

2026 Subsidiary Grant

Regional Recreation Corporation of Wood Buffalo

Recommended

CIP Grant Summary:

Fiscal Year End	Total Expenses	Unrestricted Net Assets	2023 Approved	2024 Approved	2025 Approved
12/31/2024	36,933,475	507,829	16,599,471	16,955,605	17,176,976
2026 Request	2026 Recommended	Variance Recommended vs. Requested	Secured Revenue	In Progress Revenue	2026 Request All Grants
17,579,247	17,579,247	-	22,335,887	-	20,647,334
Percentage Increase over 2025					2%

Notes:

2026 Grant Request:

The Regional Recreation Corporation of Wood Buffalo (RRC) operates recreation, culture and event facilities at MacDonald Island Park as well as in the communities of Anzac & Conklin. The RRC also provides lifeguard and aquatics programs to the Sonny Flett Aquatic Centre in Fort Chipewyan. The corporation provides these services on behalf of its sole shareholder the Regional Municipality of Wood Buffalo.

- MIP	\$ 14,689,913
- Anzac	1,105,715
- Conklin	1,048,631
- Fort Chipewyan	311,962
- Northside	423,026
- Lifecycle Upgrades	-
- Total	<u>\$ 17,579,247</u>

Budget Table:

	2026 Total Budget	2026 Grant Request	2026 Recommended
Revenues			
RMWB Subsidiary Grant	17,579,247	17,579,247	17,579,247
Hospitality (Food and Beverage)	4,288,341	-	-
Memberships	5,568,587	-	-
User fees and admissions	2,108,447	-	-
Events	1,948,542	-	-
Facility and Equipment Rental	2,878,437	-	-
Leased Premises	1,636,604	-	-
Program Revenue	1,289,629	-	-
Sponsorships	968,253	-	-
Pro-shop merchandise sales	727,000	-	-
Miscellaneous	380,447	-	-
Amortization of deferred capital contributions	291,600	-	-
Gain on Disposal of Capital Assets	250,000	-	-
Total Revenues	39,915,134	17,579,247	17,579,247
Expenses			
Wages/Salaries/Benefits/MERCS	24,154,400	12,015,257	12,015,257
Costs of Goods Sold	4,443,435	-	-
Other Expenses	11,317,299	5,563,990	5,563,990
Total Expenses	39,915,134	17,579,247	17,579,247
Total Surplus (Deficit)	\$ -	\$ -	\$ -



Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Application ID

2026 - 3267 - Municipal Facility Operating 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

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Provide a brief Summary of the operations and services provided. Provide a brief overview of the organization's strategic priorities.

The Regional Recreation Corporation of Wood Buffalo (RRC) operates recreation, culture and event facilities at MacDonald Island Park in Fort McMurray as well as in the communities of Anzac (Anzac Recreation Centre presented by CNOOC) and Conklin (Conklin Multiplex). The RRC also provides lifeguard and aquatics programs to the Sonny Flett Aquatic Centre in Fort Chipewyan. The corporation provides these services on behalf of its sole shareholder, the Regional Municipality of Wood Buffalo.

Through the programs, events, and services delivered at the facilities the RRC operates, the corporation aims to bring Wood Buffalo together; creating connections and wellness through re-imagined community experiences. The RRC offers a wide variety of programs and services aimed at engaging all residents and visitors in Wood Buffalo and complementing other service providers throughout this region. Working as a team and collaboratively with external stakeholders, the RRC delivers on our mission to inspire Wood Buffalo to gather, play and connect.

As outlined in the strategic plan (linked below), the RRC focuses on our values of Safety, Collaboration, Diversity, Innovation, Sustainability and Partnerships to achieve our vision: Together, we create community. Our 2024 Annual Report (linked below) showcases our vision, mission and values in action in our region. Driven by these values and guided by our strategic priorities (People, Stewardship, Programs and Services and Stakeholder Alignment), the RRC is proud to serve the residents of Fort McMurray Wood Buffalo.

Online Strategic Plan 2025-2030: <https://www.rrcwb.ca/strategic-plan>

Online Annual Report 2024: <https://www.rrcwb.ca/2024annualreport>

In the table, please list the publicly accessible community events that will be hosted by your organization or at the facility.

Community Events

Community Event Name	Date of Event	Location of Event
Canada Day - Concert and Fireworks	June 30	MIP
Canada Day - Family Fun	July 1	MIP
The Craze	December 31	MIP
Baseball Canada	August	MIP

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

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

How many operational staff does the organization have? Please provide details in the table.

Operational Staff Information

	Per Organization Chart	Currently Filled
Full Time Positions	143	143
Part Time Positions	351	351

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

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 Miskenaw 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 explain any cost savings initiatives the organization has, or is planning, to implement:

The RRC continuously manages the net bottom-line (revenues less expenses) to reduce the net Operating Grant funding. The single largest expense for the RRC is the wages and benefits. Over the last few years significant reductions have been achieved through position rationalization to manage within approved Operating Grant funding.

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Please complete the following budget table:

Secured Revenue

Revenue Sources	Description	Revenue (Jan-Dec)
Other	Hospitality (food and beverage)	\$4,288,341.00
Memberships	Memberships	\$5,568,587.00
Other	User fees and admissions	\$2,108,447.00
Program/Project Event Income (Admissions / Ticket Sales)	Events	\$1,948,542.00
Facility and Equipment Rental	Facility and equipment rental	\$2,878,437.00
Other	Leased Premises	\$1,636,604.00
Program Revenue	Programs	\$1,289,629.00
Sponsorships	Sponsorships and donations	\$968,253.00
Other	Pro-shop merchandise sales	\$727,000.00
Miscellaneous Revenue	Other	\$380,447.00
Other	Amortization of deferred capital contributions	\$291,600.00
Other	Gain on disposal of capital assets	\$250,000.00
		\$22,335,887.00

Revenue in Progress

Expenses

Type of Expense	Description	Total Expenses	Requested RMWB Grant
Wages/Salaries/Benefits/MER CS	Salaries/Wages	\$24,154,400.00	\$12,015,257.00
Other (Provide Detail)	Cost of Goods Sold	\$4,443,435.00	\$0.00
Other (Provide Detail)	Other Expenses	\$11,317,299.00	\$5,563,990.00
Other (Provide Detail)	Lifecycle	\$0.00	\$0.00
		\$39,915,134.00	\$17,579,247.00

Shortfall



Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

	Total
(Total Secured Revenue - Total Expenses)	-\$17,579,247.00

Total RMWB Grant Request

	Amount
Total	\$17,579,247.00

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Total Cost of Program, Project, or Service

Total cost includes all costs of the entire program, project or service.

\$39,915,135.00

Total Grant Amount Request

\$17,579,247.00

The Community Investment Program requires other sources of funding in addition to this grant stream. Please list all other funding sources that are not secured at the time of application for this requirement (including declined and ineligible). Note: It is the responsibility of the applicant to advise CIP on the outcome(s) of the other grants applied for.

Other Funding Sources

Funding Source/Grant Name	Date Applied	Amount Requested	Result
Operating revenues (as presented in budget)	n/a	\$22,335,887.00	Pending
		\$22,335,887.00	

Preferred Cash-Flow

	Amount
January/February	\$13,184,436.00
April	\$0.00
August	\$4,394,811.00
October	\$0.00
Total	\$17,579,247.00

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Attachments

Upload Strategic Plan

[2025_-_2030_Strategic_Plan_-_Regional_Recreation_Corporation_of_Wood_Buffalo.pdf](#)
57.9 MB - 08/12/2025 12:17 PM

Total Files: 1

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.

[2026_Budget_MFOG_Report.pdf](#)
73.4 KB - 08/07/2025 3:05 PM

[RRC_2024_FS.pdf](#)
1.7 MB - 08/07/2025 3:05 PM

Total Files: 2

Application Summary: 2026 - 3267 - Municipal Facility Operating Grant

Declaration

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

- that I have read the appropriate Grant Guidelines;
- that I understand that 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 Budget Report

	2026 Budget
Hospitality (food and beverage)	4,288,341
Memberships	5,568,587
User Fees & Admissions	2,108,447
Events	1,948,542
Facility and Equipment Rental	2,878,437
Programs	1,289,629
Sponsorships and Advertising	968,253
Other Revenue	380,447
Pro-Shop Merchandise Sales	727,000
Leased Premises	1,636,604
Operating Revenue	21,794,288

-

Events & Hospitality	3,746,729
Pro-Shop Merchandise Expenses	527,000
Sponsorship Fulfillment	172,706
Other COGS	(3,000)
Cost of Goods Sold	4,443,435

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Contribution Margin (Operating Revenue less Cost of Goods Sold)	17,350,853
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Salaries & Wages	20,327,055
Benefits & Deductions	3,675,201
Employee Recognition	152,145
Wages & Benefits	24,154,400

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Lifecycle	0
Insurance	800,000
Utilities	3,262,432
Supplies	2,349,310
Advertising & Promotion	294,590
Repairs & Maintenance	779,610
Subcontractors	1,044,620
Professional Fees	241,100
Travel & Meals	237,592
Communication & Information Technology	904,902
Office & General	60,006
Bank Charges & Interest	258,000
Equipment & Miscellaneous Rentals	131,462
Training	172,096

Licenses, Fees & Permits	66,780
Other Expenses	0
Bad Debts	2,000
Other Operating Expenses	10,604,500

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Operating Expenses (Wages and Benefits plus Other Operating Expenses)	34,758,900
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Operating Profit (Loss) (Contribution Margin less Wages & Benefits less Operating Expenses)	(17,408,047)
Non-Operating Revenues & Expenses	17,408,047
Surplus (Deficiency) of Revenues over Expenses (Operating Profit (Loss) less Non-Operating Revenues and Expenses)	0

Non-Operating Revenues & Expenses
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Amortization of Deferred Capital Contributions	291,600
Amortization of deferred capital contributions (Revenue)	291,600

Depreciation	712,800
Amortization of capital assets (Expense)	712,800

(Gain) Loss on Disposal of Capital Assets	(250,000)
(Gain) / Loss on disposal of capital assets	(250,000)

Grant Municipality of Wood Buffalo	17,579,247
Contributions from the Regional Municipality of Wood Buffalo (Revenue)	17,579,247

Non-Operating Revenues & Expenses	17,408,047
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Surplus (Deficiency) of Revenues over Expenses (Operating Profit (Loss) less Non-Operating Revenues and Expenses)	0
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A photograph of four children in winter clothing, including beanies and scarves, smiling and waving. They are wearing race bibs for the 'CEDA KID'S FUN RUN'. The image has a blue tint and a decorative pattern of white dots in the center.

2025 - 2030 strategic plan

regional recreation
CORPORATION
of wood buffalo

plan *highlights*

[01. Greetings](#) | [02. About](#) | [03. Vision](#) | [04. Mission](#) | [05. Safety](#) | [06. Collaboration](#) | [07. Innovation](#) | [08. Sustainability](#) | [09. Diversity](#) | [10. People](#) | [11. Stewardship](#) | [12. Programs & Services](#) | [13. Stakeholder Alignment](#) | [14. Monitor, Refresh, Renew](#)

The Regional Recreation Corporation of Wood Buffalo humbly acknowledges that the land on which we gather, play and connect is Treaty 8 Territory, the traditional lands of the Cree and Dene, and the unceded territory of the Métis.



greetings from the RRC board chair

The Board of Directors is excited to launch the RRC's 2025-2030 Strategic Plan. Our Board, made up of passionate volunteers representing the residents throughout this region, is aligned on the purpose of the organization and what it will take to advance the organization to the next level. In reflecting on our journey over the last five years, which has included resiliency to the challenges offered by the COVID-19 pandemic and natural disasters including the 2020 flood, our commitment to working together with our partners, our staff, our guests, and our stakeholders to create community is steadfast.

Our priorities are guided by our desire to provide exceptional guest experiences to everyone who uses our world class facilities across the region, from Conklin in the south, to Fort Chipewyan in the north, and everywhere in between. We will focus on diversity and inclusion, including reducing barriers to access recreation in our community. We recognize that the programs and services we offer are not one-size-fits all and need to reflect the people who call Wood Buffalo home.

We are committed to developing partnerships and fostering connections to offer more recreation opportunities throughout the region. Leveraging the strengths of all partners will allow us, together, to advance and expand quality services available for the community. A coordinated approach for efficiency and sustainability will be to everyone's benefit.

For our employees, we have developed strategies focused on fostering a safe and supportive organization that empowers and supports exceptional service, innovation, creativity, and sustainability. Our people are our competitive advantage, and we commit to ensuring we provide the supports needed to let this strength stand out.

We are excited to get working on this plan and hope that you will share our enthusiasm as we head into the next phase for the RRC.

Chris Pirie

RRC Board of Directors Chair

about the RRC

Officially incorporated under the Canada Not-for-Profit Corporations Act on June 10, 2013, the Regional Recreation Corporation of Wood Buffalo (RRC) was created by the Regional Municipality of Wood Buffalo (RMWB) Council in 2012.

With the mandate to operate safe, reliable, and sustainable recreational and community facilities, while delivering high-quality, community-focused programming for the benefit of residents and stakeholders in the region, the RRC is committed to enhancing the quality of life for everyone in the region.

The RRC operates recreation facilities located in the Wood Buffalo Region of Alberta. This includes MacDonald Island Park (MIP) located in Fort McMurray, which features Suncor Community Leisure Centre, the Miskanaw Golf Club and SMS Equipment Place; the Anzac Recreation Centre presented by CNOOC in the community of Anzac; the Sonny Flett Aquatic Centre in Fort Chipewyan; and the Conklin Multiplex in Conklin.

We are proud to operate these facilities and to support the communities throughout the region.



The leadership and team at the Regional Recreation Corporation of Wood Buffalo have proven time and time again to be a critical, trusted partner for Council and the entire Municipality.

This new Strategic Plan charts a positive direction for the next five years. It will serve to further strengthen the RRC's excellent and important contributions to the region's communities and the people that call this place home.

Sandy Bowman

Regional Municipality of Wood Buffalo Mayor and Former RRC Board Member



our **vision**

Together we create **community**.



our **mission**

We inspire Wood Buffalo to **gather, play and connect**.





core values



Safety



Collaboration



Innovation



Sustainability



Diversity



1 | safety

- Cultivating a culture of safety, ensuring the well-being of employees and guests
- Embracing a culture of continuous improvement related to our occupational health & safety management system





2 | **collaboration**

- Enhance competitive advantage by forming alliances with organizations that complement our strengths and mitigate our weaknesses
- Engage in collaboration through the sharing of financial resources and human capital for mutual and regional benefit
- Partner with local businesses to gain insights into the regional market dynamics, customer preferences, and regional trends



3 | **innovation**

- Leveraging cutting-edge technology to enrich guest experiences
- Incubate creative programming
- Remain agile and responsive to the needs of our community





4 | **sustainability**



- Ethically manage the assets and resources of the Regional Municipality of Wood Buffalo
- Drive financial stability to sustainably support our mission and vision
- Establish clear and quantifiable sustainability targets to track, measure and response to performance



5 | **diversity**

- Champion and celebrate universal inclusivity in all spaces
- Commit to reconciliation by actively contributing to Truth & Reconciliation efforts
- Proactively eliminate barriers to access and foster inclusivity in all aspects of facilities and services





The Anzac Recreation Centre presented by CNOOC has been an absolute gem in our community.

With its state-of-the-art facilities, a wide range of programming, and friendly staff, it's the perfect place for individuals and families alike to stay active and have fun. My family especially loves the exciting events they host throughout the year. Beyond its everyday offerings, the centre played a crucial role as an evacuation centre during the 2016 wildfires, providing a safe haven for the community of Fort McMurray. Whether you're looking to work out or simply enjoy a day out with the family, the Anzac Recreation Centre offers something for everyone.

Highly recommended!

Danita Gillie

strategic *priorities*



1 | *people*

Develop & sustain the personnel and culture required for RRC to pursue its strategic plan, by advancing our people & culture practices.

1.1 | Develop Succession Plans

1.2 | Enhance Safety Performance

1.3 | Enhance Corporate Culture

1.4 | Create Learning & Development Plans

1.5 | Ensure Industry Competitive Compensation



2 | *stewardship*



Develop the systems, culture, and performance that forms the basis of the careful and responsible management of the owner's assets and delivers on the owner's expectations.

2.1 | Develop Long-Term Asset Plans

2.2 | Optimize Processes

2.3 | Develop Performance Metrics

2.4 | Develop a Plan for Cost Efficiencies Related to Environmental Impacts

3 | programs & services

Develop new or refined services that differentiate our service offering and contribute to, or maintain, memberships, program participation, and new sustainable revenue streams.

3.1 | Develop Space Management Strategy

3.2 | Enhance Guest Experience

3.3 | Formalize Major Event Guidelines



4 | stakeholder alignment

Develop the means and methods to attract and retain clients, engage patrons, and form collaborative partnerships with new or existing relationships.

4.1 | Ensure Alignment with RMWB

4.2 | *Understand Our Customers*

4.3 | *Expand Commitment to Diversity and Inclusion*

4.4 | *Enable Partner Programming*



Fort McMurray Minor Baseball Association (FMMBA) has been pleased and thankful to partner with the **Regional Recreation Corporation of Wood Buffalo** in the delivery of **Baseball Canada** events in the region since 2016.



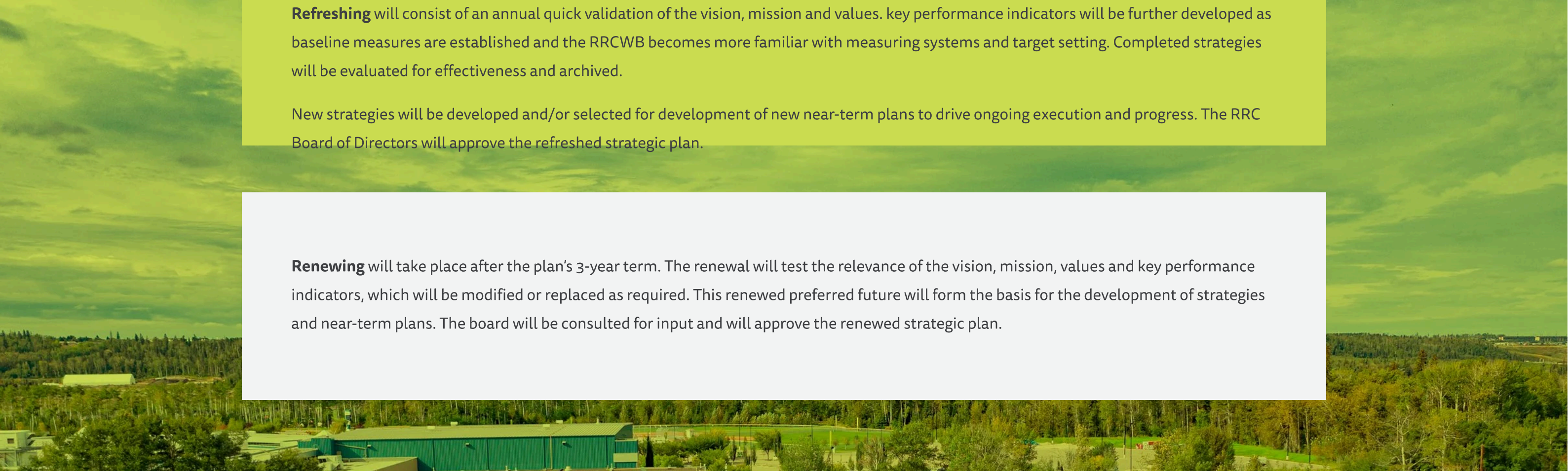
This partnership has allowed us to leverage our strengths to create exceptional experiences for everyone who attends, from players, coaches, family members, officials, and spectators. FMMBA, our players and our baseball families have been beneficiaries of this partnership, and we look forward to partnering in the future with the RRC as we continue to welcome elite baseball events to Fort McMurray Wood Buffalo.

Mike Mayuk

Fort McMurray Minor Baseball Association President



Monitoring will consist of a monthly review of the execution of the near-term plans by the Senior Leadership Team. This review will provide each department the opportunity to present on strategy progress, identifying challenges and solutions and verifying that the plan is having the intended effect of the expected key performance indicators. Collectively, the Senior Leadership Team will support the plan champions through resource assignment and by fulfilling support tasks as assigned. The near-term plans are hosted on a shared platform to allow all members to regularly view and update the plans.



Refreshing will consist of an annual quick validation of the vision, mission and values. Key performance indicators will be further developed as baseline measures are established and the RRCWB becomes more familiar with measuring systems and target setting. Completed strategies will be evaluated for effectiveness and archived.

New strategies will be developed and/or selected for development of new near-term plans to drive ongoing execution and progress. The RRC Board of Directors will approve the refreshed strategic plan.

Renewing will take place after the plan's 3-year term. The renewal will test the relevance of the vision, mission, values and key performance indicators, which will be modified or replaced as required. This renewed preferred future will form the basis for the development of strategies and near-term plans. The board will be consulted for input and will approve the renewed strategic plan.

Visit rrcwb.ca

regional recreation
CORPORATION
of wood buffalo



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 13:16 MST)

Graig Walsh
Chief Executive Officer



Sudip Roy (Feb 26, 2025 13:16 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 remeasurement 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.