



McMurray Sno-Drifters Snowmobile Association

Scott Neale – President
Terry Head – Vice President

November 27, 2019

Organization Mandate

- **Mandate:** To provide safe and enjoyable snowmobiling for all residents of RMWB as well as educating the public on the sport.
- **Communities Served:** The RMWB including Anzac and Saprae Creek.
- **Goals:** Build better staging areas with improved signage.
 - Promote our trails nationally/provincially.
 - Continue to become more fiscally responsible.
- **Programs/services:** Trail grooming/upkeep, Events, Parades, Equipment upkeep/purchase, Admin, Yearly supplies/needs

Community Impact

The Sno-Drifters use roughly 40 volunteers on a regular basis as well as numerous one offs throughout the season. We support other local non-profits with food and clothing drives.

We host a Safe Ride and an Annual Rally for the community to educate them on our trails and the sport of snowmobiling as well as promote our trails to the rest of Canada.

We gather volunteers/machines to marshal both RMWB parades to ensure the safety of attendees.

We attend WinterPLAY as a vendor as well as building the dog sled oval each year.

2020 Grant Request

2020 Grant Request	
Revenue	\$26,300
Expense	\$126,005
Subsidy Requested	\$99,500
Subsidy represents 79% of total expenses	
Previous Year's Financial Information	
Last Fiscal Year End Date	August 31, 2018
Total expenses from previous year	\$175,685
Unrestricted Net Assets	\$0

Expense Summary

Cost Category	Total Expense	Funded by RMWB
Salary/Wages (1 part time)	\$24,000	\$0
Program Costs	\$90,800	\$90,800
Overhead (utilities, insurance, etc.)	\$11,250	\$8,700
TOTAL	\$126,050	\$99,500

Community Investment History

2020 Request	2019	2018
\$99,500	\$99,500	\$110,000

McMurray Sno-Drifters Snowmobile Association

2020 Sustaining Grant Analysis

CIP Grant Summary:

				2020 Recommended by CIP	Variance Recommended vs. Requested
2017	2018	2019	2020 Request		
110,000	110,000	99,500	99,500	99,500	-

Fiscal Year End	Total Expenses	Unrestricted Net Assets
August 31, 2018	175,685	-

Notes:

The recommendation for 2020 is continued support for the McMurray Sno-Drifters. This organization enhances the winter lifestyle in the RMWB through its trail grooming activities.

Budget Line Description	2020 Total Budget	2020 Grant Request	2020 Recommended
Revenues			
RMWB Sustaining Grant	99,500	99,500	99,500
Memberships	16,000	-	-
Donations / Sponsors	5,000	-	-
Merchandise Sales	5,300	-	-
Total Revenues	\$ 125,800	\$ 99,500	\$ 99,500
Expenses			
Trail Grooming	69,000	69,000	69,000
Office Supplies	3,000	3,000	3,000
Insurance	3,200	3,200	3,200
Repairs and Service to Groomer & Drag	12,500	12,500	12,500
Trail Maintenance Contractor	4,050	4,050	4,050
Parades, Volunteer Expenses, etc.	5,250	5,250	5,250
Bookkeeper	2,505	2,500	2,500
Admin Exp.	24,000	-	-
Merchandise	2,500	-	-
Total Expenses	\$ 126,005	\$ 99,500	\$ 99,500
Total Surplus (Deficit)	\$ (205)	\$ -	\$ -

2020 Sustaining Grant Application for Grant Funding

The grant program under which your organization is applying has specific eligibility requirements. The Application Form should clearly show how the proposed event meets these requirements. The Application Form, including all required attachments, must be received by the closing date. **Late or incomplete applications will not be processed (Community Investment Program Policy FIN-220, Section 3.1.5).**

In order to complete this application for funding, please read the following thoroughly:

- 2020 Sustaining Grant Guidelines

If you have reviewed the 2020 Sustaining Grant Guidelines and have any questions regarding this application form or eligibility, please contact CIP@rmwb.ca.

Organization Name: McMurray Sno-Drifters Snowmobile Association

Declaration: In making this application, we, the undersigned, confirm:

- that we have read the Sustaining Grant Guidelines;
- that we 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 we understand that this application form and all required attachments must be completed in full and received before 4:30 p.m. MT on Monday, September 23, 2019;
- that we understand the term of the Sustaining Grant is January 1 to December 31, 2020 and that all expenditures must happen during this term; and
- that we are 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.

Board Member(s) and/or
Executive Director Initials:

SN T.H

SN T.H

SN T.H

SN T.H

Terry Head

Signature of Board Member
(must have signing authority)

Terry Head
Print Name

2019-09-20
Date: (YYYY-MM-DD)

Scott Neale

Signature of Board Member or Executive Director
(must have signing authority)

Scott Neale
Print Name

2019-09-20
Date: (YYYY-MM-DD)

Sustaining Grant Part A - Organization Summary

1. Organization Details

Organization Name:	McMurray Sno-Drifters Snowmobile Association
Street Address:	P.O.Box 30217, 300-19 Riedel Street
City/Hamlet:	Fort McMurray
Province:	Alberta
Postal Code:	T9H 5P8
Phone Number:	780-792-7603
Email Address:	s.17 (1)
Act Registered Under:	Canada Not-For-Profit Corporation
Registration Number:	505909655

Note: Organization must be in good standing to receive funding.

2. Main Contact

Title:	Executive Assistant
Name:	Terri Windover
Daytime Phone:	780-792-7603
Email Address:	s.17 (1)

3. Executive Director

Name:	n/a
Daytime Phone:	
Email Address:	

4. Board Chair / President

Name:	Scott Neale
Daytime Phone:	s.17 (1)
Email Address:	s.17 (1)

Note: Should any of the contact details in Questions 2 to 4 change before December 31, 2020, please advise the Community Investment Program at CIP@rmwb.ca

Part B - Board Questionnaire

9. Are any board members being paid, or receiving an honorarium, for being on the Board or for other positions in the organization outside of their role on the Board? Yes ☐ No ☒

If yes, complete the following table:

Board member name	Paid role on the board / organization	Amount received

10. What are the restrictions (if any) on becoming a member of your organization or participating in programs or services?

Must hold an up to date ASA membership
To ride on trails a pass/membership is required.
No restrictions to attend events unless riding a machine on the trail system. Then a pass/membership is required.

11. How often does the Board review the financial position of the agency? What efforts have been made in the past fiscal year to increase the number and types of financial support for your organization?

Monthly at meetings.

We try for other grants.

Look for additional sponsorship/ad money.

Sell club logo merchandise.

Look for donations in kind to get costs down.

Run several fund raising events and are looking at implementing others if possible. Volunteers being the biggest barrier to this.

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 Investment Program, at 9909 Franklin Avenue, Fort McMurray, AB T9H 2K4 or at (780) 743-7918.

Part C - Strategic Plan

The Regional Municipality of Wood Buffalo 2018-2021 Strategic Plan focuses on the vision of a vibrant, sustainable region we are proud to call home. It identifies four key strategic priorities to achieve this goal: Responsible Government, Downtown Revitalization, Regional Economic Development, and Rural and Indigenous Communities and Partnerships. The Community Investment Program aims to assist non-profit agencies to achieve the goals and objectives outlined in the Municipal Strategic Plan.

The Sustaining Grant subsidizes organizations to operate and maintain Municipally-owned assets and/or contribute toward the key strategic priorities identified above. Please indicate which category that is applicable to the organization.

- ☐ Operator of a Municipally-owned asset (Please continue to Part E on page 8)
- ☐ Provide programs and services related to the collection, preservation and display of regional heritage and culture in a museum setting (Strategy & Initiatives #1a and #1c)
- ☐ a) the development of the arts community (Strategy & Initiative #1f);
b) progression of interests of the social profit sector (Strategy & Initiative #1i);
c) advancement of cultural diversity (Strategy & Initiative #3f); or
d) promotion of the economic diversification of the Municipality (Strategy & Initiative #3b)
- ☒ Provides strategic programs/services that are of benefit to the entire region

Part D - Organization Questionnaire

12. What year did the organization complete its last business plan or strategic plan?

2013

13. Provide a brief overview of the organization's strategic priorities:

Provide a safe trail system for the community to enjoy.

Secure solid funding streams.

Educate the public on both safe snowmobiling practices and the benefits of snowmobiling.

Promote family friendly activities.

Teach members and the public how to practice good environmental stewardship of the area.

Part D - Organization Questionnaire

14. Describe the elements, activities, or events that the organization is seeking this funding for:

Trail grooming.

Groomer/Drag upkeep and maintenance.

Rest stop upkeep and maintenance.

Purchase and upkeep of tools/machines for trail clearing prior to grooming.

Admin costs-day to day operations/planning events/implementation

Purchase of yearly needs: office supplies, print work, insurance, book keeping etc

Event costs/Implementation

EVENTS:

Canada Day Parade: We gather volunteers and quads/side x sides to marshal the parade for the RMWB.

Safe Ride- A guided ride for members and the public to show safe practices and to fund-raise. We offer children's activities and demonstrations from RCMP and SARS etc.

WinterPLAY: We attend as a vendor each year. We also build the dog-sled track at the request of the RMWB. We use this as a fund-raiser and as a public information session.

Annual Rally: Our years biggest fund-raiser and event. We recently moved the event startup location from our garage on Hwy 69 to the Anzac Rec Centre. This change in venue will allow us to grow the event as we were very restricted prior by our building size. We also use this as a public information session.

Santa Clause Parade: We gather volunteers and quads/side x sides to marshal the parade for the RMWB.

Note:

We are looking at adding a few more guided rides this year to focus on increasing membership in general and increasing female participation.

15. Explain how the operations/programming will achieve the objectives of the Municipal Strategic Plan as indicated on page 5:

An up-kept groomer, drag and clearing equipment will ensure the 300km of snowmobile trails under our care will provide a safe environment for members and the public.

Our events give us the opportunity to educate the public as well as old and new riders on our trails and snowmobiling in general.

Up-kept rest stops allow us to keep the trails free of hazardous debris and ensure our riders have a safe and well stocked rest area to use. Last season we had almost 300 trees come down after a single freezing rain event on our Stoney Mountain and Connector trail systems alone. It took a very large group of people and a lot of hours to remedy the trails in order for the groomer to go out. This was in large part due to trees damaged in the 2016 fire. As we go forward we expect to have an increased workload over the next few years as the forest adjusts to that damage.

Sharing our events at events/parades/on-line etc allows us to interact with the public and encourage physical activity, a love for nature and good riding practices and etiquette.

Part D - Organization Questionnaire

- 16. Describe any other funding initiatives the organization has taken or is planning to implement to further support this request for Sustaining Grant funding:**

We are looking to apply for more grants in general and approach large companies like Nexen etc for grants as well.

We are looking into doing basket raffles.

We are looking at the possibility of marketing "naming rights" to events like our Rally and Safe Ride as well as Trail Heads.

We are constantly looking for additional ad sponsorship and donations-in-kind. (This has become much more difficult in todays financial climate and post fire)

- 17. Current Volunteer Information:**

	Per Organizational Needs:	Currently Filled:
Program & Services Volunteers	30 (most needed at events only)	10 (trail coordinators)
Fundraising Volunteers	5	5
Committee Volunteers	5	5
Administrative Volunteers	0	0
Total Organization Volunteers (Count each only once)	40	20 (others come just for events)

Part E - Financial Information, Budget Request & Cash Flow

18. Current Staff Information:

	Per Organization Chart:	Currently Filled:
Full Time Positions		
Part Time Positions	1	1

19. Please explain any cost savings initiatives the organization has, or is planning, to implement:

We spent the last few years streamlining costs to save money. We were successful enough that we were able to request a smaller funding amount in 2018. Something we are very proud of in this tough financial climate today.

We changed our Rally venue to be able to host a larger group of people at the Rally. This enables us to support the Anzac community and the Rec Centre as well. We are no longer space restricted which will enable us to grow the event year over year.

We have stopped buying paper copies of the trail maps and moved to down-loadable on-line maps.

We have secured a new local transport company to move the groomer and drag to the trail-heads when needed at a much lower cost.

20. 2020 Grant Request:

Total 2020 Budgeted Revenue (excluding RMWB Sustaining Grant)	\$	26,300.00
Total 2020 Budgeted Expenses	\$	126,005.00
Surplus* / (Deficit)	\$	(99,705.00)

2020 Sustaining Grant Request Amount:	\$	99,500.00
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* If in a surplus position, organization is not eligible for a Sustaining Grant.

Please Indicate Preferred Cash Flow, if approved:**

January/February \$ 71,250.00	April
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(no more than 75% of request)

August \$ 28,250.00	October
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** Must have minimum of 25% to be disbursed between August and December. There will be no funds released in July, as six-month reports are due by July 31 and require Administrative review prior to August/October disbursements.

21. Provide any additional information that may assist in developing a better understanding of your organization or its services/programs during the grant review.

As we are a winter club the vast majority of our financial needs for the 2020 season fall between December 2019-April 2020, with bulk in Jan-beginning-March-end.

Our only concern is to ensure we have funding in place at the correct time to ensure we can have the trails ready for the community to enjoy.

Part F - Required Attachments for Application

22. The following attachment MUST accompany your application. Failure to submit the following will result in your application being deemed incomplete.

- ☒ A detailed budget showing projected 2020 revenue and expenses
- ☒ 2020 Business Plan or Strategic Plan
- ☐ Logic Model (if available)
- ☒ Financial Statements of the most recent fiscal year

In Person or By Mail:

Community Investment Program
Community Services
Regional Municipality of Wood Buffalo
9909 Franklin Avenue
Fort McMurray, AB T9K 2K4

OR

By Email: CIP@rmwb.ca

**LATE or INCOMPLETE applications will not be processed
(Community Investment Program Policy FIN-220, Section 3.1.5)**



McMurray Sno-Drifters

FIVE YEAR PLAN 2020-2024

P.O Box 30217, 300-19
Riedel St
Fort McMurray, AB
T9H 5P8

p. 780-792-7603

mcmurray.snodrifiers@hotmail.com
www.snodrifiers.ca

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Executive Summary



The McMurray Sno-Drifters is a non profit Association that was formed in the early 1990's and is comprised of volunteers. The Club provides safe and educational winter recreation for individuals and families within the Regional Municipality of Wood Buffalo. They also provide education about snowmobiling that includes information about existing by-laws, safe sledding practices and maps of the trail systems and trail safety. Through their efforts and that of their sponsors and advertisers, the public enjoys sledding on well-maintained and groomed trails that are signed for safety and are very user friendly. These efforts promote and increase the usage of the trails while also protecting the environment as users stay on the trails and do not ride on undisturbed natural habitats. We were chosen as Canada's best snowmobile club in 2016 on a national level and are proudly striving to continue that level of excellence as we move forward.

The club identified the goals to:

- Increase trail enforcement;
- Build better staging areas;
- Attract and retain volunteers;
- Improve Signage on and off trail;
- Promote proper trail usage;
- Promote local trail system;

The following business plan outlines the club's strategy to raise funds to execute these goals. These funds and the addition will allow the executive to focus upon the important goals identified in the strategic plan.

The business plan identifies the financial requirements, source of funds, and the budget needed for the club to successfully implement its goals. Increased membership dues, additional sponsorship ads and lower operating costs will help the executive achieve its financial and strategic goals.

Objectives

The objective of this plan is to outline the financial resources necessary to achieve the key goals as outlined in the McMurray Sno-Drifters Strategic Plan.



1. Source and identify funding for ongoing trail maintenance
2. Source and identify funding for larger staging areas at trail heads
3. Source and identify funding for better on trail and off trail signage
4. Source and identify funding for a promotional materials

The club plans to implement these projects over the next five years.

Mission Statement



A mission statement answers the question why the club exists. What is the organizations core purpose. During the strategic planning session held with the Board the executive came up with the following mission statement. The statement tries to be short, concise, and memorable.

"To provide safe and enjoyable snowmobiling for the residents of Regional Municipality of Wood Buffalo. "

Description of Business



The club currently provides the following services for its club members:

- Five trails (Timberlea, Draper, Anzac, Connector, Stony Mountain and Thickwood) comprising 300+ Km of length.
- Social Functions throughout the year for members (used as fundraisers)
- Safety courses/Educational courses
- Government advocacy for the promotion of snowmobiling
- Maps and guides to trail systems in RMWB.
- Maintenance equipment and storage sheds
- Fire pits, warm up shelters and restroom facilities throughout the trail network to ensure a safe and comfortable ride.

Company Ownership



The McMurray Sno-Drifters Inc. is a non-profit corporation registered in Alberta under Part 9 of the Corporations Act. The organization holds an AGM in April of each year where it elects a board of directors from the membership in good standing. The executive is composed of President, First Vice-President, 2nd Vice President and Treasurer. The club meets monthly or as necessary throughout the year. The club currently had as of March 2019, 426 members in good standing. The Sno-Drifters are one of a number of clubs which are part of the Alberta Snowmobile Association (ASA). The club was incorporated in 1993.

Start up Summary



The following chart outlines the funding that the club is looking to generate over the next 5 years for its proposed activities as outlined in the objectives section of this business plan.

EXPENSES	2020	2021	2022	2023	2024	TOTAL
Trail Grooming	\$69,000	\$72,500	\$76,000	\$80,000	\$85,000	\$382,500
Repairs/Service	\$12,500	\$13,700	\$15,000	\$16,500	\$18,100	\$75,800
Trail Upkeep-Coordination	\$4,050	\$4,050	\$4,050	\$4,050	\$4,050	\$20,250
Insurance	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$16,000
Office Supplies/Print-work	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$15,000
Admin	\$24,000	\$20,000	\$18,000	\$12,000	\$12,000	\$86,000
Events/Parades/Volunteers	\$5,250	\$5,250	\$5,250	\$5,250	\$5,250	\$26,250
Book Keeping	\$2,505	\$2,600	\$2,700	\$2,800	\$2,900	\$13,505
Merchandise/Promo	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$12,500
TOTAL:	\$126,005	\$126,800	\$129,700	\$129,300	\$136,000	\$647,805
INCOME	2020	2021	2022	2023	2024	TOTAL
RMWB Grant	\$99,500	\$99,500	\$99,500	\$99,500	\$99,500	\$497,500
Sponsor/Donation	\$5,000	\$5,500	\$6,100	\$6,700	\$7,400	\$30,700
ASA Memberships	\$16,000	\$16,500	\$17,000	\$17,500	\$18,000	\$85,000
Events/Merchandise	\$5,300	\$5,350	\$5,400	\$5,450	\$5,500	\$27,000
TOTAL:	\$125,800	\$126,850	\$128,000	\$129,150	\$130,400	\$640,200

Services



The club currently sells trail passes for \$80 before December 31 and \$90 after January 1. This pass includes membership to the Sno-Drifters and the Alberta Snowmobile Association and prices are dictated by the ASA. The club keeps roughly 40% of those revenues with the ASA receiving the remainder. The trail pass allows members use of the trail systems throughout Alberta.

The club also holds a snowmobile safety course and an avalanche training program. To help riders, the club provides downloadable trail maps and grooms the trails regularly for the enjoyment of its members. The club currently organizes an Annual Rally, Safe Ride and AGM for its members. The club attends WinterPLAY as a vendor and builds the dog-sled track as well as marshaling both the Santa Clause Parade and the Canada Day Parade. The club also provides government advocacy on issues related to snowmobiling. The club works with RCMP & Bylaw Enforcement and other agencies to ensure that all can have an enjoyable time. The maintenance of the trails is a big effort for the club and to limit vandalism to its remote facilities.

Marketing



There are multiple recreational clubs in the Wood Buffalo region. All of these groups are competing for members from the general public.

The reason the Sno-Drifters club exists is to:

"To provide safe and enjoyable snowmobiling for the residents of Regional Municipality of Wood Buffalo."

As the above mission statement says the key to the club and recreation market is to make all the activities enjoyable. People will join a club if they are interested in the activities of the club, but more importantly, will stay members in the club if it is fun and

SAFE. The Sno- Drifters must ensure that all activities they undertake provide an opportunity for fellowship and fun. Even if it is a serious activity like avalanche training.

A club that has FUN is key to standing out in the crowded recreation market.

A few years ago a number of major universities in the western United States conducted a study to determine the key reasons people recreate and in particular why people go snowmobiling. The answers didn't surprise those of us that snowmobile. The top four reasons people snowmobile are:

1. To view the scenery
2. To be with friends
3. To get away from the usual demands of life versus to do something with my family
4. To be close with nature

Intuitively, the snowmobile manufacturers agreed with the university studies, but we wanted to find out a little more about non-snowmobilers and snowmobilers alike. The International Snowmobile Manufacturers Association commissioned a study to help us better understand the snowmobiling market. The study was conducted during the -2006 winter and it concluded non- snowmobiling recreation enthusiasts have a high level of interest in trying out snowmobiling. The research initiative had four objectives:

1. What is the profile of current snowmobile owners?
2. What are the key motivators that drive purchases?
3. What aspects of snowmobiling are valued by snowmobilers?
4. What are some of the key barriers preventing prospects from purchasing a snowmobile?

The research data was collected in two large focus groups. One held in New York and the other in Minnesota. There were also internet, telephone, and mailed surveys to residents of the US and Canada. The return rate was exceptionally high and what we discovered in our research work was very interesting. Non-snowmobilers do not view snowmobiling negatively at all. There are a lot of people who don't snowmobile, but really want to try it.

Most non-snowmobilers have no idea where the snowmobile trails are. They don't know where the trailheads are, and they don't know very many snowmobilers. They would love to rent a snowmobile and they would welcome being asked to go snowmobiling by a club or snowmobile organization member. On a 10-point scale, non-snowmobilers across North America rated their desire to go snowmobiling as high as an 8 or 9. Non-snowmobilers - like snowmobilers - long for a strong sense of social interaction with friends and family. We know snowmobiling is a social activity and we enjoy being with our family and friends on a beautiful snowy day. Snowmobilers and non-snowmobilers alike look forward to relaxation and stress relief that snowmobiling provides.

For a great number of us, snowmobiling provides the chance to feel like a kid again. For many of us, it's a family fun excursion which provides us an opportunity to pull the kids away from the distractions and friends that prevent better day to day connections between ourselves and our family. Non-snowmobilers clearly identify with the social aspect of snowmobiling and quickly fall into the category titled "Here's to Good Friends." This group of individuals (including snowmobilers and non-snowmobilers alike) index very high in RV ownership and are active through the summer in camping clubs and other recreational vehicle related activities.

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The biggest challenge we have in attracting new snowmobilers is showing them where and how to enjoy our chosen winter activity. They would welcome an invitation to go

snowmobiling and be introduced to the Snowmobile Club and Snowmobile Association social network, the great trail system, and the play areas we all enjoy. A majority of the adults living in the snow belt of North America are potential snowmobilers. Their vacation spending habits are similar to ours, and they look forward to trying something new and exciting.

The above research was conducted by the International Snowmobile Manufacturers Association (ISMA). This association notes that there are 53,701 snowmobiles registered in Alberta. In total there are 765,275 snowmobiles registered in Canada. In 2009 40,510 snow machines were sold in Canada. This represents 2009 gross sales of \$481,688,077 throughout Canada. Between 2008 & 2009 the number of registered snowmobilers increased 8% in Canada from 708,470 to 765,275. ISMA reports that the total economic impact of snowmobiling in N. America was \$28 Billion 2008-2009 year.

Research done by the Canadian Council of Snowmobile Organizations (CCSO) shows that during the 2003 season, over 300,000 permits were issued throughout Canada. Snowmobile clubs totaled 848, with combined membership of 486,247. Total expenditures by snowmobilers in Canada were estimated to be more than \$6 billion.

In 1997, the Quebec Federation of Snowmobile Clubs completed a study showing \$1.5 billion is generated annually by the snowmobile industry in Quebec. The province contains more than 33,000 kilometers of snowmobile trails. The study showed that more than 7,600 tourists from other provinces and the United States came to Quebec for snowmobiling. Another 23,400 snowmobile rentals every year are by tourists from Europe and elsewhere.

With a family membership of 200,000 representing 281 snowmobile clubs and associations, the Ontario Federation of Snowmobile Club (OFSC) is the largest snowmobiling organization in the world. OFSC clubs invest \$20 million annually on trail operations and grooming of Ontario's 49,000 kilometers of trails.

In Alberta, the Crowsnest Pass Economic Development Board did research on the economic impact of snowmobiling on its community. Total expenditures were estimated to be \$124,600 in the local community alone for a weekend event. Weekly expenditures during the entire snowmobiling season were estimated between \$35,000 to \$40,000.

In 1995, Alberta Economic Development and Tourism estimated the annual impact of expenditures directly related to snowmobiling to be \$162.6 million, with more than 127,000 snowmobiling households throughout the province. Estimates show that amount has increased to nearly \$400 million annually within the past three years.

Market Segmentation Analysis



The recreation market has many segments. The market can be broken down by season.

The McMurray Sno-Drifters is a winter only club. Likewise the market can be segmented by age. You must be 16 years of age or older to drive a snowmobile on public lands. Consequently, teenagers and children aren't members unless through family association. The market can also be broken down by indoor and outdoor segments. An important segmentation is by type of equipment used: snowmobiles as opposed to Quads. The key target group for increased membership is the outdoor enthusiasts that enjoy winter activities. Although more men are members of the club historically, we have seen a steady increase in female participation year over year and are looking at continuing to grow that market segment.

Target Market Segment Strategy



The youth segment represents a opportunity to grow future members in the club. The club could offer a variety of activities marketed solely to the youth. Snowmobile training is an example. Sno-Drifters could sponsor a boy scout badge and an Air Cadets badge. Activities like snowmobile training exclusively marketed to scouts and cadets could be an excellent way to increase future members.

Although income may be a barrier for low income families or persons the club could provide incentives to help these people become members. The club could organize a swap meet for people looking to purchase used clothing and equipment at garage sale prices.

The club could also take a heads up from the Golfing community. Almost all golf clubs have men's and ladies segments The Sno-Drifters could have ladies ride nights and specialty events. Again the goal is to provide fun and fellowship for all the members thus maintain or increasing members.

Service Business Analysis



How we serve our members is important. In an age of multi-media and busy schedules it is important to provide as many opportunities to serve our members as possible. For example in the strategic plan it was suggested that the club encourage gas stations and other businesses to sell memberships. This is an example of how we can better serve our members in making our trail passes easier to acquire. We must ensure that the services we offer our members are undertaken and completed in the most effective and efficient manner without losing the fun, safety, and enjoyment of snowmobiling. We have expanded the amount of places that carry the passes and are always searching out more.

We have created a new and improved website for our members and the general public to share important information about the Sno-Drifters and snowmobiling in general. We have added downloadable maps for ease of use and to conserve the environment by avoiding excess paper usage.

We regularly post trail updates, membership info, event and meeting dates and other important information on both our blog and Facebook page to keep the public informed.

Competition and Buying Patterns



The McMurray Sno-Drifters is a recreational club. The club competes with other recreational clubs for the general public's interest. For this reason the club needs to MARKET its mission. It needs to advertise to its members and new prospective members. It is important to understand the buying patterns of the general public and why they would want to participate in the club. The key buying pattern of the public is to make it easy to become a member and secondly the benefits of being a member.

Key to these benefits is the safe enjoyment the club provides. An example of a marketing effort that has been success is the Sno-Drifters attendance at the fall trade show. Continuation of this marketing event along with others should be encouraged.

Thank you for your continued support of the McMurray Sno-Drifters, Fort McMurrays' only snowmobile club as we strive to maintain our award winning trails and continue to offer the residents of the Regional Municipality of Wood Buffalo and of Canada a beautiful and safe place to enjoy their chosen sport.

The RMWB has been a supportive and wonderful partner over the years and with their support the club has been able to offer up a trail system that is one to be proud of on the national level.

Yours Truly,

The McMurray Sno-Drifters

[SELECT DATE]



Phone: 780-792-7603
Mailing Address:
 P.O. Box 30217
 300-19 Riedel St.
 Fort McMurray, AB
 T9H5P8
Website: www.snodrifters.ca

Assumptions:
 Groomer Costs \$20 hour for Fuel
 Based on 2018-2019 Spend profile

	2020 Deposits														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total		
Deposit RMWB		\$77,000.00						\$22,500.00					\$99,500.00		
Deposit Sponsors/Donations	\$1,000.00	\$500.00	\$1,000.00							\$1,000.00	\$1,000.00	\$500.00	\$5,000.00		
Deposit ASA ²	\$3,000.00	\$3,000.00	\$1,500.00								\$3,500.00	\$5,000.00	\$16,000.00		
Deposits Merchandise Sales ⁵	\$1,000.00	\$800.00	\$1,000.00									\$2,500.00	\$5,300.00		
	\$5,000.00	\$81,300.00	\$3,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,500.00	\$0.00	\$1,000.00	\$4,500.00	\$8,000.00			
														\$125,800.00	
	2020 Expense														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	CIP Budget	
Trail Grooming Exp	\$12,000.00	\$15,000.00	\$15,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$5,000.00	\$10,000.00	\$69,000.00	\$69,000.00	
Repairs and Service - Groomer	\$1,000.00	\$1,250.00	\$1,250.00	\$500.00	\$2,500.00	\$0.00	\$0.00	\$0.00	\$3,500.00	\$500.00	\$1,000.00	\$1,000.00	\$12,500.00	\$12,500.00	
Trail Maintenance - Contractor	\$500.00	\$500.00	\$500.00	\$500.00	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$650.00	\$650.00	\$500.00	\$4,050.00	\$4,050.00	
Insurance											\$3,200.00		\$3,200.00	\$3,200.00	
Office Supplies	\$350.00	\$350.00	\$350.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$350.00	\$350.00	\$350.00	\$3,000.00	\$3,000.00	
Admin Exp	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$24,000.00	\$0.00	
Parade, Volunteers, Exp	\$250.00	\$1,000.00	\$1,250.00	\$1,500.00	\$0.00	\$0.00	\$500.00	\$0.00		\$250.00	\$250.00	\$250.00	\$5,250.00	\$5,250.00	
Book Keeping	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$55.00	\$1,900.00	\$55.00	\$55.00	\$2,505.00	\$2,500.00	
Merchandise ⁴	\$1,000.00									\$500.00	\$1,000.00		\$2,500.00	\$0.00	
	\$17,155.00	\$20,155.00	\$20,405.00	\$14,705.00	\$4,955.00	\$2,205.00	\$2,705.00	\$2,205.00	\$5,705.00	\$8,150.00	\$13,505.00	\$14,155.00			
													\$126,005.00	\$99,500.00	(\$26,505.00)

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION

Financial Statements

Year Ended August 31, 2018

(Unaudited)

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION

Index to Financial Statements

Year Ended August 31, 2018

(Unaudited)

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24, 9914 Morrison Street, Fort McMurray, Alberta T9H 4A4
Phone: (780) 881-7424 Fax: (780) 665-6152 Web: smillard.ca

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of McMurray Sno-Drifters Snowmobile Association

I have reviewed the accompanying financial statements of McMurray Sno-Drifters Snowmobile Association that comprise the statement of financial position as at August 31, 2018 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects, the financial position of McMurray Sno-Drifters Snowmobile Association as at August 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with the Canadian accounting standards for not-for-profit organizations.

Fort McMurray, Alberta
April 28, 2019

S. MILLARD CHARTERED PROFESSIONAL ACCOUNTANT

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Statement of Financial Position****August 31, 2018***(Unaudited)*

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 85,065	\$ 63,909
Term deposits	-	32,917
Accounts receivable	85,536	76,531
Goods and services tax recoverable	2,084	-
Prepaid expenses	1,718	1,477
	<u>174,403</u>	<u>174,834</u>
CAPITAL ASSETS (Note 4)	<u>3,843</u>	<u>6,823</u>
	<u>\$ 178,246</u>	<u>\$ 181,657</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable	\$ 5,790	\$ 5,502
NET ASSETS		
General fund	168,613	169,332
Capital fund	<u>3,843</u>	<u>6,823</u>
	<u>172,456</u>	<u>176,155</u>
	<u>\$ 178,246</u>	<u>\$ 181,657</u>

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Statement of Revenues and Expenditures****Year Ended August 31, 2018***(Unaudited)*

	2018	2017
INCOME		
Grants	\$ 117,340	\$ 205,531
Memberships	41,015	41,814
Trail Passes	7,115	1,500
Merchandise	5,234	-
Donations in kind	675	-
Other earnings	607	644
Raffle and rally	-	6,455
Advertising	-	3,350
	<u>171,986</u>	<u>259,294</u>
EXPENSES		
Advertising and promotion	3,967	12,164
Amortization	2,979	3,736
Business taxes, licenses and memberships	29,360	31,450
Insurance	5,185	5,576
Interest and bank charges	257	284
Office	1,412	1,645
Professional fees	4,500	9,100
Property taxes	795	1,610
Rally and parade expense	-	3,294
Repairs and Maintenance	92,777	73,536
Sub-contracts	30,000	33,457
Utilities	4,453	3,174
	<u>175,685</u>	<u>179,026</u>
EXCESS (DEFICIENCY) OF INCOME OVER EXPENSES	<u>\$ (3,699)</u>	<u>\$ 80,268</u>

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Statement of Changes in Net Assets****Year Ended August 31, 2018***(Unaudited)*

	General Fund	Capital Fund	2018	2017
NET ASSETS - BEGINNING OF YEAR				
As previously reported	\$ 169,332	\$ 6,823	\$ 176,155	\$ 95,887
As restated	169,332	6,823	176,155	95,887
DEFICIENCY OF INCOME OVER EXPENSES	(719)	(2,980)	(3,699)	80,268
NET ASSETS - END OF YEAR	\$ 168,613	\$ 3,843	\$ 172,456	\$ 176,155

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Statement of Cash Flow****Year Ended August 31, 2018***(Unaudited)*

	2018	2017
OPERATING ACTIVITIES		
Cash receipts from customers	\$ 162,980	\$ 182,763
Cash paid to suppliers and employees	(172,402)	(171,461)
Interest paid	(255)	(284)
Goods and services tax	(2,084)	-
	<u>(11,761)</u>	<u>11,018</u>
Cash flow from (used by) operating activities		
INVESTING ACTIVITY		
Purchase of capital assets	-	(2,140)
INCREASE (DECREASE) IN CASH FLOW	(11,761)	8,878
Cash - beginning of year	<u>96,826</u>	<u>87,948</u>
CASH - END OF YEAR	\$ 85,065	\$ 96,826
CASH CONSISTS OF:		
Cash	\$ 85,065	\$ 63,909
Term deposits	-	32,917
	<u>\$ 85,065</u>	<u>\$ 96,826</u>

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION

Notes to Financial Statements

Year Ended August 31, 2018

(Unaudited)

1. PURPOSE OF THE ASSOCIATION

McMurray Sno-Drifters Snowmobile Association (the "Association") is a not-for-profit organization incorporated provincially under the Societies Act of Alberta. As a registered charity the Association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The organization operates to provide recreational and cultural opportunities in Anzac, Alberta where the events work to enhance community spirit and pride.

2. BASIS OF PRESENTATION

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in GIC's and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days. The organization has not purchased any GIC's in the last 2 years.

Investments

Short term investments, which consist primarily of GIC's with original maturities at date of purchase beyond three months and less than twelve months, are carried at amortized cost.

Contributed services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial assets measured at amortized costs on a straight-line basis include cash and temporary investments.

Financial liabilities measured at amortized costs on a straight-line basis include the accounts payable.

(continues)

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION

Notes to Financial Statements

Year Ended August 31, 2018

(Unaudited)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital assets is stated at cost or deemed cost less accumulated amortization. Capital assets is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Leasehold improvements	10 years	straight-line method
Other capital asset #1	10 years	straight-line method
Buildings	5%	declining balance method
Equipment	20%	straight-line method
Computer equipment	55%	declining balance method

The Association regularly reviews its capital assets to eliminate obsolete items.

Capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Revenue recognition

McMurray Sno-Drifters Snowmobile Association 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 as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Government grants

Government grants are recorded when there is a reasonable assurance that the Association had complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's presentation.

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Notes to Financial Statements****Year Ended August 31, 2018***(Unaudited)***4. CAPITAL ASSETS**

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Buildings	\$ 18,304	\$ 18,304	\$ -	\$ -
Equipment	43,686	43,686	-	-
Computer equipment	6,460	5,528	932	2,071
Leasehold improvements	11,645	8,734	2,911	4,076
Other capital asset #1	13,493	13,493	-	676
	\$ 93,588	\$ 89,745	\$ 3,843	\$ 6,823

5. FINANCIAL INSTRUMENTS

The Association is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Association's risk exposure and concentration as of August 31, 2018.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Association is exposed to credit risk from customers. In order to reduce its credit risk, the Association reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Association has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Association is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

Unless otherwise noted, it is management's opinion that the Association is not exposed to significant other price risks arising from these financial instruments.

6. ECONOMIC DEPENDENCE

The association is economically dependant on the grant received from the Regional Municipality of Wood Buffalo for its continued existence and ability to carry out its normal activities. The grant received from the Regional Municipality of Wood Buffalo accounts for 68% (2017 - 79%) of the income generated by the association.

MCMURRAY SNO-DRIFTERS SNOWMOBILE ASSOCIATION**Notes to Financial Statements****Year Ended August 31, 2018***(Unaudited)*

7. PRIOR PERIOD ADJUSTMENT

The increase in prior year grant income arose from a unrecorded receivable from the Regional Municipality of Wood Buffalo. The impact on the 2017 assets and liabilities is as follows:

	<u>2017</u>
Prior Period Adjustment	
Grant revenue	76,531
Accounts Receivable	<u>76,531</u>
Prior period adjustment	<u>\$ 153,062</u>
