



Application Summary: 2026 - 3258 - Municipal Facility Capital Grant

Application ID

2026 - 3258 - Municipal Facility Capital Grant

Applicant Information

Organization Information

Regional Recreation Corporation of Wood Buffalo
1 C.A. Knight Way
Fort McMurray, AB, T9H 5C5

Primary Contact

Sudip Roy
1 C. A. Knight Way
Fort McMurray, AB, T9H 5C5

Phone: (780) 791-0070
Email: sudip.roy@rrcwb.ca

Board Questionnaire

Minimum number of board members according to the organization's bylaws:

1

Please list your current Board of Directors in the table:

Board of Directors

Name	Board Position	Years on Board
Chris Pirie	Chair	4
Dean Wilcox	Vice Chair	3
Jon Turner	Director	2
Vanessa Cheeseman	Director	1
Ross Carruthers	Director	2
Lonnie Pilgrim	Director	3
Jason Vargo	Director	2
C.J. Quinton	Director	1
Unokhaso Monofi	Director	1
Councillor Stu Wigle	Director	2
Councillor Funky Banjoko	Director	1

Project Details

Project Name

See consolidated capital requests PDF for details

Project Location

Choose the location of the project. If it applies to more than one rural location, choose Multi Rural. If it applies to the entire Municipality, choose Municipal Wide.

Fort McMurray

Ward

Choose the ward where the project is located. If the project is located in more than one rural ward choose multi-rural. If it applies to the entire Municipality, choose Municipal Wide.

Municipal Wide

Please summarize the scope of the project. Clearly state the community need that the project will address and provide supporting evidence that the need exists in the community.

See consolidated capital requests PDF for details

In addition to addressing community needs, what other areas of need does the project support?

To meet a Council strategic goal

What is creating or contributing to the need identified?

Stakeholders - Interest from stakeholders

What other options have been considered to address the identified need? Why were these options not pursued?

See consolidated capital requests PDF for details

Council's Strategic Plan



[Council's Strategic Plan 2022-2025](#) focuses on the vision of communities connected to the environment, the future, and each other to create an enduring prosperity.

Council's Strategic Plan identifies five priorities to achieve this:

Fiscal Management,
Building Partnerships,
Rural and Indigenous Communities and Relationships,
Local Economy, and
Downtown Visualization.

The Community Investment Program aims to assist non-profit organizations to achieve the milestones and actions outlined in Council's Strategic Plan.

Please indicate which Council priority/priorities are applicable to this application:

LOCAL ECONOMY - Establish reporting metrics for economic development and tourism to ensure maximum accountability, transparency and clarity for Council and taxpayers

Describe how the project aligns with these priorities.

See consolidated capital requests PDF for details

Implementation

Estimated Schedules

Project Planning	Predesign	Design	Construction	Completion
See consolidated capital requests PDF for details	See consolidated capital requests PDF for details	See consolidated capital requests PDF for details	See consolidated capital requests PDF for details	See consolidated capital requests PDF for details

Total Cost of Ownership

Total Cost of Ownership (TCO) is an analysis meant to consider all the lifetime cost that follow from owning certain kinds of assets. Below are a series of questions intended to ensure the costs associated with operating and maintaining the asset(s) that are to be constructed/acquired are considered per the business case. For assisting with this section, please work with a Community Investment Coordinator.

Estimated Life of Asset (in years)

5

What will be the operational implication to the Municipality if this Capital Grant is approved:

Current MFOG/Subsidiary grant remains unchanged to operate facility

Please describe the operational requirements that will exist upon completion of the project.

Include the following: headcount requirement (e.g. number of full-time employees, part-time employees), licenses and permits, insurance premiums, IT requirements (e.g. hardware, software, support) maintenance assumptions (e.g. repairs and maintenance, janitorial services), utility requirements, (natural gas, heating oil, electricity, water and sewage), training needs and any operational requirements.

See consolidated capital requests PDF for details

Finances

Organization's most recent Fiscal Year End date

Please click Save Draft to update the following two questions with this date.

12/31/2024

Unrestricted Net Assets

Unrestricted Net Assets (accumulated net assets/surplus that the organization has not set aside for a particular purpose or earmarked by a donor for a specific program or project) from your Financial Statements ending: 12/31/2024

\$507,829.00

Total Operating Expenses

Total Expenses from your Financial Statements Ending: 12/31/2024

\$36,933,475.00

What efforts have been made in the past fiscal year to increase the financial support for your organization?

The RRC continues to work to increase revenue through membership sales, amenity access, programs, events and services. This covers all aspects of the operation, including Misikinaw Golf Club. The RRC also has a robust sponsorship program dedicated to developing community partnerships to increase revenue. In addition, space leasing to tenants assists with increasing revenue flowing into the organization.

Please complete the following budget table:

Secured Revenue

Source of Increased Revenue	Revenue
-----------------------------	---------

Expenses

	Q1	Q2	Q3	Q4	Total
Consultant Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contract Administration Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
General Services - Contracted	\$2,789,170.00	\$0.00	\$0.00	\$0.00	\$2,789,170.00
Equipment and Furnishing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Contingency	\$278,917.00	\$0.00	\$0.00	\$0.00	\$278,917.00
Total	\$3,068,087.00	\$0.00	\$0.00	\$0.00	\$3,068,087.00

Shortfall

	Total Shortfall
(Total Secured Revenue - Total Expenses)	-\$3,068,087.00

Total RMWB Grant Request

	Amount
Total	\$3,068,087.00

Total Grant Amount Request

\$3,068,087.00

Attachments

Please attach signed Financial Statements for the most recent fiscal year end.

Note: Year end date must fall between July 1, 2024, and June 30, 2025.

[RRC_2024_FS.pdf](#)
1.7 MB - 08/01/2025 9:02 AM

Total Files: 1

Please attach documentation relevant to this application.

Please provide proof of the secured funding, as well as any other relevant documents, such as maps, diagrams, feasibility studies, quotes, detailed costing spreadsheets/backup.

[2026_Budget_-_Capital_Projects_-_Business_Cases_-_signed.pdf](#)
1.4 MB - 08/01/2025 9:02 AM

Total Files: 1

If a Public Engagement was conducted, please attach the results.

If a feasibility assessment was conducted, please attach the results.

If a Government and/or Regulatory approval is required please attach the requirement/assessment.

Declaration

Declaration: – In making this application, I , the undersigned, confirm:

- that I understand that the information in this application form and all attachments shall be part of the public Council agenda and accessible through all methods that the Council agenda is available;
- that I understand that this application form and all required attachments must be completed in full and received before 2025-08-21 4:30 p.m. MT;
- that I understand the term of the Grant is January 1 to December 31, 2026 and that all expenditures must happen during this term; and
- that I am authorized by the applicant organization to complete the application and hereby represent to the Regional Municipality of Wood Buffalo’s Community Investment Program and declare that to the best of our knowledge and belief, the information provided is truthful and accurate, and the application is made on behalf of the above-named organization and with the Board of Directors’ full knowledge and consent.
- that I understand the personal information collected in this application is collected under the authority of section 33(c) of Alberta’s Freedom of Information and Protection of Privacy (FOIP) Act. It will be used to process the application and contact you if needed, during the review of this application. If you have any questions about the collection and use of the personal information you may contact the Manager, Community Partnerships and Initiatives, at 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 or at (587) 919-5522.

Acknowledgement

I do hereby certify that to the best of my knowledge, this application contains a full and correct account of all matters stated herein.

Applicant Name

Sudip Roy

Position/Title

CFO

Date: 08/18/2025

Regional Recreation Corporation of Wood Buffalo

2026 Capital Projects

2026 Capital Projects

<i>Project Summary</i>	<i>Project Description</i>	<i>Cost</i>	<i>Project Code</i>
Zamboni	MIP Zamboni Replacement - 2007 unit	175,000	MIP-S&R-1-26C
MIP Fitness Equipment	Cardio Replacement (2 stair climbers, 3 runners)	54,000	MIP-S&R-2-26C
Golf Cart Fleet	Replacement of Golf Cart Fleet	1,155,170	MIP-G&G-1-26C
FS Unit Replacement	Miskanaw/72 Restaurant Air Ints	400,000	MIP-FM-1-26C
SCLC Boiler Exchanger replacement	Heat Exhanchger replacement of Boiler 2 &3	300,000	MIP-FM-2-26C
AS-8 Modifications	SCLC Kitchen Air Unit Air Flow Modifications	100,000	MIP-FM-3-26C
MIP Outdoor Digital Display	Replace and upgrade digital screen; comprehensive cleaning, component check, structural repairs and environment-proofing (weather and animal)	65,000	MIP-MCE-1-26C
Data Center Refresh	Nutanix/VMware Server Cluster Refresh	475,000	MIP-IT-1-26C
Firewall Security Appliance Refresh	Replace EOL Firewall Security Appliances	65,000	MIP-IT-2-26C
<i>Total Capital Projects</i>		2,789,170	
<i>Contingency - 10%</i>		278,917	
<i>Grand Total</i>		3,068,087	

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP- S&R-1-26C Ice Resurfacer Replacement		
Department	Sport and Recreation	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>This project will support the continued delivery of quality ice programming at MacDonald Island Park. Our arenas are one of our busiest facilities in the winter months, and we cannot operate without an Ice Resurfacer. This project is expected to be executed by the fall of 2026, for the 2026/27 winter season.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>This project is required as one of our current units has exceeded its expected lifecycle and is experiencing frequent mechanical issues that not only increase operational costs but threaten ice quality and usability for many user groups. This project will ensure that we continue to safely and effectively provide quality on-ice programs and ice rental availability to our ice user groups.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>Unit availability and delivery timelines are the most impactful project risks. These risks will be primarily addressed through timely procurement activities, ensuring that there are no delays owing to the administrative/procurement process. Additionally, we will be working with the service provider to ensure smooth delivery by the fall of 2026.</p>


SECTION 2: PROJECT FINANCIALS & SCHEDULE

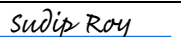
<p>2.1 Estimated Project Cost Estimates should be based on quotes</p>	2026	Future Years (if any)
	\$175,000	
<p>2.2 Estimated Cost Savings / Revenue Realization from Project Implementation</p>	2026	Future Years (if any)
	\$200,000 Ice Revenue	\$200,000+
<p>2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?</p>	<p>Project cost assumptions are based on the current equipment provider's quotes. Model variations exist among ice resurfacer units, but these quotes provide a 5-7% margin on required add-ons.</p>	
<p>2.4 Project Schedule When will the Project be initiated and when will it be completed?</p>	Planned Project Start Month	Planned Project End Month
	January 2026	September 2026


2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP- S&R-1-26C Ice Resurfacer Replacement		
Department	Sport and Recreation	Capital / Lifecycle	Capital

SECTION 3: APPROVALS

Signature	 <small>Jodie Cooper (Jul 14, 2025 23:44 MDT)</small>	Date	2025-07-14
Department Director	Jodie Cooper		

Signature	 <small>Sudip Roy (Jul 14, 2025 11:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-S&R-2-26C Recreation & Fitness Equipment		
Department	Sport and Recreation	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>The addition of new recreation and fitness equipment will enhance our current programs and service offerings at MacDonald Island Park. This includes increasing the draw for overall fitness centre memberships and drop-ins based on new equipment offerings in our recreation amenities, which include the Fitness Centre. The majority of equipment is expected to be acquired by May 2026.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>This project supports the department's largest revenue stream (Sport & Recreation facility memberships) and enhances our overall recreation and fitness centre services that we offer to the community. The overall guest experience will be enhanced as we are seeing record-breaking usage in our recreation spaces, including the Fitness Centre. This project also supports member retention and revenue sustainability for the department while increasing new member acquisition by staying up on the latest trends in recreation and fitness.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>The largest constraint would be back-ordered equipment and/or delivery dates. We anticipate having the majority of this equipment in place by the end of Q2 to support the increased demand for fitness use specifically. Constraints will be mitigated by sourcing out additional equipment options through multiple equipment providers.</p>


SECTION 2: PROJECT FINANCIALS & SCHEDULE


<p>2.1 Estimated Project Cost Estimates should be based on quotes</p>	2026	Future Years (if any)
	\$54,000	
<p>2.2 Estimated Cost Savings / Revenue Realization from Project Implementation</p>	2026	Future Years (if any)
	\$15,000	\$10,000+
<p>2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?</p>	<p>Project costs are based on current fitness and recreation product quotes. Possible risk in escalation and/or freight charges.</p>	
<p>2.4 Project Schedule When will the Project be initiated and when will it be completed?</p>	Planned Project Start Month	Planned Project End Month
	February 2026	May 2026


2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-S&R-2-26C Recreation & Fitness Equipment		
Department	Sport and Recreation	Capital / Lifecycle	Capital

SECTION 3: APPROVALS

Signature	 <small>Jodie Cooper (Jul 14, 2025 23:44 MDT)</small>	Date	2025-07-14
Department Director	Jodie Cooper		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-G&G-1-26C Golf Cart fleet		
Department	Golf & Grounds	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>This project involves the procurement and replacement of the current golf cart fleet to ensure safety, reliability, and continued high levels of customer service. The following activities will be undertaken:</p> <ul style="list-style-type: none"> • Purchase of 90 new golf carts to replace the aging fleet. • Procurement of 2 utility carts to support operational and maintenance activities. • Procurement of 2 beverage carts to support on-course service and enhance guest experience. <p>Acquisition of this fleet is expected to be completed by April 2026.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>This project is necessary to ensure the continued reliability, safety, and presentation of our golf cart fleet. The current fleet has been in service for five years and has experienced extensive usage. Many units have undergone multiple repairs and are now exhibiting significant signs of wear and tear, which not only presents a safety risk to staff and clients but also negatively impacts the customer experience.</p> <p>By replacing the aging golf carts, we aim to:</p> <ul style="list-style-type: none"> • Enhance customer satisfaction by providing safe, clean, and reliable transportation. • Reduce safety risks and liability associated with mechanical failures or deteriorating equipment. • Support operational efficiency by minimizing downtime and maintenance costs related to outdated carts. • Protect our brand image by ensuring our equipment reflects the quality standards expected by our clients. <p>This project aligns with organizational objectives focused on guest satisfaction, operational excellence, and risk management.</p>

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-G&G-1-26C Golf Cart fleet		
Department	Golf & Grounds	Capital / Lifecycle	Capital

1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?	Inventory availability and timely delivery are the most significant risks associated with this project.
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SECTION 2: PROJECT FINANCIALS & SCHEDULE

2.1 Estimated Project Cost Estimates should be based on quotes	2026	Future Years (if any)
	\$1,155,170	N/A
2.2 Estimated Cost Savings / Revenue Realization from Project Implementation	2026	Future Years (if any)
	\$12,000 est from raising membership cart price initial year to budget \$12,000 est from raising daily rental fee initial year to budget \$24,000 Total	\$24,000 +
2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?	Tariffs/Inflation. Currently, these estimates have already been considered in the Project Cost, but there is always the risk of higher than calculated tariffs or inflation.	
2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month
	As soon as approved.	April 2026

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-G&G-1-26C Golf Cart fleet		
Department	Golf & Grounds	Capital / Lifecycle	Capital

SECTION 3: APPROVALS

Signature	<i>Jason Vaughan</i> <small>Jason Vaughan (Jul 16, 2025 11:03 MDT)</small>	Date	2025-07-14
Department Director	Jason Vaughan		

Signature	<i>Sudip Roy</i> <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	<i>GW</i> <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-FM-1-26C FS Unit Replacement		
Department	Facilities Management	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>The HVAC Units of the oldest section of SCLC (constructed pre-2009) are nearing their end of life. To spread the cost over multiple years and to reduce the operational impact, these units will be replaced in a phased manner over multiple years. The first of which is expected to be completed by November 2026.</p> <p>The first phase is to focus on the public spaces of the 72 Restaurant, and the second phase will focus on the Miskanaw Ballroom.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>Maintaining patron comfort in the 72 Restaurant is a priority for the RRC. The HVAC replacement will improve patron comfort for this high-use space.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>We are working with our vendors to provide a like-for-like design to minimize as much structural work as possible. There are cost escalation risks if the structural footprint of these units changes; added structural engineering costs will drive the project costs higher.</p> <p>The cooling components are potentially heavier in newer units. Curb-based designs are also being considered to offset the additional weight.</p>

SECTION 2: PROJECT FINANCIALS & SCHEDULE

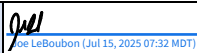
<p>2.1 Estimated Project Cost Estimates should be based on quotes</p>	2026	Future Years (if any)
	\$400,000	N/A
<p>2.2 Estimated Cost Savings / Revenue Realization from Project Implementation</p>	2026	Future Years (if any)
	N/A	N/A
<p>2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?</p>	<p>We are looking to replace two units. Each unit costs approximately \$80K-\$100K and will have a \$100K installation costs per system.</p>	


2026 CAPITAL & LIFECYCLE BUSINESS CASE

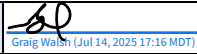
Project Name	MIP-FM-1-26C FS Unit Replacement		
Department	Facilities Management	Capital / Lifecycle	Capital

2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month
	October 2026	November 2026

SECTION 3: APPROVALS

Signature	 <small>Joe LeBoubon (Jul 15, 2025 07:32 MDT)</small>	Date	2025-07-14
Department Director	Joe LeBoubon		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-FM-2-26C SCLC Boiler Exchanger Replacement		
Department	Facilities Management	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	By replacing the boiler heat exchangers and burners, we can extend the useful life of two boilers in SCLC. This project is expected to defer complete system replacements until 2035-2040. Execution of this project is expected to be complete by May 2026.
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	The SCLC Boilers have shown signs of wear and failure in the last two years. There are four boilers in the system, and heat exchangers and burners have had unplanned replacements in recent years for two boilers. These unplanned replacements resulted in prolonged periods of downtime for the plant. The goal is to recondition the remaining boilers and hold critical spare parts to mitigate future operational interruptions at SCLC. Having parts on hand will potentially reduce downtime by up to 90 days for future disruptions.
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	Continued supply chain uncertainties relating to tariffs and delivery times pose a risk to the project budget and timeliness of deliveries.


SECTION 2: PROJECT FINANCIALS & SCHEDULE


<p>2.1 Estimated Project Cost Estimates should be based on quotes</p>	2026	Future Years (if any)
	\$300,000	N/A
<p>2.2 Estimated Cost Savings / Revenue Realization from Project Implementation</p>	2026	Future Years (if any)
	N/A	N/A
<p>2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?</p>	After discussions with the manufacturer, we have accounted for inflationary increases. We are confident in the project budget for the scope of work.	
<p>2.4 Project Schedule When will the Project be initiated and when will it be completed?</p>	Planned Project Start Month	Planned Project End Month
	April 2026	May 2026


2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-FM-2-26C SCLC Boiler Exchanger Replacement		
Department	Facilities Management	Capital / Lifecycle	Capital

SECTION 3: APPROVALS

Signature	 <small>Joe LeBoubon (Jul 15, 2025 07:32 MDT)</small>	Date	2025-07-14
Department Director	Joe LeBoubon		

Signature	 <small>Sudip Roy (Jul 14, 2025 11:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-FM-3-26C AS-8 Modifications		
Department	Facilities Management	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>AS-8 was a new unit that was installed in 2024. The unit intended for the kitchen was designed with a 71" air supply duct that was tied into a 48" duct that feeds the SCLC Kitchen.</p> <p>The reduction in duct sizing has created some challenges in air flow during extreme cold weather. When the temperature drops below -28 Celsius, the HVAC unit is unable to maintain an optimal operating temperature.</p> <p>This project will modify the design to allow for optimal unit operations during extreme cold weather.</p> <p>Execution of this project is expected to be complete by May 2026.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>The benefit of this project is for the comfort and safety of the staff working in the kitchen.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>Continued supply chain uncertainties relating to tariffs and delivery times pose a risk to the project budget and timeliness of deliveries.</p>

SECTION 2: PROJECT FINANCIALS & SCHEDULE

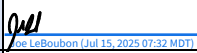
<p>2.1 Estimated Project Cost Estimates should be based on quotes</p>	2026	Future Years (if any)
	\$100,000	N/A
<p>2.2 Estimated Cost Savings / Revenue Realization from Project Implementation</p>	2026	Future Years (if any)
	N/A	N/A


2026 CAPITAL & LIFECYCLE BUSINESS CASE

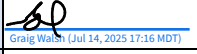
Project Name	MIP-FM-3-26C AS-8 Modifications		
Department	Facilities Management	Capital / Lifecycle	Capital

2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?	The budget is in place for engineering and mechanical upgrades to the existing system.		
2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month	
	April 2026	May 2026	

SECTION 3: APPROVALS

Signature	 <small>Joe LeBoubon (Jul 15, 2025 07:32 MDT)</small>	Date	2025-07-14
Department Director	Joe LeBoubon		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-MCE-1-26C MIP Outdoor Digital Display		
Department	Marketing and Community Engagement	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>The exterior digital entry sign at MIP is showing signs of wear as it ages; there have been various issues over the years, including malfunction due to animal activity inside the structure, lighting elements reaching the end of their lifespan, and physical damage to structural elements.</p> <p>This project will include the replacement and upgrading of the digital screen, repair of any physical damage, wildlife-proofing the structure, and required refurbishment to improve the appearance and increase the lifespan of the structure.</p> <p>As opposed to complete replacement of the structure, which would be a significantly increased cost, the plan to upgrade and refurbish will ensure functionality for the future and minimize "downtime" due to recurrent issues with the current structure and screen.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>The digital entry sign is the gateway to the Island; it serves as the welcoming beacon to all who visit.</p> <p>The sign is an important marketing and communication tool, not only for RRC initiatives but for events that are booked at the Island, acting as a value-add for event planners.</p> <p>Without upgrade and refurbishment, total replacement of the sign is a virtual certainty, coming with increase cost and complexity. The basic structure and system of the sign are solid, and a refurbishment project will allow it to continue to serve MIP in the future.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>None identified</p>

2026 CAPITAL & LIFECYCLE BUSINESS CASE


Project Name	MIP-MCE-1-26C MIP Outdoor Digital Display		
Department	Marketing and Community Engagement	Capital / Lifecycle	Capital


SECTION 2: PROJECT FINANCIALS & SCHEDULE

2.1 Estimated Project Cost Estimates should be based on quotes	2026	Future Years (if any)
	\$65,000	
2.2 Estimated Cost Savings / Revenue Realization from Project Implementation	2026	Future Years (if any)
2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?	Potential for cost escalation due to tariffs, trade wars or other economic factors impacting availability and cost of system components.	
2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month
	March	October

SECTION 3: APPROVALS

Signature	 <small>Kelly Dela Ronde (Jul 16, 2025 07:40 MDT)</small>	Date	2025-07-14
Department Director	Kelly Dela Ronde		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-IT-1-26C Data Center Refresh		
Department	Information Technology	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>The current server clusters were deployed in 2021 and were identified as having a five-year refresh cycle at the time of deployment.</p> <p>These clusters host our entire enterprise server infrastructure environment. The project scope will include deploying new physical clusters without virtual desktop services, upgrading VMware and Windows servers, and upgrading corporate and off-site backup systems.</p> <p>This project is expected to be complete by October 2026.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>The infrastructure is nearing the end of its service life, leading to an increase in the number of hardware failures. The manufacturer will no longer provide hardware support after the end of 2026. As of June 2025, we have experienced several hardware component failures, and we anticipate that number to increase.</p> <p>The hardware clusters were provisioned to meet the RRC's needs as of 2021. Currently, initiatives are underway to reduce both complexity and computing resource usage; however, we are reaching the limits of what the existing equipment can support.</p> <p>We are currently experiencing challenges due to our resource usage, leading to a performance standard that is less than desirable.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>There are no constraints that will affect the execution of this project.</p> <p>The data center infrastructure components are expected to reach end-of-life/support in Q4 2026 and must be replaced to avoid supportability issues, potential hardware failures, and rising maintenance costs.</p>


2026 CAPITAL & LIFECYCLE BUSINESS CASE


Project Name	MIP-IT-1-26C Data Center Refresh		
Department	Information Technology	Capital / Lifecycle	Capital


SECTION 2: PROJECT FINANCIALS & SCHEDULE

2.1 Estimated Project Cost Estimates should be based on quotes	2026	Future Years (if any)
	\$475,000	N/A
2.2 Estimated Cost Savings / Revenue Realization from Project Implementation	2026	Future Years (if any)
	N/A	N/A
2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?	None	
2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month
	November 2025	October 2026

SECTION 3: APPROVALS

Signature	 <small>Paul Thomas (Jul 15, 2025 04:41 MDT)</small>	Date	2025-07-14
Department Director	Paul Thomas		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

2026 CAPITAL & LIFECYCLE BUSINESS CASE

Project Name	MIP-IT-2-26C Firewall Security Appliance Refresh		
Department	Information Technology	Capital / Lifecycle	Capital

SECTION 1: PROJECT DESCRIPTION, BENEFITS, CONSTRAINTS & RISKS

<p>1.1 Project Description What high-level activities will be completed when the Project is executed?</p>	<p>The two existing firewall appliances were purchased in 2017 and have reached the end of their service lifecycle. The scope of this project is to purchase and replace these appliances with next-generation security technology.</p> <p>Expected completion of this project is September 2026.</p>
<p>1.2 Benefit / Risk Avoidance and Business Impact Why is this Project needed? Which organizational objectives does this Project impact?</p>	<p>The current security appliances were installed in 2017 and were designated to have a 5-year refresh term upon deployment. They are now 8 years into their lifecycle, and the manufacturer plans to discontinue support at the end of 2026.</p> <p>The firewall serves as a protective barrier, preventing unauthorized access to our networks and safeguarding against malware by blocking viruses, ransomware, and other cyber threats that could disrupt business operations.</p>
<p>1.3 Constraints and Risks Are there any constraints that will need to be addressed prior to the execution of the Project? Are there any identified risks to the execution of the project?</p>	<p>Constraint: Migration of current appliance data, configurations, and subsystems. Mitigation: The refresh plan will incorporate provisions and risk mitigation strategies for these elements prior to the commencement of the project.</p> <p>Constraint: There's a very limited timeframe for a network outage, specifically 3 to 4 hours each day, during which systems can be taken offline. Mitigation: The deployment will incorporate thorough contingency planning, including trial runs, to address any potential failures of the go-live installation within the designated maintenance window.</p> <p>Risk: Issues with data and configuration migration. Mitigation: Full copy style backup of all data and configurations will be performed before the migration to ensure a clean recovery source, if required.</p> <p>Risk: Maintenance window for migration activities may not be long enough. Mitigation: All efforts will be made to break down the migration activities into manageable pieces that can be completed during the windows availability.</p>

2026 CAPITAL & LIFECYCLE BUSINESS CASE


Project Name	MIP-IT-2-26C Firewall Security Appliance Refresh		
Department	Information Technology	Capital / Lifecycle	Capital


SECTION 2: PROJECT FINANCIALS & SCHEDULE

2.1 Estimated Project Cost Estimates should be based on quotes	2026	Future Years (if any)
	\$65,000	N/A
2.2 Estimated Cost Savings / Revenue Realization from Project Implementation	2026	Future Years (if any)
	N/A	N/A
2.3 Project Cost Assumptions and Risks Are there any Project Cost assumptions or cost escalation risks?	None	
2.4 Project Schedule When will the Project be initiated and when will it be completed?	Planned Project Start Month	Planned Project End Month
	November 2025 (subject to grant approvals)	September 2026

SECTION 3: APPROVALS

Signature	 <small>Paul Thomas (Jul 15, 2025 04:41 MDT)</small>	Date	2025-07-14
Department Director	Paul Thomas		

Signature	 <small>Sudip Roy (Jul 14, 2025 17:15 MDT)</small>	Date	2025-07-14
CFO	Sudip Roy		

Signature	 <small>Graig Walsh (Jul 14, 2025 17:16 MDT)</small>	Date	2025-07-14
CEO	Graig Walsh		

Consolidated Financial Statements of

**REGIONAL RECREATION CORPORATION
OF WOOD BUFFALO**

Year ended December 31, 2024

Consolidated Financial Statements of

Regional Recreation Corporation of Wood Buffalo

Year ended December 31, 2024

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Regional Recreation Corporation of Wood Buffalo (the "Corporation") are the responsibility of the Corporation's management and have been prepared in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies followed by the Corporation are described in Note 2 to the consolidated financial statements. The preparation of the consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Corporation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for the preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

The Board of Directors met with management and the external auditors to discuss the consolidated financial statements and any significant financial reporting or internal control matters prior to the Board of Directors approval of the consolidated financial statements.

The consolidated financial statements have been audited by Deloitte LLP, independent external auditors appointed by the Corporation. The Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Corporation's consolidated financial statements.

For: Regional Recreation Corporation of Wood Buffalo


Graig Walsh (Feb 26, 2025 18:05 MST)

Graig Walsh
Chief Executive Officer


Sudip Roy (Feb 26, 2025 19:00 MST)

Sudip Roy, CMA, SHRM-SCP, CPIM, PMP, CAMP
Director, Corporate Services

February 26, 2025

Independent Auditor's Report

To the Board of Directors of the
Regional Recreation Corporation of Wood Buffalo

Opinion

We have audited the consolidated financial statements of the Regional Recreation Corporation of Wood Buffalo (the "Corporation"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2024, and the results of its operations, its rereasurement gains and losses, changes in its net assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Corporation as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
February 26, 2025

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO
Consolidated Statement of Financial Position

December 31, 2024

	2024	2023
Assets		
Current		
Cash and cash equivalents (Note 3)	\$ 7,235,761	\$ 8,561,032
Accounts receivable	582,349	645,123
Prepaid expenses and deposits	140,654	286,389
Inventories	318,347	285,746
	8,277,111	9,778,290
Capital assets (Note 5, 12)	2,505,077	2,510,063
	10,782,188	12,288,353
Liabilities		
Current		
Accounts payable and accrued liabilities	1,434,695	1,779,208
Accrued payroll liabilities	1,046,165	978,374
Deposits and funds held in trust (Note 9)	338,784	422,144
Due to the Regional Municipality of Wood Buffalo (Note 4)	877,975	849,341
Current portion of deferred revenue (Note 6)	1,839,901	2,089,883
	5,537,520	6,118,950
Deferred revenue (Note 6)	430,584	595,838
Deferred capital contributions (Note 7)	1,716,942	2,266,486
Unamortized deferred capital contributions (Note 8)	1,045,039	1,254,976
	8,730,085	10,236,250
Net assets		
Unrestricted surplus	507,829	678,296
Invested in capital assets	1,460,036	1,289,569
Internally restricted - WB Kids (Note 9)	84,238	84,238
	2,052,103	2,052,103
	\$ 10,782,188	\$ 12,288,353

Credit facility (Note 10)

See accompanying notes to consolidated financial statements

Approved on behalf of the Board:



Chris Pirie (Feb 27, 2025 17:14 MST)

Director



Director

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO
Consolidated Statement of Operations

For the Year Ended December 31, 2024

	2024	2023
Revenues:		
Contributions from the Regional Municipality of Wood Buffalo (Note 12)	\$ 16,166,984	\$ 15,908,894
Memberships	5,344,832	4,688,320
Facility and equipment rental (Note 12)	4,211,282	4,422,020
Hospitality (food and beverage) (Note 12)	3,825,489	3,929,481
User fees and admissions	2,235,593	2,272,452
Events	1,207,180	1,658,689
Sponsorships and donations	1,038,333	1,096,944
Programs	1,037,666	925,989
Other revenue (Note 12, 13)	906,839	790,147
Pro-shop merchandise sales	719,821	688,800
Amortization of deferred capital contributions (Note 8)	239,456	210,173
	36,933,475	36,591,909
Cost of goods sold:		
Events and hospitality (Note 11)	2,694,907	3,350,909
Pro-shop merchandise sales	516,378	499,272
Sponsorship fulfillment	119,892	148,578
	3,331,177	3,998,759
Excess of revenues over cost of goods sold	33,602,298	32,593,150
Expenses:		
Wages and benefits	23,022,046	21,022,581
Utilities (Note 12)	3,091,339	3,310,433
Supplies	2,089,448	2,221,394
Subcontractors	991,113	927,929
Communication and Information Technology	880,624	815,144
Insurance (Note 12)	803,421	854,384
Amortization of capital assets	602,413	504,410
Repairs and maintenance	569,267	533,037
Lifecycle	335,388	1,063,887
Advertising and Promotion	274,489	279,609
Bank charges and penalties	233,505	229,312
Travel and meals (Note 12)	204,759	197,589
Professional fees	187,743	258,307
Training (Note 12)	135,066	121,956
Equipment and miscellaneous rentals	120,283	132,179
Licenses, fees and permits (Note 12)	48,069	60,522
Office and general	12,891	41,996
Bad debts	434	8,225
Loss on disposal of capital assets	-	10,256
	33,602,298	32,593,150
Deficiency of revenues over expenses	\$ -	\$ -

See accompanying notes to consolidated financial statements

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO
Consolidated Statement of Changes in Net Assets

For the Year Ended December 31, 2024

	Unrestricted Surplus	Invested in Capital Assets	Internally restricted - WB Kids Fund	2024
Balance, Beginning of Year	\$ 678,296	\$ 1,289,569	\$ 84,238	\$ 2,052,103
Invested in Capital Assets - net	(170,467)	170,467	-	-
Balance, End of Year	\$ 507,829	\$ 1,460,036	\$ 84,238	\$ 2,052,103

	Unrestricted Surplus	Invested in Capital Assets	Internally restricted - WB Kids Fund	2023
Balance, Beginning of Year	\$ 671,338	\$ 1,296,527	\$ 84,238	\$ 2,052,103
Invested in Capital Assets - net	6,958	(6,958)	-	-
Balance, End of Year	\$ 678,296	\$ 1,289,569	\$ 84,238	\$ 2,052,103

See accompanying notes to consolidated financial statements

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO
Consolidated Statement of Cash Flow

For the Year Ended December 31, 2024

	2024	2023
Cash provided by (used in):		
Operating:		
Deficiency of revenues over expenses	\$ -	\$ -
Non-cash items included in annual deficit		
Amortization of deferred capital contributions	(239,456)	(210,173)
Amortization of capital assets	602,413	504,410
Loss on disposal of capital assets	-	10,256
Changes in non-cash operating working capital items:		
Accounts receivable	62,774	496,493
Inventories	(32,601)	(88,778)
Prepaid expenses and deposits	145,735	(30,202)
Due to/from the Regional Municipality of Wood Buffalo	28,634	1,607,353
Accounts payable and accrued liabilities	(502,620)	(134,513)
Accrued payroll liabilities	67,791	(26,000)
Deposits and funds held in trust	(83,360)	20,915
Deferred revenue	(415,236)	56,521
Cash provided by operating transactions	(365,926)	2,206,282
Capital:		
Purchase of capital assets	(3,904,150)	(3,043,532)
Cash applied to capital transactions	(3,904,150)	(3,043,532)
Financing:		
Contributions received for the purchase of capital assets	2,944,805	3,270,859
Cash provided by financing transactions	2,944,805	3,270,859
Change in cash and cash equivalents during the year	(1,325,271)	2,433,609
Cash and cash equivalents, beginning of year	8,561,032	6,127,423
Cash and cash equivalents, end of year	\$ 7,235,761	\$ 8,561,032

See accompanying notes to consolidated financial statements

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

1. Nature of the organization

The Regional Recreation Corporation of Wood Buffalo (the “Corporation”) is a not-for-profit corporation that was incorporated on June 10, 2013, under the Canada Not-for-profit Corporations Act and is not subject to any federal or provincial income taxes.

The Corporation has one member – the Regional Municipality of Wood Buffalo (the “Municipality”).

The Corporation was established by the Municipality to operate MacDonald Island Park, Anzac Recreation Centre (indoor operations only), Fort Chipewyan Aquatics Centre (aquatics programming only), Conklin Multiplex (indoor operations only), and any additional recreational and cultural facilities as the Municipality may from time to time request.

The Municipality provides operating and capital contributions to the Corporation on an annual basis to support the Corporation’s activities. The Municipality and the Corporation have a 15-year operating agreement that commenced July 1, 2018.

2. Significant accounting policies

The consolidated financial statements of the Corporation are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Corporation are as follows:

Basis of presentation

The financial statements have been prepared by management in accordance with the PS 4200 series of the Canadian public sector accounting standards (“PSAS”).

The financial statements include the accounts of the Corporation and its controlled not-for-profit organization, MacDonald Island Park Corporation (“MIPC”). MIPC is a Part IX corporation that was incorporated on February 5, 2004, under the Companies Act (Alberta) and is not subject to federal or provincial income taxes. On October 28, 2013, the Corporation was appointed the sole member of MIPC. MIPC is currently inactive.

Controlled not-for-profit organizations.

The Corporation consolidates controlled not-for-profit organizations.

Financial instruments

The Corporation’s financial instruments consist of cash and cash equivalents, accounts receivable, amounts due to the Municipality, accounts payable and accrued liabilities, accrued payroll liabilities and deposits and funds held in trust. All of these instruments are initially recorded at fair value and subsequently measured at cost or amortized cost. The Corporation has properly classified all financial instruments in accordance with CPA Canada Public Sector Accounting Handbook Section PS 3450, Financial Instruments (“Section PS 3450”).

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

With respect to financial assets measured at cost or amortized cost, the Corporation recognizes in the consolidated statement of operations an impairment loss, if any, when there are indicators of impairment, and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

Revenue recognition

The Corporation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Externally restricted capital contributions are recorded as deferred contributions until the amount is invested to acquire capital assets. Amounts invested representing externally funded capital assets are then transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as revenue in the year in which the related amortization expense of the funded capital asset is recorded.

Contributions of materials and services that would otherwise have been purchased are recorded at their fair value. The fair value of services provided by the Municipality has been reflected in the financial statements of the Corporation, unless otherwise noted. Volunteers assist the Corporation in carrying out its service delivery activities. Because of the difficulty in determining their fair value, these contributed services are not recognized in the financial statements.

Revenues from memberships, user fees, admissions, and sales of goods and services are recognized when services are performed or the customer takes ownership and assumes risk of loss, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists, and the sales price is fixed or determinable. Proceeds from the sale of lifetime golf memberships are deferred and recognized as revenue over a period of ten years. Revenues from sponsorships are recognized over the terms of the sponsorship agreements. Rental revenue is recognized in the month earned, in accordance with the tenants' rental agreements.

Cash and cash equivalents

Cash and cash equivalents include cash on deposit and short-term investments with original maturities of three months or less.

Inventories

Inventories are recorded at the lower of cost and net realizable value. Cost is determined on the average cost basis.

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Assets are amortized on a straight-line basis over the estimated useful life as follows:

Automobile	5-10 years
Computer hardware and software	1-5 years
Equipment	2-15 years
Furniture and fixtures	3-10 years
Golf course improvements	20-30 years
Building and building improvements	5-50 years

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

Contributed services

Contributed services are recorded at fair value when such value can be reasonably estimated, and the services are used in the normal course of operations and would otherwise have been purchased.

Use of estimates

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses during the reporting period. The precise determination of many assets and liabilities is dependent upon future events. Accordingly, the preparation of financial statements for a reporting period necessarily involves the use of estimates and approximations which have been made using careful judgment. Actual results could differ from those estimates. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized in the notes to consolidated financial statements.

Significant estimates include the carrying value and useful lives of capital assets, unamortized deferred capital contributions, amortization period of certain deferred revenues, and valuation allowances for receivables and inventories. Actual results could differ from those estimates.

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

2. Significant accounting policies (continued)

Adoption of new accounting standards:

The Corporation has adopted PS 3400 - Revenue effective January 1, 2024, and has made the accounting policy choice to apply the standard using prospective application in accordance with paragraph PS 3400.93. The standard provides guidance over the accounting and reporting of revenue, and specifically differentiates between revenue arising from transactions with performance obligations and transactions that do not have performance obligations. Based on management's assessment, the adoption of this standard did not have an impact on the Corporation's financial statements.

3. Cash and cash equivalents

Included in cash and cash equivalents is an amount of \$1,750,049 (2023 - \$2,334,428) which has been externally restricted by the Municipality and required to be placed into a separate interest-bearing account used solely for the agreed upon capital projects. This amount is the unspent amount related to capital contributions from the Municipality plus interest and is available for use within one year.

4. Due to/from related parties

The amount due to/from the Municipality relates to normal trade accounts receivable, normal trade accounts payable, and certain transactions that are processed by the Municipality on behalf of the Corporation. The amount due to/from the Municipality is unsecured, non-interest bearing and without scheduled repayment terms expected to be settled on a current basis.

5. Capital assets

	2024			2023	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value	
Equipment	\$ 2,074,148	\$ 1,087,910	\$ 986,238	\$ 822,176	
Building and building improvements	795,243	239,617	555,626	514,471	
Furniture and fixtures	23,893	8,562	15,331	17,720	
Computer software	1,117,951	384,241	733,710	921,837	
Computer hardware	137,887	9,432	128,455	130,391	
Automotive	149,513	63,796	85,717	103,468	
	<u>\$ 4,298,635</u>	<u>\$ 1,793,558</u>	<u>\$ 2,505,077</u>	<u>\$ 2,510,063</u>	

The Corporation is responsible for the operations and maintenance of the MacDonald Island Park, Anzac Recreation Centre (indoor only), Conklin Multiplex (indoor only), and aquatics programming at the Fort Chipewyan Aquatics Centre. These facilities are owned by the Municipality and these capital assets are not included in these financial statements. In addition, the Corporation is responsible for capital improvements to the golf course.

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

6. Deferred revenue

Deferred revenue balance consists of the following:

	<u>2024</u>	<u>2023</u>
Fitness memberships and programs	\$ 977,772	\$ 928,195
Sponsorship agreements	867,778	1,215,267
Annual golf memberships	127,432	202,064
Gift certificates	113,606	118,473
Hospitality rebates	92,932	-
Facility rentals	62,568	96,846
Box office	27,178	121,030
Lifetime golf memberships	1,219	3,846
	<u>2,270,485</u>	<u>2,685,721</u>
Less current portion	<u>1,839,901</u>	<u>2,089,883</u>
	<u>\$ 430,584</u>	<u>\$ 595,838</u>

Included in the non-current liability portion of deferred revenue is \$357,157 (2023 - \$594,619) relating to sponsorship agreements, \$495 (2023 - \$1,219) relating to lifetime golf memberships and \$72,932 (2023 - \$nil) relating to hospitality rebates.

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

7. Deferred capital contributions

Deferred capital contributions represent unspent funds contributed to the Corporation by the Municipality and other externally restricted capital funds that are to be used for future upgrades and improvements as follows:

	January 1, 2024	Amounts Received	Transfers to Related Party (Note 12)	Transfers (Note 8)	December 31, 2024
Capital facility upgrades	\$ 2,061,888	\$ 2,675,200	\$ (3,421,430)	\$ -	\$ 1,315,658
Interest on grant received for capital projects	131,679	144,605	-	-	276,284
Federal Grants	15,741	-	-	(15,741)	-
Provincial Grants	-	125,000	-	-	125,000
Capital portion of operating grant deferred	57,178	-	(43,400)	(13,778)	-
	\$ 2,266,486	\$ 2,944,805	\$ (3,464,830)	\$ (29,519)	\$ 1,716,942
	January 1, 2023	Amounts Received	Transfers to Related Party (Note 12)	Transfers (Note 8)	December 31, 2023
Capital facility upgrades	\$ 1,378,420	\$ 2,792,900	\$ (2,109,432)	\$ -	\$ 2,061,888
Interest on grant received for capital projects	19,773	111,906	-	-	131,679
Federal Grants	-	100,000	-	(84,259)	15,741
Provincial Grants	-	221,005	-	(221,005)	-
Capital portion of operating grant deferred	518,778	45,048	(428,670)	(77,978)	57,178
	\$ 1,916,971	\$ 3,270,859	\$ (2,538,102)	\$ (383,242)	\$ 2,266,486

8. Unamortized deferred capital contributions

	2024	2023
Balance, beginning of year	\$ 1,254,976	\$ 1,081,907
Transfers from deferred capital contributions (Note 7)	29,519	383,242
Amounts recognized as revenue	(239,456)	(210,173)
Balance, end of year	\$ 1,045,039	\$ 1,254,976

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

9. Externally and internally restricted – WB Kids Fund

In 2010, the Corporation established the WB Kids Fund (the “Fund”) where up to 5% of funds raised through facility sponsorships will be set aside in the Fund to provide subsidized access fees to community members that will allow participation in RRC activities and other activities within the community of Wood Buffalo. The Fund will focus on ensuring that those who wish to participate in sport, recreation, leisure, culture, and corporate events will be able to do so without financial barriers. The Fund is accessible through an approved application process. Where the 5% contribution is included in sponsorship agreement terms, the amounts are considered to be externally restricted. Deposits and Funds Held in Trust on the Statement of Financial Position totals \$206,452 (2023 - \$276,614).

10. Credit facilities

On September 23, 2019, the Corporation amended a banking agreement that includes a revolving demand credit facility available in the amount of \$1,000,000 (2023 - \$1,000,000) which bears interest at prime less 0.5% per annum. At December 31, 2024, this facility had not been drawn upon. In addition, the Corporation has access to a \$300,000 (2023 - \$300,000) Visa business facility which is drawn upon from time to time. Accounts receivable have been pledged as security on these facilities.

11. Events and hospitality cost of goods sold

	<u>2024</u>	<u>2023</u>
Hospitality	\$ 1,307,539	\$ 1,451,594
Tournament	711,424	551,508
Events	627,434	1,301,264
Sundry	48,510	46,543
	<u>\$ 2,694,907</u>	<u>\$ 3,350,909</u>

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

12. Related party transactions

The following transactions with the Municipality and the Library Board are included within the financial statements of the Corporation:

	<u>2024</u>	<u>2023</u>
Regional Municipality of Wood Buffalo - Revenues		
Operating contributions	\$ 16,166,984	\$ 15,908,894
Hospitality (food and beverage)	66,721	97,751
Facility rental	31,898	62,564
Advertising	27,205	25,223
Other revenue	-	83
Regional Municipality of Wood Buffalo - Expenses		
Insurance	695,420	746,585
Utilities	335,722	296,487
Travel and Meals	33,740	33,600
License, fees and permits	8,374	8,215
Training	-	10,599
Regional Municipality of Wood Buffalo Library Board - Revenues		
Service agreement revenue	742,005	689,018
Hospitality (food and beverage)	9,591	1,274
Facility and equipment rental	566	6,678
Marketing & promotions	225	2,550
Wood Buffalo Economic Development Corporation - Revenues		
Hospitality (food and beverage)	9,924	-
Facility rental	8,258	-

These transactions are in the normal course of operations and have been valued at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year, capital contributions in the amount of \$2,675,200 (2023 - \$2,792,900) were received from the Municipality for capital upgrades. During the year, \$3,421,430 (2023 - \$2,109,432) was spent on capital upgrades and subsequently capital assets with a carrying value of \$3,421,430 (2023 - \$2,109,432) were transferred to the Municipality in 2024. Included in capital additions are \$158,107 (2023 - \$140,862) that are included in accounts payable and accrued liabilities at year-end.

\$1,591,942 (2023 - \$2,193,567) of capital grant funding is deferred for future years.

REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2024

13. Financial instruments

Credit risk

The Corporation has credit risk on its cash and cash equivalents, and accounts receivable. The cash and cash equivalents represent deposits with Canadian chartered banks. The accounts receivable represents amount due from the Corporation's customers in the normal course of its operations. The Corporation carries out a review of accounts receivable on a continuing basis and maintains an allowance for the doubtful accounts, if necessary.

Liquidity risk

The Corporation has liquidity risk on its accounts payable and accrued liabilities, accrued payroll liabilities, amounts due to the Municipality, and deposits and funds held in trust. The Corporation monitors its cash balances and cash flows generated from operations to meet its requirements and is supported by the Municipality pursuant to a 15-year operating agreement that commenced on July 1, 2018.

Based on management's assessment, the Corporation is not exposed to significant currency, interest, or market risk arising from its financial instruments.

14. Non-monetary transactions

The Corporation entered contracts with several local organizations to provide construction services, advertising, program materials and event services in exchange for advertising, programming, and sponsorship recognition in the facility. In 2024, non-monetary transactions in the consolidated statement of operations include \$82,019 (2023 - \$365,983) of cost of sales, \$87,452 (2023 - \$57,590) expenses and \$169,470 (2023 - \$423,573) of revenue.

15. Economic dependence

The Corporation's primary source of funding for operations is the Municipality. The Corporation's ability to continue viable operations is dependent on this funding.