gravel pads were also added at Woodlands Campground. These upgraded sites earned an 11% increase in revenue after one month of operation.
- Investments continued in the goose relocation program and feces collection system to mitigate any potential loss of customers.
- Continued the success of the dog friendly cabins by adding two additional dog friendly cabins to reservations and generated \$2.2K in dog fee revenue.

UPPER CANADA GOLF COURSE

- Generated over \$550 thousand of revenue and had activity of 19,000 (rounds golfed/rentals).
- Saw an increase in net financial performance of 61% year-over-year.
- 2 for \$50 promotion was instrumental in exceeding revenue targets especially with a cool, wet spring. Variable start times for the 2 for \$50 special allowed us to maximize revenues.
- Following the front 9 irrigation up-grade in 2018, the back 9 irrigation system was automated this season.
- The new automated irrigation system provided better playing conditions, allowing staff to control irrigation remotely through a cell phone. Staff resources could then be re-directed to other areas of the course that required attention; cut back on staff overtime.
- A great amount of tree work was conducted this year to allow for proper aeration of the course and to improve safety and playability.
- New drainage was added to holes #s 11, 16, 17.
- Cart Fleet Replacement Program allowed for 10 new golf carts to be replaced as part of an annual replacement program.
- Capital equipment replacement included 2 new trim mowers and 1 out front rotary mower.
- Upgrades currently underway in the clubhouse.

CRYSLER PARK MARINA

- Generated close to \$650 thousand of revenue and stored/docked 1.2 million of linear boat feet (length) per day.
- Saw a decrease in net financial performance of 36% year-over-year.

- The season opened with only two functioning docks as a result of water levels dropping over the winter and due to ice damage. The gas dock was also damaged and out of service until mid - June.
- Lift revenue was down due to unforeseeable challenges which grounded the machine for a period in the spring and fall; resulting in contractors having to move boats.
- Camping and cabin revenues were up from the previous year. Momentum is growing in this area of business and overall camping has been a successful profit center.
- Retail was down overall, however the main short fall came from loss of fuel sales due to gas dock damage.

SKYWOOD ECO ADVENTURE

- Generated close to \$350 thousand of revenue and received 9,000 visitors.
- Saw an increase in net financial performance of 77% year-over-year.
- 2019/20 saw the roll out of the newly established operating plan for Skywood Eco Adventure Park.
- The new operating plan, and successful marketing campaigns have been positive steps to move toward a profitable business model along with balancing staff workload and controlling expenses.
- A new animal habitat project collaboration with Frontenac Arch Biosphere and Parks Canada was initiated this spring.
- Community Outreach Events Attended: Delta Fair, Mallorytown Village Fair and Ribfest Brockville saw over 500 interested people enter the Skywood draws for free tickets increasing the attractions awareness in the local area.
- In-House tree work saw a significant saving in the Skywood Eco Adventure Park's operational budget costs.
- Major lightning storm caused damage to the course and resulted in the park closing 2 weeks early.

MAINTENANCE & OPERATIONS

- Significant equipment upgrades were undertaken to improve efficiencies and health and safety.
- Capital investments included the completion of the paving of the maintenance road and parking lot, equipment upgrades and Grenville Park sewage treatment plant.
- Continued compliance with MECP for existing, aging sewage systems.
- Closed 1,896 work orders and 616 stock orders across the SLPC.
- Staffing challenges due to hiring freeze; managed to successfully onboard five new employees.
- Data gathering supported with new survey equipment on various projects throughout commission.

CORPORATE SERVICES

- Annual Financial Audit: Completed successfully with no issues in June 2020.
- Implemented Provincial Audit Recommendations with 100% compliance.
- Continued enhancement and automation of business processes and banking strategy.
- Procurement, Payable and e-Expense automation: This project was recently restarted and slated to be complete in 2020.
- Financial ERP Accounting Suite, Employee Time Reporting, Human Resources and Payroll systems were migrated to cloud host.
- Introduced and implemented Microsoft Office 365 suite of products (OneDrive, Teams, Outlook, etc.).
- Migration of on-premise email Exchange server to Office 365 cloud-based email hosting.
- Upgraded Customer Point-of-Sale terminals to current hardware specifications at several locations.
- IT help desk made accessible from remote locations.
- Enhanced Network Security (Windows updates, firewalls, end-point protection, two-factor authentication, etc.).
- Enhanced backup plan to include multiple off-site backup locations.
- All staff were trained during 2019 corporate orientation on a New Employee Health and Safety Handbook.
- All managers received Supervisor training which included Ministry of Labor legislative responsibilities, Ethics and Managing in the OPS and Recruitment Best Practices.

MARKETING & CUSTOMER SERVICE

- Implemented the seamless launch of all experiences to ensure messaging, media outreach, community engagement, paid and social media, and ticketing systems were synchronized.
- Enhanced collaboration with Business Units to ensure marketing message was focused on appropriate goals and financial targets.
- Utilized email databases for Kingston Pen Tours, Parks, Fort Henry and Upper Canada Village to proactively cross promote events, summer camps, advanced ticket sales and distribution of information.
- Grew followers and engagement on all social channels, with Upper Canada Village seeing a 47% increase from 2018 in traffic to its website and 13.2 million impressions.
- Increased response rates to customer queries and feedback on various social and digital platforms (i.e. Facebook, TripAdvisor).
- Collaborated with Destination Ontario, Destination Canada, Tourism Kingston and others to host FAM Tours, Travel Media and Sales Missions creating an enhanced brand awareness for SLPC.
- Increased group sales at Fort Henry by 62% and Upper Canada Village by 147%.
- BMO renewed a 3-year \$75,000 sponsorship, OPG once again sponsored historic sites with \$20,000 and welcomed new sponsors including Olymel for Pumpkinferno.
- As of September 2019, SLPC adopted the Ministry News Release template to streamline communications and create synergies between the SLPC and MHSTCI Communications teams.

PERFORMANCE MEASURES

SLPC aligns its performance measures with its five strategic pillars and uses outcome and output based reporting. The following are the performance measures used in 2018/19:

Pillar I – Support a Health, Safety and Environmental Culture

Measure reported staff and visitor incidents over time and monitor the incidences of tick bites.

Pillar II – Move towards Operational Self-Sufficiency

Analyze activity levels weekly and compare to budget and previous year to evaluate performance, identify trends and opportunities.

Pillar III – Optimize and Balance Resources and Profits

Conduct monthly financial reviews of key performance indicators, income statements, internally restricted reserve reports, capital reports, and activity reports to evaluate financial performance versus budget for the period and previous year.

Pillar IV – Grow and Expand the Customer Base

Measure customer satisfaction levels using a variety of methods (e.g. social media comments, customer comment cards) and enhance customer intelligence to identify areas to expand customer base and develop new products.

Pillar V – Build a Talented and Committed Workforce

Implement new Human Resource plan to address workforce challenges (e.g., enhanced staffing model, recruitment diversity, corporate training, and digitization of processes) and monitor FTEs to ensure business units are operating within caps.

RISK AND SIGNIFICANT EVENTS THAT IMPACTED PERFORMANCE

None to report in 2019/20. SLPC exceeded its annual operating budget.

STAFFING LEVELS

SLPC STAFFING SUMMARY	2019/20	2018/19	2017/18
Regular Full-time	57	55	39
Regular Part-Time	1	2	12
Seasonal (averaging 5-6 months per year)	184	176	146
Fixed term, Group 1	20	21	80
Fixed term, Group 2	43	40	11
Student (averaging 4 months per year)	261	298	330
TOTAL SLPC STAFFING LEVELS	566	592	618

Note: Employee numbers reported above are captured during peak-operating season.

ATTRACTION ACTIVITY PERFORMANCE

ATTRACTION	2019/20	2018/19	2019/20 vs 2018/19		2017/18
Fort Henry admissions/rentals	96	118	(22)	(19) %	126
Upper Canada Village admissions/rentals	256	259	(3)	(1) %	270
Parks nights/admissions	158	156	2	1.4 %	142
Upper Canada Golf Course rounds/rentals	19	16	3	18 %	17
Skywood Eco Adventure Park admissions	9	10	(1)	(12) %	11
Kingston Pen Tours admissions	72	68	5	7 %	105
SLPC total excluding Chrysler Park Marina	611	627	(17)	(3) %	671
Chrysler Park Marina docked/stored linear ft.	1,190	1,418	(228)	(16) %	1,508
SLPC total including Chrysler Park Marina	1,800	2,045	(244)	(12) %	2,179

Note: Above amounts are in thousands.

FINANCIAL PERFORMANCE

OPERATIONS

In 2019/20, SLPC self-generated \$14.495 million of revenue from operations resulting in a net surplus of \$2.298 million, surpassing the budget by \$1.356 million or 144%. SLPC net financial performance increased by \$1.270 million or 124% over 2018/19.

Consistent with the prior year, SLPC received a provincial government operating grant in the amount of \$7.123 million from the Ministry of Heritage, Sport, Tourism and Culture Industries (MHSTCI). Other funding from the MHSTCI included \$69 thousand from the Student Experience Program to subsidize student wages.

CAPITAL INVESTMENT

SLPC is steward of 7,000 acres of land over a 200 km stretch from Kingston to the Québec border along the St. Lawrence River corridor. Operations include 3 major historic attractions, 14 beaches and campgrounds, 37 km 1000 Islands Parkway, 11 km Long Sault Parkway, a long- distance

recreational trail, a wildlife sanctuary, an eco-friendly zip line aerial park, 18-hole golf course, a marina, and gift and retail stores.

Many SLPC assets are beyond their useful life. There are 130 or more capital projects annually that are needed to keep our many sites operational. These projects can range from lighting upgrades to dock repairs. SLPC receives approximately \$5-7 million annually for these capital projects but this funding falls short, especially given the aging infrastructure within many of our sites. The SLPC does its utmost to maintain the assets within its ability and resources available. Projects in the queue that are not completed due to lack of funding are recorded as deferred capital maintenance. Examples of deferred projects include the septic systems and washrooms in the parks which are beyond their useful life and the Aultsville train rehabilitation. The SLPC currently has approximately \$85 million in deferred capital maintenance.

In 2019/20, SLPC received \$6.644 million from capital projects using capital grants from MHSTCI. Those funds were directed to several high priority projects that were:

- Vital to ensuring the safety of staff and visitors.
- Necessary to comply with legislative and regulatory requirements.
- Required to support on-going operations and revenue generation.

Capital projects for the year included the repair and replacement of septic and sewage systems, washrooms, drainage, information technology infrastructure, buildings, golf cart fleet, light equipment, heavy equipment, maintenance equipment, food service equipment, HVAC (heating, ventilation, and air conditioning systems), electrical systems, plumbing systems, irrigation systems, accessibility infrastructure, storage facilities, docks, restoration, and many other projects related to the repair and refurbishment of SLPC assets.

INTERNALLY RESTRICTED RESERVE

In 2011/12 the SLPC and the MHSTCI collaboratively established an Internally Restricted Reserve (IRR) with a one-time, \$2.5 million grant provided by the MHSTCI. The IRR is the investment fund that the SLPC uses to drive growth and to make progress towards the goal of financial self-sufficiency (less dependence on government funding). The IRR is funded internally through net income. It is invested in new programs and events, enhancements to customer experience, and for initiatives that will result in cost savings. The SLPC Board of Commissioners established and approved guidelines for the fund that requires that projects approved for funding generate (1) a variable contribution margin of at least 50%, or (2) result in cost savings of at least 25%. Since 2011/12, the IRR is funded internally through annual net income.

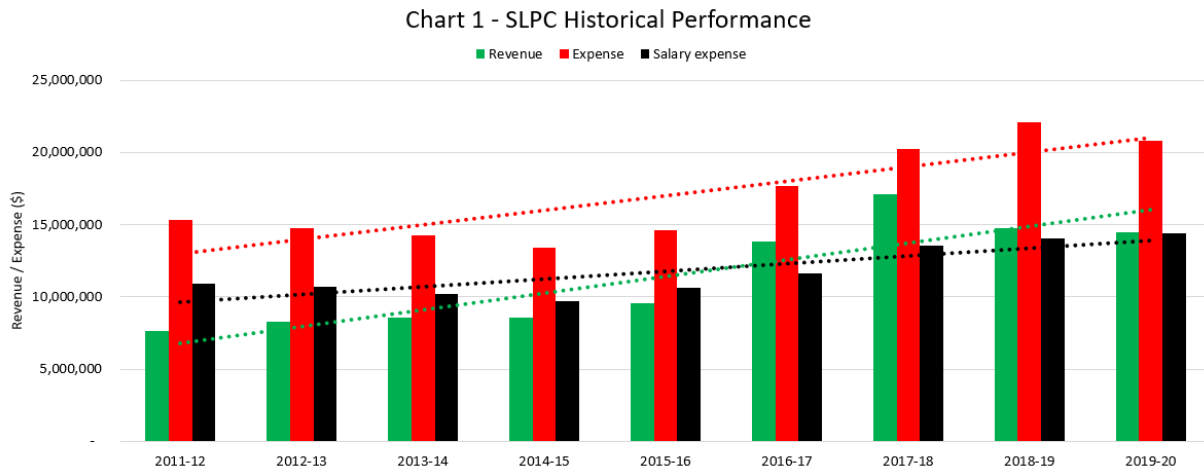
The SLPC receives an annual operating transfer payment for regular business operations, and a second transfer payment for capital infrastructure projects related to (1) health and safety, (2) legislative and code compliance, and (3) asset integrity projects. These transfer payments cannot be used to fund the development of new events, programs, or proactive initiatives which reduce costs. IRR investment is therefore critical in order to put SLPC in a stronger position financially, keeping it vibrant, and helping it grow towards becoming a world-class tourism destination.

Since 2011/12, SLPC's net income from operations has contributed over \$15.7 million to the IRR and over \$12.8 million has been invested in projects such as developing:

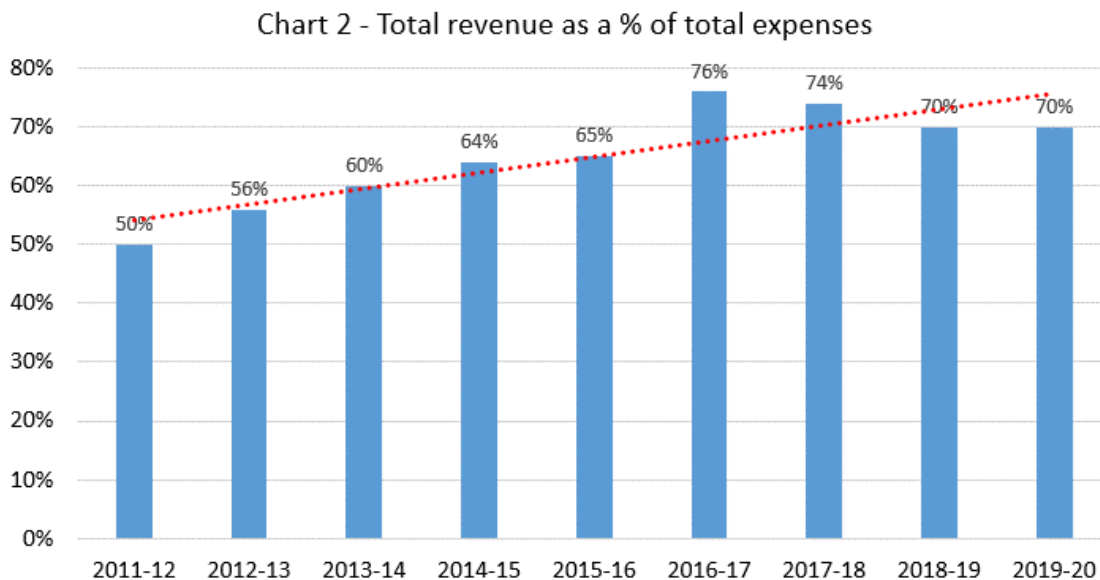
- The critically acclaimed fall event Pumpkinferno that has attracted over 77,000 visitors in one year and generates over \$1 million annually.
- Camper Cabins that generates over \$260 thousand in revenue annually.

- Full-service campground upgrades that generates over \$200 thousand in revenue annually.
- Electrical efficiency upgrades to reduce SLPC power consumption that has saved an estimated \$50 thousand annually.

As SLPC has invested in refreshing visitor experiences and keeping pace with visitor demands, revenue from operations has grown from \$7.64 million in 2011/12 to \$14.51 million in 2019/20, an increase of 90% (see Chart 1 below).



The impact on SLPC's financial performance has been dramatic. In 2011/12 for every dollar of expense, SLPC generated \$0.50 in revenue; in 2019/20, for every dollar of expense, SLPC generated \$0.70 of revenue (see Chart 2 below).



Other factors that have contributed to this success have also included a commitment to Lean Kaizen principles and a corporate restructuring. Salaries and wages are SLPC's largest expense. By 2016/17, for the first time, SLPC revenue covered 100% of salaries and wages (see Chart 1 above).

MANAGEMENT’S RESPONSIBILITY FOR ANNUAL REPORTING

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

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

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

The Board of the SLPC is responsible for gaining assurance that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

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

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

Hollee Kew

General Manager & CEO

St. Lawrence Parks Commission

Al Adibi

Director, Corporate Services

St. Lawrence Parks Commission