

**REGIONAL MUNICIPALITY OF WOOD BUFFALO  
COMMUNITY CAPITAL GRANT 2021 PROPOSED BUDGET**

Capital Grant Applicant	Description	2021 Grant Request	Recommended 2021 Grant
Fort McMurray Golf Club	Flood Repairs	301,150	150,575
<b>TOTAL, CAPITAL GRANTS</b>		<b>301,150</b>	<b>150,575</b>



**Fort McMurray Golf Club**  
2021 Community Capital Grant Analysis

**CIP Grant Summary:**

2019	2020	2021	2021 Request	2021 Recommended by CIP	Variance Recommended vs. Requested
-	-	873,000	301,150	150,575	(150,575)

Fiscal Year End	Total Expenses	Unrestricted Net Assets
October 31, 2020	6,023,256	652,185

**Notes:**

Community Capital Grant funding is requested to undertake repairs related to the severe damage sustained by the Fort McMurray Golf Club (FMGC) during the 2020 flood that will not be covered by Disaster Recovery Program (DRP) funding.  
Administrative recommendation is that the FMGC receive 50% of the total grant request, as per section 5.3.1 of the Community Investment Program Policy FIN-220.

Budget Line Description	2021 Capital Request	2021 Recommended
<b>Revenues</b>		
RMWB Community Capital Grant	301,150	150,575
DRP Funding Received	565,796	-
DRP Funding Anticipated	671,000	-
<b>Total Revenues</b>	<b>1,537,946</b>	<b>150,575</b>
<b>Expenses</b>		
Repairs to Big River Hole #'s 2, 3, 4, 5, 7, 8	565,796	-
Repair and Reinstall Washed out Bridges-Black Bear Hole #'s 6, 9	11,000	5,500
Pumphouse Repairs	187,000	-
Pond Liner Blackbear Hole #2	59,000	-
Repairs to Fox Tail Hole # 7 Tee Box Complex	175,000	-
Bridge Replacement #9	250,000	-
Grass restoration, green protector tarps, trees, signs, rip wrap, clean up of downed tree, replace damaged snow fence, cart path repairs, replace garbage cans, seeder purchase	290,150	145,075
<b>Total Expenses</b>	<b>1,537,946</b>	<b>150,575</b>
<b>Total Surplus (Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>



## Community Capital Grant Part A - Organization Summary

<b>Organization Name:</b>	Fort McMurray Golf Club
<b>Street Address:</b>	3-100 Real Martin Drive
<b>City/Hamlet:</b>	Fort McMurray
<b>Province:</b>	AB
<b>Postal Code:</b>	T9K 2S1
<b>Phone Number:</b>	(780) 743-5577
<b>Website:</b>	www.fortmcmurraygolfclub.com
<b>Fiscal Year End:</b>	October 31, 2021
<b>Act Registered Under:</b>	Societies Act (Alberta)
<b>Registration Number:</b>	0513867952

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

Main Contact	
<b>Title:</b>	General Manager
<b>Name:</b>	Dave Callum
<b>Daytime Phone:</b>	s. 17(1)
<b>Email Address:</b>	dave.callum@fortmcmurraygolfclub.com
Executive Director	
<b>Name:</b>	Dave Callum
<b>Daytime Phone:</b>	s. 17(1)
<b>Email Address:</b>	dave.callum@fortmcmurraygolfclub.com
Board Chair / President	
<b>Name:</b>	Barry Reid
<b>Daytime Phone:</b>	s. 17(1)
<b>Email Address:</b>	s. 17(1)

**Declaration of Board Members** - In making this application, we, the undersigned, confirm 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.

<p style="text-align: center;"><i>Barry Reid</i></p> <p style="text-align: center;">Signature of Board Member (must have signing authority)</p> <p style="text-align: center;">Barry Reid (President)</p> <p style="text-align: center;">Print Name</p> <p style="text-align: center;">2021-03-17</p> <p style="text-align: center;">Date: (Year-Month-Day)</p>	<p style="text-align: center;">FOIP ACT s.17(1)</p> <p style="text-align: center;">Signature of Board Member or Executive Director (must have signing authority)</p> <p style="text-align: center;">FOIP ACT s.17(1)</p> <p style="text-align: center;">Print Name</p> <p style="text-align: center;">2021-03-17</p> <p style="text-align: center;">Date: (Year-Month-Day)</p>
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## Part B - Board Questionnaire

**How often does the Board of Directors meet?** Monthly

**Minimum number of board members according to bylaws:** 6

**Number of board members:**

**Currently:** 12 **2020:** 12 **2019:** 12

**Describe measures being undertaken to fill vacant spots if minimum board members are not met:**

This has never been an issue. Each year the club hosts two general meetings and at that time any vacant spots that become available, members are asked to come forward and volunteer to join the board of directors and the spots are filled

**Please list current Board of Directors:**

Name	Board Position	Years on Board
Barry Reid	President	10.0
Paul MacDougall	1st Vice President	9.0
Dennis Warr	2nd Vice President	10.0
Wil Martin	Treasurer	2.0
Lanette Ellis	Secretary	10.0
John Mulhall	Director	10.0
Chris Coetzee	Director	10.0
Nadine Rimmer	Director	3.0
Tammy Powell	Director	1.0
Stacey James	Director	7.0
Murray Paulson	Director	1.0
Jeff Swain	Director	1.0



## Part B - Board Questionnaire

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
Nil	Nil	

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

None

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

Finances are reviewed monthly by the board of directors. To increase financial support we have done the following;

- applied for grants through Alberta Lottery
- applied for work programs through Canada Summer Jobs (CSJ), YMCA Building the Gap, and Student Temporary Employment Program (STEP)
- hosted a fundraising event called the Founders Formal
- promotions of golf annual memberships and club amenities
- increased marketing and advertising efforts for golf events and non golf events
- partnered with other non-profit and community groups to promote the golf course and restaurant
- created a sponsorship/advertising package for corporations

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) 742-4629.



## Part C - Business Case

The Community Capital Grant program is used to support the construction, expansion or renovation of recreational, social and cultural facilities in the region. Community Capital Grants are executed through agreements with community groups and non-profit organizations that operate the facilities.

**Project Name:** Flood Repairs

### **EXECUTIVE SUMMARY**

*Summarize the purpose and importance of the project. Include the following (where applicable): explain the nature of the project (what it is) and indicate whether the project is to replace existing facilities or equipment. Indicate if the project is an existing project and explain why there is a funding shortfall at the current phase or if there are any changes to the project and why. Summarize the probable impact on the environment; reason why this project is necessary; benefits of the project, indicating the impact on service delivery standards; duration of the project (from predesign to completion). Indicate the consequences and impact of not doing the project, as well as any major constraints or risks involved with the project.*

**Text CANNOT exceed box. More detail/space available on following pages.**

Fort McMurray Golf Club (FMGC) sustained severe damages from the 2020 flood. An application to the Disaster Relief Program (DRP) was submitted and approved in summer of 2020. Damages at that time were estimated at upwards of \$2 million. A significant amount of the damage will be covered through DRP. However, in order to receive DRP funding, FMGC must commission, complete and pay in full the work before we can request repayment from DRP.

FMGC spent over two million to cover insurance shortfalls and unfunded damages from the 2016 Wildfire. FMGC has applied for funding from various agencies to help assist in its rebuilding efforts. These efforts haven't been very successful. FMGC has increased user fees significantly and hosted a successful Founders Formal fundraising event to help assist with our capital endeavors. The current funding repayment process with DRP is quite unfavorable as FMGC doesn't have the financial ability to pay upfront to complete the full scope of all flood repairs and then wait for the province to reimburse. As the host for the 2021 Canadian Mid Amateur tournament, the club is requesting the RMWB to consider covering any shortfall for capital repairs not covered by DRP in order to get all repairs completed prior to August 2021 Championship. DRP is committed to cover damages to get our business back up and running as it was before flood damages. However, there are certain damages they are unwilling to fund.

Since the club's Capital Grant presentation to the RMWB council this past December, FMGC has done further analysis on the impact of Little Fisheries Creek swelling during the flood and the increased water flow since the wildfire, and have included remediation, erosion control and stabilization of the creek in this budget for consideration. FMGC completed urgent work this winter to preserve the area around two of the green complexes which suffered significant damage. DRP has indicated they will not fund this type of erosion/stability work. Although, FMGC has funded additional capital repairs that were required to get us caught up from pre-wildfire, we will endeavor to work with the RMWB administration on these funding requests.

**\*\*A spreadsheet listing the capital repairs required has been included with this grant application\*\***



## **Part C - Business Case**

### **STRATEGIC PLAN GOAL**

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 Community Capital Grant is available to support facilities that contribute to the key strategic priorities identified above and are either owned by the Municipality and operated by a community group or non-profit organization (asset implications for the Municipality); or are owned and operated by community groups and organizations directly (no asset implications for the Municipality).

**Please indicate which category is applicable to this application:**

#### **1. Responsible Government**

- |  |  |
|--|--|
| <input type="checkbox"/> a. Fiscal Responsibility                                  | <input type="checkbox"/> h. Intergovernmental Relations                      |
| <input type="checkbox"/> b. Shared Services  | <input checked="" type="checkbox"/> i. Partnerships with Social Profits      |
| <input type="checkbox"/> c. Fiscal Responsible Budgets and Financial Plans         | <input type="checkbox"/> j. Implement Lessons Learned (2016 Wildfire Review) |
| <input type="checkbox"/> d. Asset Management                                       | <input type="checkbox"/> k. Wildfire Recovery                                |
| <input type="checkbox"/> e. Developing Our People                                  | <input type="checkbox"/> l. Public Engagement Strategy                       |
| <input type="checkbox"/> f. Foster equality, diversity and inclusion in the region | <input checked="" type="checkbox"/> m. Youth                                 |
| <input type="checkbox"/> g. Accessibility  | <input type="checkbox"/> n. Whistleblower Initiative                         |

#### **2. Downtown Revitalization**

- |   |  |
|---|--|
| <input type="checkbox"/> a. Encourage Development in the Downtown | <input type="checkbox"/> e. Riverfront Master Planning & Revitalization    |
| <input type="checkbox"/> b. Establish Municipal Land Inventory    | <input type="checkbox"/> f. Review of the Municipal Development Plan (MDP) |
| <input type="checkbox"/> c. Incentives to Update Store Fronts     | <input type="checkbox"/> g. Aging in Place Facility                        |
| <input type="checkbox"/> d. Clear Land Use Plans and Regulations  |  |

#### **3. Regional Economic Development**

- |  |  |
|--|--|
| <input type="checkbox"/> a. Work with Industry and Suppliers - Fly in, Fly Out | <input type="checkbox"/> d. Economic Gardening and Pop Up Stores |
| <input type="checkbox"/> b. Business Attraction and Incentives                 | <input type="checkbox"/> e. Shop Local Program                   |
| <input type="checkbox"/> c. Small Business Incubator                           | <input type="checkbox"/> f. Support Arts and Culture             |

#### **4. Rural and Indigenous Communities and Partnerships**

- |   |   |
|---|---|
| <input type="checkbox"/> a. Truth and Reconciliation Commission Calls to Action | <input type="checkbox"/> f. Inclusion and Partnerships (Rural Coalition)    |
| <input type="checkbox"/> b. Indigenous Consultation                             | <input type="checkbox"/> g. Advocate for Rural and Indigenous Communities   |
| <input type="checkbox"/> c. Delivery of Water and Sewer Servicing               | <input type="checkbox"/> h. Transportation Strategy                         |
| <input type="checkbox"/> d. Amalgamation Review                                 | <input type="checkbox"/> i. Rural Operational Efficiencies and Cost Savings |
| <input type="checkbox"/> e. Emergency Management                                |   |



## **Part C - Business Case**

Describe how the project aligns with the 2018 - 2021 Strategic Plan:

As a not-for-profit organization, FMGC is a cornerstone of recreation within the RMWB region, providing opportunity for residents to improve physical and mental wellness through social interaction, exercise, and fun. The club has faced unprecedented and devastating financial impacts as a result of unpredictable natural disasters; 2013 spring flood, 2016 wildfire, and the 2020 spring flood. FMGC is now asking the RMWB to provide a capital grant aid with the shortfalls resulting from these natural disasters and to ensure the club remains a strong and viable community partner in the RMWB for years to come. FMGC plays an important role in the future of Fort McMurray as a venue for many community, corporate, and residential events and recreation for various individuals. Of those within the RMWB community FMGC strives to focus on the youth and their importance of the future through programs and partnerships which is a vision set within the RMWB Strategic Plan.

### **ANALYSIS**

#### **Justification:**

What is the purpose for this project? Continuity of Operations

What is the community need that this project will address?

he RMWB needs safe, high-quality recreation facilities for all ages. In the face of COVID-19, the demand for golf has seen explosive growth in 2020. FMGC has seen nearly 30,000 rounds of golf played and has the capacity to provide even more. During the 2020 season, due to flooding the club opened its course utilizing a third of its capacity (nine holes), eventually a second nine holes was opened and was used throughout the duration of the season. The remaining nine holes was deemed unplayable due to severe damages from the floods. When all 27 holes are in working order the club is able provide 40-50,000 rounds of golf with 30-35,000 being available for public play.

Many social profit organizations rely on FMGC for fundraising events to support community services. FMGC is currently one of Fort McMurray's premiere facility for high-end event venues for weddings and other sentimental celebrations.



## Part C - Business Case

How was the need determined?

Each year FMGC continues to be the venue of choice for many social profit fundraising. An excess of \$10 million was raised for community services through golf tournaments and functions. These partnerships have increased the demands and usages of our clubhouse and golf course for groups such as the Keyano Foundation, Northern Lights Health Authority, United Way, Boys and Girls Club, Canadian Mental Health Association, Fort McMurray SPCA, and many more. These groups are few who use the services of FMGC each year to support their particular cause. In many instances in the past the club has had to turn away those looking for golf as there were more golfers than tee times available. In order to accommodate these required recreation requests the golf course expansion plans were enacted on, and 10 of the 18 additional holes of this plan were completed. This helped serve the community desire for additional recreation within the RMWB. With the continuous demand we know that FMGC is a vital hub within the community, and its usership will continue to expand over time, as witnessed this with the course expansion.

What will be the positive impacts to the community?

Since 1988 FMGC has supported the community in many ways and will continue to do so by offering more golf. In the past FMGC has hosted many events that brought much support to the RMWB Fort McMurray such as; PGA Tour Canada Syncrude Boreal Open (2011-2015), Alberta Amateur Championship (2007) and Western Canada Summer Games (2015). For the past 30 years FMGC has provided thousands of children the sport of golf. Through the help of the Demers Family the club hosted over 300 junior golfers in 2020 alone with 62 free junior memberships currently held. Along with our many community events the club is well known for its many job opportunities, as each year the club staffs over 140 employees. Several are summer students on a break from post-secondary education and for many, this provides first entry into the workforce. Future Event - 2021 Canadian Mid-Amateur Championship, the winner of this event will receive exemption to the Canadian Open on the PGA tour. This will be the first National Championship golf event to be hosted in the community of Fort McMurray.

### IMPLEMENTATION

#### Estimated Schedules:

Please enter the quarter and year in each box (e.g., Q1-2021):

Project Planning	Predesign	Design	Construction	Completion

#### Annual Project Cash Flow, Capital Budget and Plan:

Please identify the cashflow for each quarter:

	Q1	Q2	Q3	Q4	2021 Total
Consultant Fees	0.00	0.00	0.00	0.00	0.00
Contract Administration Fees	0.00	0.00	0.00	0.00	0.00
General Services - Contracted	0.00	125,575.00	150,575.00	0.00	276,150.00
Equipment & Furnishing	0.00	25,000.00	0.00	0.00	25,000.00
Miscellaneous	0.00	0.00	0.00	0.00	0.00
Contingency	0.00	0.00	0.00	0.00	0.00
	\$ 0.00	\$ 150,575.00	\$ 150,575.00	\$ 0.00	\$ 301,150.00



## Part D - Total Cost of Ownership

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

**Estimated Life of Asset (in years):**

25

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

☒ No Sustaining Grant required

*If no grant required, proceed to pg. 10*

☐ Current Sustaining Grant remains unchanged to operate facility

*If no increase, proceed to pg. 10*

☐ Current Sustaining Grant increase required to operate facility

☐ Current Sustaining Grant decrease to operate facility

☐ Sustaining Grant (new) required to operate facility

### Operational Requirements Upon Project Completion

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

Nil



## Part D - Total Cost of Ownership

### Additionally Required Operational Costs

Include only the **additional** expected revenue that would be generated if this Capital Grant is approved (e.g., increase program revenue, ticket sales, event sales, grants, donations, etc.).

**Existing revenues shall not be included here.**

Source of Increased Revenue	Revenue
Nil	
<b>Total</b>	\$ 0.00

Include only the **additional** expected expenses that would be generated if this Capital Grant is approved (e.g., increase staff costs, utilities, etc.). Include expenses listed on previous page.

**Existing expenses shall not be included here.**

Source of Increase Expenses	Expenses
Nil	
<b>Total</b>	\$ 0.00

**New or Increased / (Decreased) Sustaining Grant:** \$ 0.00



## Capital Grant Request

**Project Name** Flood Repairs **\$** 301,150.00

**Project Category** Parks/Recreation

**Project Location** Fort McMurray

**Type of Project** Capital Grant

**Ward** 1 - Fort McMurray

**Municipal Function** 72 - Recreation Bldg. & Facility

### Project Description and Scope

Fort McMurray Golf Club (FMGC) sustained severe damages from the 2020 flood. An application to the Disaster Relief Program (DRP) was submitted and approved in summer or 2020. Damages at that time were estimated at upwards of \$2 million. A significant amount of the damage will be covered through DRP. However, in order to receive DRP funding, FMGC must commission, complete and pay in full the work before we can request repayment from DRP.

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Since the clubs Capital Grant presentation to the RMWB council this past December, FMGC has done further analysis on the impact of Little Fisheries Creek swelling during the flood and the increased water flow since the wildfire, and have included remediation, erosion control and stabilization of the creek in this budget for consideration. FMGC completed urgent work this winter to preserve the area around two of the green complexes which suffered significant damage. DRP has indicated they will not fund this type of erosion/stability work. Although, FMGC has funded additional capital repairs that were required to get us caught up from pre-wildfire, we will endeavor to work with the RMWB administration on these funding requests.

**\*\*A spreadsheet listing the capital repairs required has been included with this grant application\*\***

### Total Cost of Investment

One-Time Capital Grant (A)	Operational and Maintenance Cost (Additional Sustaining Grant) Over 25 Years (B)	Total Cost of Investment (A) + (B)
\$ 301,150.00	\$ 0.00	\$ 301,150.00

**Business Case created by** Dave Callum

**Project Sponsor Branch** Community Investment Program

**Project Sponsor Department** Community Services

**Project Delivery**



**Fort McMurray Golf Club**  
2020 Flood Damage Capital Restoration - DRP Funding

		Funding Recieved	Anticipated Funding	Potential Unfunded
<b>Big River</b>				
<b>Hole #2</b>				
	Fway/rough (Bluegrass) 2.6 Acre			
	Bentgrass putting Green 7700 sq/ft			
	6 Bunkers			
	Pond cleaning, liner and repairs			
<b>Hole #3</b>				
	Fway/Rough (Bluegrass) 1.7 Acre			
	Bentgrass putting green 5650 sq/ft			
	3 bunkers			
<b>Hole #4</b>				
	Fway/rough (Bluegrass) 2.2 Acre			
	Bentgrass putting green 8000 sq/ft			
	3 Bunkers			
<b>Hole #5</b>				
	Fway/rough (Bluegrass) 1.75 Acre			
	3 bunkers			
<b>Hole #7</b>				
	Fway/Rough (Bluegrass) 2.2 Acre			
	Bentgrass 5500 sq/ft			
	5 Bunkers			
<b>Hole #8</b>				
	Fway/Rough 3.5 Acre			
	Bentgrass 10,000 sq/ft			
	2 Bunkers			
	<b>TOTAL</b>	<b>\$ 565,796</b>		
<b>Black Bear</b>				
<b>Hole #6/9</b>				
	Repair and Reinstall washed out walking bridges (2)			\$ 11,000
<b>PumpHouse</b>				
	Pumps and pump station repairs / replacements		\$ 162,000	
	Pumphouse Building/roof/window siding		\$ 10,000	
	Repair Irrigation Satellite boxes (6 x Refurbished @ \$2500 Satellite Boxes)		\$ 15,000	
<b>Pond Liner Hole # 2 Black Bear</b>				
	Drain and repair pond liner tear from ice damage		\$ 59,000	
<b>e #7 Fox Tail</b>				
	Tee Box Complex Rehabilitation (unplayable currently - Hole out of play)		\$ 175,000	
	Bridge Reopacement #9 Complete with 6" irrigation line, power wires and ground restoration		\$ 250,000	
	<b>Total</b>		<b>\$ 671,000</b>	
<b>Other</b>				
	Ground restoration from installation of temporary Bridge on Hole #9 Big River /#1 Black Bear area - Sod/ Seed/ Clean up			\$ 16,000
	Ground restoration from Re - installation of Bridge #8 Big River - Ashplalt - Sod/ Seed/ Clean up			\$ 14,500
	Ground restoration from Re - installation of replacement Bridge #1 Black Bear - Ashplalt - Sod/ Seed/ Clean up			\$ 14,500
	Replace damaged greens protection tarps 12 @ \$2,850			\$ 34,200
	Replace Damaged Snow fence			\$ 3,700
	Seeder Purchase (in lieu of sodding to reduce costs)			\$ 25,000
	Cart Path Repairs - Big River #3/4/8 Black Bear #2 from giant rocks and ice			\$ 9,500
	Clean up of downed trees, mulching & grubbing along Athabasca River (Hole 4/8/11/12)			\$ 48,000
	Replace Damaged Hole & Sponsor signs and posts 6 @ \$3,000 each including remediating areas			\$ 18,000
	Large Impact Tree Replacement due to flooding			\$ 40,000
	On course Garbage cans missing 9 @ \$750 each			\$ 6,750
	Bridge area rip wrap sections (4 bridges) @ 15,000 per			\$ 60,000
				<b>\$ 301,150</b>



# Fort McMurray Golf Club - Capital Restorations

<b>In Kind Donations</b>		
Temporary Bridge and Installation	\$	25,000
Equipment rentals	\$	75,000
Delivery of materials	\$	17,000
1280 Volunteer hours @ \$25/hr (non reimburseable)	\$	32,000
Management Hours (non reimburseable)	\$	159,192
Sand and Sandbags	\$	5,000
<b>Total</b>	<b>\$</b>	<b>313,192</b>
<b>Major Issue</b>		
Little Fisheries Creek Bank erosion and stabilization	\$	850,000
<b>Future Capital Requirements</b>		
Drinking water line from top of hill		unknown price
Irrigation piping replacement (original 18 holes) End of life cycle	\$	1,200,000
Bear Proof Garbage Bins for on course	\$	60,000
Driving Range Pole/Net installation (have poles and netting)	\$	20,000
Front Entrance Gates (damaged)	\$	25,000
Heavy Duty Asphalt Pad for Drinking Water Delivery Truck (area destroyed)	\$	25,000
Construct golf Cart parking staging area	\$	10,000
Flood Berms around back of clubhouse to protect from future floods	\$	30,000
Hill sluffing on holes 1/2/3 Big River		unknown
<b>Total Additional Required Capital</b>	<b>\$</b>	<b>1,370,000</b>

Indicates what has been funded by DRP to date

Indicates what will be funded by DRP

Indicated what will not be funded by DRP - Shortfalls

\*\*the replacement costs highlighted in green are the shortfalls that FMGC is asking the RMWB to cover. These items we know for certain will not be covered by the province. The items listed above that are not highlighted are capital improvements that will need to occur in the near future.\*\*



**Fort McMurray Golf Club**  
**Financial Statements**  
*October 31, 2020*  
*(Unaudited)*



## Management's Responsibility

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To the Members of Fort McMurray Golf Club:

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed primarily of Directors who are neither management nor employees of the Club. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the Club's annual financial statements. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external accountants. The Board is also responsible for recommending the appointment of the Club's external accountants.

MNP LLP is appointed by the shareholders to review the financial statements and report directly to them; their report follows. The external accountants have full and free access to, and meet periodically and separately with, both the Board and management to discuss their review engagement results.

March 30, 2021

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Dave Callum, General Manager

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Barry Reid, President



To the Members of Fort McMurray Golf Club:

We have reviewed the accompanying financial statements of Fort McMurray Golf Club, which comprise the statement of financial position as at October 31, 2020, and the statements of operations, changes in net assets and cash flows 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

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

## Basis for Qualified Conclusion

The Club's capital assets are amortized using the methods and rates disclosed in Note 2 to the financial statements. As those amortization policies do not amortize several categories of assets operated under a lease agreement with the Regional Municipality of Wood Buffalo over the lesser of their useful life or lease term, the recorded balance of capital assets is overstated. These departures from Canadian accounting standards for not-for-profit organizations ("ASNPO") result in overstated balances of capital assets and unamortized deferred capital contributions, and understated amortization of deferred contributions revenue and amortization of capital assets expense. As a result of the significant timeframe over which the historical accumulation of these balances has occurred, the quantification of these departures from ASNPO is not determinable. Our review conclusion on the financial statements for the year ended October 31, 2019 was modified because of the effects of this departure from ASNPO.

## Qualified Conclusion

Based on our review, except for the effects of the matter described in the Basis for Qualified Conclusion paragraph, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Fort McMurray Golf Club as at October 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Fort McMurray, Alberta

March 30, 2021



Chartered Professional Accountants



# Fort McMurray Golf Club

## Statement of Financial Position

*As at October 31, 2020  
(Unaudited)*

	2020	2019
<b>Assets</b>		
<b>Current</b>		
Cash and cash equivalents (Note 3)	974,166	100,442
Accounts receivable (Note 4)	577,956	278,880
Prepaid expenses and deposits	125,116	116,580
Inventory	166,481	92,719
	<b>1,843,719</b>	588,621
<b>Capital assets (Note 5)</b>	<b>20,177,256</b>	21,069,749
	<b>22,020,975</b>	21,658,370
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	667,879	347,243
Current portion of deferred revenue (Note 6)	124,389	105,607
Goods and Services Tax payable	36,860	28,069
Payroll taxes payable	32,738	21,644
Corporate taxes payable	-	4,596
Current portion of term loan due on demand (Note 7)	7,005,977	6,471,148
	<b>7,867,843</b>	6,978,307
	<b>7,867,843</b>	6,978,307
<b>Deferred revenue (Note 6)</b>	<b>93,666</b>	7,375
<b>Unamortized deferred capital contributions (Note 8)</b>	<b>306,633</b>	328,725
	<b>8,268,142</b>	7,314,407
<b>Commitments (Note 9)</b>		
<b>Significant Events (Note 13)</b>		
<b>Net Assets</b>		
Members' capital	8,125	8,125
Equity in capital assets	12,864,648	14,269,876
Operating surplus unrestricted	652,185	52,057
Internally restricted funds (Note 3)	227,875	13,905
	<b>13,752,833</b>	14,343,963
	<b>22,020,975</b>	21,658,370

Approved on behalf of the Board of Directors

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

The accompanying notes are an integral part of these financial statements



**Fort McMurray Golf Club****Statement of Operations***For the year ended October 31, 2020**(Unaudited)*

	2020	2019
<b>Revenue</b>		
Lounge and banquet (Schedule 1)	1,319,674	1,380,539
Halfway hut and carts (Schedule 2)	490,765	517,564
Proshop (Schedule 3)	738,406	646,490
Memberships and golf (Schedule 4)	2,509,149	2,733,079
Other revenues (Schedule 5)	76,559	78,984
	<b>5,134,553</b>	<b>5,356,656</b>
<b>Cost of sales</b>		
Lounge and banquet (Schedule 1)	1,095,324	1,405,844
Halfway hut and carts (Schedule 2)	263,108	298,387
Proshop (Schedule 3)	585,077	613,580
Memberships and golf (Schedule 4)	1,436,023	1,491,959
	<b>3,379,532</b>	<b>3,809,770</b>
<b>Gross profit</b>	<b>1,755,021</b>	<b>1,546,886</b>
<i>Gross profit as a percentage of revenue</i>	<b>34.18 %</b>	<b>28.88 %</b>
<b>Expenses</b>		
Amortization	949,286	966,881
Telephone and utilities	486,840	461,990
Interest on long-term debt	292,557	316,067
Wages and benefits	254,121	258,226
Accounting and legal	128,935	143,818
Bank charges and interest	111,042	126,385
Office supplies	98,170	51,965
Repairs and maintenance	73,515	110,014
Property tax	72,474	62,353
Insurance	64,988	90,778
Advertising	57,991	44,480
Association fees	19,761	19,513
Equipment rental	15,962	-
Travel	12,702	14,607
Bad debts	5,380	7,164
	<b>2,643,724</b>	<b>2,674,241</b>
<b>Deficiency of revenue over expenses before other items</b>	<b>(888,703)</b>	<b>(1,127,355)</b>

*Continued on next page*



# Fort McMurray Golf Club

## Statement of Operations

For the year ended October 31, 2020  
(Unaudited)

	2020	2019
<b>Deficiency of revenue over expenses before other items</b> <i>(Continued from previous page)</i>	<b>(888,703)</b>	<b>(1,127,355)</b>
<b>Other items</b>		
CEWS and other government assistance <i>(Note 4)</i>	<b>258,583</b>	-
Fundraising revenue	<b>247,460</b>	-
Fundraising expenses	<b>(33,490)</b>	-
Loss on disposal of capital assets	-	(21,766)
Income tax on trust income	-	(4,626)
	<b>472,553</b>	<b>(26,392)</b>
<b>Deficiency of revenue over expenses before the following</b>	<b>(416,150)</b>	<b>(1,153,747)</b>
<b>Insurance and disaster relief proceeds and expenses</b>		
Disaster relief funding <i>(Note 13)</i>	<b>443,279</b>	-
Flood expenses <i>(Note 13)</i>	<b>(581,402)</b>	-
Loss on disposal of capital assets due to flood <i>(Note 13)</i>	<b>(36,857)</b>	-
Insurance proceeds	-	16,185
	<b>(174,980)</b>	<b>16,185</b>
<b>Deficiency of revenue over expenses</b>	<b>(591,130)</b>	<b>(1,137,562)</b>

The accompanying notes are an integral part of these financial statements



**Fort McMurray Golf Club**  
**Statement of Changes in Net Assets**

*For the year ended October 31, 2020*  
*(Unaudited)*

	<i>Members' capital</i>	<i>Equity in capital assets</i>	<i>Operating surplus unrestricted</i>	<i>Internally restricted funds</i>	<b>2020</b>	2019
<b>Net assets beginning of year</b>	8,125	14,269,876	52,057	13,905	<b>14,343,963</b>	15,481,525
<b>Deficiency of revenue over expenses</b>	-	-	(591,130)	-	<b>(591,130)</b>	(1,137,562)
	<b>8,125</b>	<b>14,269,876</b>	<b>(539,073)</b>	<b>13,905</b>	<b>13,752,833</b>	14,343,963
<b>Purchase of capital assets</b>	-	93,652	(93,652)	-	-	-
<b>Net change in term loan due on demand</b>	-	(534,829)	534,829	-	-	-
<b>Amortization of internally funded capital assets</b>	-	(927,194)	927,194	-	-	-
<b>Asset disposals in the year</b>	-	(36,857)	36,857	-	-	-
<b>Transfers (Note 11)</b>	-	-	(213,970)	213,970	-	-
<b>Net assets, end of year</b>	<b>8,125</b>	<b>12,864,648</b>	<b>652,185</b>	<b>227,875</b>	<b>13,752,833</b>	14,343,963

*The accompanying notes are an integral part of these financial statements*



**Fort McMurray Golf Club****Statement of Cash Flows***For the year ended October 31, 2020**(Unaudited)*

	2020	2019
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Cash receipts from customers and members	5,641,303	5,199,458
Cash paid to suppliers	(2,968,244)	(4,174,263)
Cash paid to employees	(2,063,033)	(2,300,834)
Interest paid	(403,599)	(442,452)
Interest received	828	9,638
Income taxes and GST received	4,195	43,119
Government assistance received	221,097	-
	<b>432,547</b>	<b>(1,665,334)</b>
<b>Financing</b>		
Repayments of term loan due on demand	(212,363)	(289,199)
Advances of term loan due on demand	747,192	1,066,054
Deferred capital contributions	-	107,280
	<b>534,829</b>	<b>884,135</b>
<b>Investing</b>		
Purchase of capital assets	(93,652)	(1,084,625)
Insurance proceeds received	-	1,790,000
	<b>(93,652)</b>	<b>705,375</b>
<b>Increase (decrease) in cash resources</b>	<b>873,724</b>	<b>(75,824)</b>
<b>Cash resources, beginning of year</b>	<b>100,442</b>	<b>176,266</b>
<b>Cash resources, end of year</b>	<b>974,166</b>	<b>100,442</b>

*The accompanying notes are an integral part of these financial statements*



**1. Incorporation and commencement of operations**

Fort McMurray Golf Club (the "Club") is a not-for-profit association incorporated in the Province of Alberta. The Club operates a golf club in the Fort McMurray region. It is not taxable under Section 149(1)(l) of the Income Tax Act.

**2. Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

***Revenue recognition***

The Club 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.

Revenues from annual dues are recognized over the specific period they relate.

Revenues from cart and club rentals, driving range and green fees are recognized at the time fees are collected.

Revenues from lounge and banquet, half way hut and carts and pro shop operations are recognized at the time service is performed or the time the product is delivered.

Revenues from tournaments are recognized when tournament entry fees are received and the tournament has been completed.

The Club recognizes as revenue the proceeds of any new membership certificates when issued, which are included in annual dues.

For accounting purposes, lifetime memberships are deferred and recognized as revenue over 20 years.

Contributions of materials and services that would otherwise have been purchased are recorded at fair value when a fair value can be reasonably determined. During the year, no (2019 - \$nil) contributed materials or services were recognized.

***Unamortized deferred capital contributions***

Deferred contributions related to capital assets represent the unamortized portion of contributed capital assets and restricted contributions that were used to purchase the Club's related capital assets. Recognition of these amounts as revenue is deferred to periods when the related capital assets are amortized.

***Cash and cash equivalents***

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Inventory***

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

***Interest capitalization***

Interest costs relating to major capital projects in progress are capitalized as part of capital assets. Capitalization of interest ceases when the asset is substantially complete and ready for its intended productive use.

***Leases***

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives lease term. All other leases are accounted for as operating leases and rental payments are expensed as incurred.



**2. Significant accounting policies** (Continued from previous page)

**Capital assets**

Purchased capital assets are recorded at cost.

Amortization is provided using the declining balance and straight-line methods at rates intended to amortize the cost of assets over their estimated useful lives. In the year of acquisition assets are amortized at one-half their usual rates with exception to golf course development and clubhouse acquisitions, which are amortized at their full rates in the year of acquisition. The following rates are used to amortize the cost of capital assets:

	<b>Method</b>	<b>Rate</b>
Buildings	declining balance	4 %
Automotive	declining balance	10 %
Computer equipment	declining balance	30 %
Computer software	declining balance	100 %
Equipment	declining balance	20 %
Office equipment	declining balance	20 %
Golf course developments	straight-line	2 %
Paved surfaces	declining balance	8 %
Firetank system	declining balance	4 %
Kitchen Equipment	declining balance	20 %

**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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. A portion of deferred revenue is based on the estimated useful life of the related capital asset. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

**Financial instruments**

The Club recognizes its financial instruments when the Club becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions*.

The Club subsequently measures investments in equity instruments quoted in an active market at fair value. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment:

The Club assesses impairment of all of its financial assets measured at cost or amortized cost when there is an indication of impairment. Any impairment, which is not considered temporary, is included in current year deficiency of revenues over expenses.



**Fort McMurray Golf Club**  
**Notes to the Financial Statements**  
*For the year ended October 31, 2020*  
*(Unaudited)*

**2. Significant accounting policies** *(Continued from previous page)*

***Long-lived assets***

Long-lived assets consist of buildings, golf course development, equipment and pavement. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Club determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

**3. Cash and cash equivalents**

The Club's internally restricted cash is used strictly for clubhouse and other capital improvements.

	<b>2020</b>	<b>2019</b>
Unrestricted	<b>746,291</b>	86,537
Internally restricted funds	<b>227,875</b>	13,905
	<b>974,166</b>	100,442

**4. Government assistance**

The Club applied for the Canada Emergency Wage Subsidy (CEWS) and Temporary Wage Subsidy (TWS). Under CEWS and TWS, organizations experiencing significant revenue reductions during the COVID-19 pandemic are eligible to receive a subsidy for a portion of employee wages or deductions paid during those periods. For the year ended October 31, 2020, the Club claimed aggregate subsidies under these programs of \$258,583 which has been recorded in other income. \$37,756 of this had not yet been received at October 31, 2020 and has been recorded as a receivable.

**5. Capital assets**

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2020 Net book value</b>	<b>2019 Net book value</b>
Buildings	10,726,991	872,402	9,854,589	10,348,860
Automotive	13,325	6,878	6,447	7,675
Computer equipment	423,998	255,291	168,707	233,451
Computer software	9,685	9,685	-	-
Equipment	985,680	555,549	430,131	445,319
Office equipment	46,416	17,165	29,251	32,501
Golf course developments	11,830,381	3,123,706	8,706,675	8,975,140
Paved surfaces	1,165,728	565,792	599,936	652,104
Firetank system	100,414	11,429	88,985	92,692
Kitchen Equipment	436,211	143,676	292,535	282,007
	<b>25,738,829</b>	<b>5,561,573</b>	<b>20,177,256</b>	<b>21,069,749</b>



**Fort McMurray Golf Club**  
**Notes to the Financial Statements**  
*For the year ended October 31, 2020*  
*(Unaudited)*

**6. Deferred revenue**

	2020	2019
Gift certificates and cards	117,014	93,107
Life time memberships	7,375	19,875
Hole advertising	93,666	-
	<b>218,055</b>	112,982
Less: current portion	<b>(124,389)</b>	(105,607)
	<b>93,666</b>	7,375

**7. Term loan due on demand and other credit facilities**

	2020	2019
ATB Term loan due on demand bearing interest at prime plus 1.5% (2019 - 1%), payable in blended monthly instalments of \$93,500 (2019 - \$77,860), with review date of April 30, 2021.	7,005,977	6,471,148
Less: current portion	<b>(7,005,977)</b>	(6,471,148)
	-	-

Principal repayments on the term loan due on demand in each of the next five years, assuming all contractual terms of repayment are renewed at similar terms subsequent to the year end, are estimated as follows:

2021	353,368
2022	358,179
2023	363,185
2024	368,391
2025 and thereafter	5,562,854
	<b>7,005,977</b>

The Club's debt facilities available with ATB Financial as at October 31, 2020 include the following:

- A demand loan to a maximum of \$100,000 is available for general operating purposes and is subject to interest at prime plus 1.5% (2019 - 1%). The facility may revolve in multiples, and may be repaid and redrawn up to the maximum availability. No draws (2019 - no draws) have been made as at October 31, 2020.
- The Club has issued a letter of credit to a maximum of \$140,828 (2019 - \$140,828), in favour of the Minister of Finance, Province of Alberta and Regional Municipality of Wood Buffalo and is subject to interest at prime plus 1.5% (2019 - 1%). The facility may be cancelled in whole or in part without penalty.
- ATB Corporate MasterCard facility to a maximum of \$40,000 (2019 - \$40,000), of which \$nil (2019 - \$nil) was outstanding as at October 31, 2020.

All facilities are secured by mortgage of lease amending agreements of \$8,000,000 (2019 - \$8,000,000) covering the patent lands and the crown lands, a general security agreement over all present and after acquired personal property and floating charge on all lands, and conditional surrender of lease executed by lender, borrower and province of Alberta and assignment of insurance.



**Fort McMurray Golf Club**  
**Notes to the Financial Statements**  
For the year ended October 31, 2020  
(Unaudited)

**8. Deferred capital contributions**

	<i>Opening balance</i>	<i>Contribution received and interest</i>	<i>Revenue recognized</i>	<i>2020</i>	<i>2019</i>
Grant for hole 8 bridge work	82,385	-	(6,591)	75,794	82,385
Beautification grant	69,863	-	(5,589)	64,274	69,863
Golf path contributions	71,343	-	(5,707)	65,636	71,343
Grant for septic and clubhouse rebuild	105,134	-	(4,205)	100,929	105,134
	<b>328,725</b>	<b>-</b>	<b>(22,092)</b>	<b>306,633</b>	<b>328,725</b>

Amortization of deferred capital contributions have been excluded from the statement of cash flows.

**9. Commitments**

The Club has a long-term fixed lease with the Regional Municipality of Wood Buffalo for \$1 per year for the golf course land. The lease expires on July 31, 2040. The Club is unable to determine the fair value of the lease and thus no donation revenue or expense has been recorded in the Club's financial statements.

In addition, the Club has entered into two lease agreements for the rental of golf carts with minimum payments of \$114,437 annually, ending April 2021 and September 2021. The Club also entered into an equipment lease for the rental of mowing equipment for the golf course with minimum payments of \$25,993 annually, ending April 2022.

**10. Financial instruments**

The Club, as part of its operations, carries a number of financial instruments. It is management's opinion that the Club is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

**Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Club is exposed to interest rate cash flow risk with respect to term demand loan described in Note 7 and credit facilities available per Note 7, which bears interest at prime plus 1.5% (2019 - 1%).

**Liquidity risk**

Liquidity risk is the risk that the Club will encounter difficulty in meeting obligations associated with financial liabilities. The Club enters into transactions to purchase goods on credit and to lease equipment from various creditors, for which repayment is required at various maturity dates.

**11. Interfund transfers**

The Club transferred \$213,970 (2019 - \$13,905) from the operating surplus unrestricted fund to the internally restricted fund which is comprised of transfer fees charged on the sale of memberships as well as fundraising funds. The internally restricted fund is to only be used for capital improvements on the clubhouse and other capital projects.

**12. Comparative figures**

Certain comparative figures have been reclassified to conform with current year presentation.



**13. Significant events**

**Coronavirus Disease 2019 ("COVID-19")**

The ongoing COVID-19 pandemic continues to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the full extent of the impact the COVID-19 outbreak may have on the Club as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Club's business and financial condition. In the 2020 golf season, golf was not restricted to the same extent of other activities and therefore the Club saw increased golf revenue. However, due to restrictions, the restaurant and tournaments saw a decrease in revenue. Management anticipates that the restrictions in the 2021 season will allow for golf to remain an approved activity.

**Fort McMurray Flood**

In late April 2020, there was a significant flood in the Fort McMurray region and large parts of the golf course were inundated with water. The Club's normal day to day operations and commercial business was suspended during the flooding period. The greens and some equipment suffered damage due to the increased water levels. The Club is not insured for overland flood, however, will receive funding from the Province of Alberta through the Disaster Relief Funding program.

Equipment with a net carrying amount of \$36,857 was lost. This impairment loss was recorded in the statement of operations for the year ended October 31, 2020. Remediation expenses of \$581,402 have been recognized in the statement of operations. Subsequent to the year end, the Club received \$443,279 of disaster relief funding.

**Regional Municipality of Wood Buffalo ("RMWB") Grant**

Subsequent to the year end, the Club received a grant from the Regional Municipality of Wood Buffalo for installing the phase two septic system. The total grant is \$873,000 and the Club received \$550,000 of the grant in February of 2021. The remaining \$323,000 will be received in May 2021. Work on the septic system is to begin in June 2021 when the frost is out of the ground.



# Fort McMurray Golf Club

## Schedule 1 - Schedule of Lounge and Banquet Revenues and Expenses

*For the year ended October 31, 2020*

*(Unaudited)*

	2020	2019
<b>Revenue</b>		
Food and beverage	969,359	1,133,808
Banquets	177,931	-
Tournaments and club events	133,601	202,803
Meetings and event space rental	38,783	43,928
	<b>1,319,674</b>	<b>1,380,539</b>
<b>Cost of sales</b>		
Wages	591,466	850,625
Cost of goods sold	449,894	479,770
Supplies and paper products	29,088	41,562
Kitchen equipment and repairs	13,438	19,632
Shareholder discounts	9,468	11,928
Freight	1,970	2,327
	<b>1,095,324</b>	<b>1,405,844</b>
<b>Gross profit (loss)</b>	<b>224,350</b>	<b>(25,305)</b>



# Fort McMurray Golf Club

## Schedule 2 - Schedule of Halfway Hut and Carts Revenues and Expenses

*For the year ended October 31, 2020*

*(Unaudited)*

	2020	2019
<b>Revenue</b>		
Beverages	423,733	422,697
Packaged foods	67,032	94,867
	<b>490,765</b>	517,564
<b>Cost of sales</b>		
Cost of goods sold	136,571	154,830
Wages	113,673	132,297
Supplies and paper products	8,061	6,560
Leased equipment	4,803	4,700
	<b>263,108</b>	298,387
<b>Gross profit</b>	<b>227,657</b>	219,177



**Fort McMurray Golf Club**  
**Schedule 3 - Schedule of Proshop Revenues and Expenses**  
*For the year ended October 31, 2020*  
*(Unaudited)*

	2020	2019
<b>Revenue</b>		
Proshop merchandise	761,447	702,908
Golf simulator	40,546	-
Shareholder proshop discount	(63,587)	(56,418)
	<b>738,406</b>	646,490
<b>Cost of sales</b>		
Cost of goods sold	468,927	460,267
Wages	88,519	133,510
Proshop sales expense	18,594	10,068
Freight	9,037	9,735
	<b>585,077</b>	613,580
<b>Gross profit</b>	<b>153,329</b>	32,910



# Fort McMurray Golf Club

## Schedule 4 - Schedule of Memberships and Golf Revenue and Expenses

*For the year ended October 31, 2020  
(Unaudited)*

	2020	2019
<b>Revenue</b>		
Shareholder memberships	812,184	537,817
Green fees	498,251	651,736
Pass holder memberships	353,880	468,717
Power carts	257,091	380,231
Golf passes	164,265	162,192
Tournaments and club events	148,888	268,341
Driving range	140,295	172,634
Share purchases	78,915	23,238
Club rentals	17,365	29,116
Administration fees	14,400	5,596
Golf cart shed maintenance	13,050	1,639
Club storage	9,985	29,872
Pull carts	580	1,949
	<b>2,509,149</b>	<b>2,733,078</b>
<b>Cost of sales</b>		
Wages - turfcare	723,859	708,500
Wages - outside services	302,490	283,086
Leased power cards	114,437	109,737
Fertilizer and chemicals	65,442	64,556
Lease - turfcare equipment	41,059	47,801
Course maintenance	40,015	104,071
Fuel and oil	38,229	51,935
Equipment repairs	23,638	23,833
Irrigation	18,560	16,582
Driving range expense	16,783	21,160
Garbage	15,971	16,156
Equipment rental	11,823	22,017
Shop supplies	10,900	9,117
Tournament expense	7,092	6,599
Tools and small equipment	2,966	4,433
Cart repairs	1,953	2,092
Freight - turfcare	364	284
Vehicle expense	239	-
Road maintenance	203	-
	<b>1,436,023</b>	<b>1,491,959</b>
<b>Gross profit</b>	<b>1,073,126</b>	<b>1,241,119</b>



**Fort McMurray Golf Club**  
**Schedule 5 - Schedule of Other Revenues**

*For the year ended October 31, 2020*  
*(Unaudited)*

	<i>2020</i>	<i>2019</i>
<b>Revenue</b>		
Hole advertising	<b>36,500</b>	11,005
Grants and work programs	<b>33,492</b>	51,516
Miscellaneous	<b>6,567</b>	16,463
	<b>76,559</b>	78,984