

CRCP SOCIETY 2018-2019 Board of Directors Agenda

BOARD MEETING

Challenger Park Track Building

11:30 am – 1:30pm, Wednesday, April 24, 2019

Legend: (D)– Discussion/ (I)– Information/ (M)– Motion/ (DA)– Document Attached/
(DAM)– Document At Meeting / DPM - Document Prior To Meeting

ITEM	LEAD	TIME	LEGEND
1. Call to Order	TT	-	-
2. Introduction of Guests Communication to the Board (if any)	TT	-	-
CONSENT AGENDA		TT	5m
(Items only discussed if brought forward to noted section from the MAIN agenda.)			
a. Approval of Jan. 23 rd , 2019 Minutes			DA-PM
b. Cash Position Summary			DA
c. 2018 YE Monitoring Report			DA
d. 1 st Q. Internal F/S			DA
e. 1 st Q. Mawer & RBC DS Summary			DA
f. Listing Agent Proposals (2)			DA
g. Auditors Report and Statements 2018			DA
3. Approval of Main Agenda	TT	1m	M
MAIN AGENDA			
4. Business Arising Previous Minutes	TT	-	-
4.1 ED Bonus – In Camera			DA-c
5. Board Business			
5.1 2018 Audited Statements	TT/DM/JZ	15m	DA-g/M
5.2 2019 1 st Q. Internal F/S	JZ	10m	DA-d/M
5.3 AGM Motions & Business (including Bylaw Changes)	TT/JZ	25m	M's
5.4 Other Business	TT/JZ	20m	I
5.4.1 Nomination Cmmt.	DH	10m	I
5.4.2 Auditor Recommendation	DM	10m	DA/M
5.4.3 2019-2020 Board Meeting Schedule	TT/TOF	5m	I
5.4.4 Society Signatories	TT	5m	M
5.4.5 Land Update	TT/JZ	20m	I//DA-f/M
6. Event Reminders/Updates	TT/JZ		I
May 15, 2019 – AGM			
June 22, 2019 – Family Day			
Aug. 28 th , 2019 Golf Tourney			
Next Casino – 1 Q. 2020			

Month	Dates Confirmed
June	26
Sept.	18
Nov.	20
Nov.	27 (Wed.) – Christmas Social
Jan.	22
Apr.	**22
May	20 (AGM ONLY)

MINUTES OF THE 2018-2019 BOARD OF DIRECTORS MEETING

Calgary Rotary Challenger Park Society

Jan. 23rd, 2019

Present: Trevor T., Dave H., Kwabena O-K., Toby O-F, Norm D., Doug M., Brian G., Matt N-B., Earl H., Leslie W and Jim Z., and Sheila M. & Brian K., (via teleconference)

Regrets: **Absent:** **Guests:**

1.0 **Call to Order – Trevor T.** called the meeting to order at 11:36 MSTam.

2.0 **Introduction of Guests / Communication to Board (if any)**

Consent Agenda – Handouts: Nov. 14th, 2018 Minutes, Cash Position Summary, 4th Q. DRAFT Monitoring Report, DRAFT Internal YE F/S, KPI's 2019 and YE Mawer and RBC DS summaries.

MOTION: Moved by Kwabena O-K and **seconded** by Doug M. that the consent agenda be accepted as circulated. **MOTION CARRIED**

3.0 **Approval of Main Agenda**

MOTION: Moved by Earl H. and **seconded** by Norm D. that the agenda be accepted as circulated. **MOTION CARRIED**

4.0 **Business Arising From Previous Minutes (if not already on the agenda) & Consent Agenda**

4.1 **Approval of Executive Director Contract – TT**

Moved by Toby O-F and seconded by Matt N-B that the Society enter into a further 5 year contract extension with Jim Zackowski, as their Executive Director, beginning June 5th, 2019.

MOTION CARRIED

5.0 **Board Business**

5.1 **YE Internal F/S – Jim** (*Handouts: DRAFT Internal YE F/S*)

MOTION: Moved by Kwabena O-K and **seconded** by David H. that the 2018 YE Internal F/S be approved as circulated. **MOTION CARRIED**

Jim reviewed the statements briefly, before the vote on the motion, and answered any questions. He noted that there was no significant difference from what was estimated when the 2019 budget was presented, with the exception of the Burn's donation and YE entries.

5.2 **2019 KPI's – TT** (*Handouts: KPI's 2019*) - In Camera

(Jim Z. left the meeting at 11:48 am)

MOTION: Moved by Earl H. and seconded by Norm D. that the 2019 KPI's be approved as amended to include ranges being added in some of the KPI's. **MOTION CARRIED**

(Jim Z. returned to the meeting at 12:12 pm)

5.3 **Other Business – TT**

5.3.1 **Bylaws: Articles 19 and 6.03 – TT/MNB**

It was noted that we will want to update our bylaws this year, including (but not limited to):

MINUTES OF THE 2018-2019 BOARD OF DIRECTORS MEETING

Calgary Rotary Challenger Park Society

Jan. 23rd, 2019

- Article 19 replacing the City with the Airport Authority (as per our Sublease); and
- Article 6.03, removing the requirement for a City Appointee on the Board.

Jim Z. said he has also asked Chris D. to review all our Bylaws and come forth with any other recommended changes he may suggest. Matt N-B also recommended that we consider lowering our minimum of Directors (Article 6.02).

All recommended changes would come to the April Board meeting for recommendation to the AGM in May. **ACTION:** Jim Z. to circulate the bylaws, when he circulates a summary of all recommended changes.

Our auditors will also confirm whether there is an issue with how we are handling our assets, if the Society ever dissolved. Their initial comments were that how it is presently being dealt with, is fine.

5.3.2 Burns Donation - TT/JZ

MOTION: Moved by Toby O-F and seconded by Norm D. that the Burn's donation, for 2018, be recorded as part of the Capital Project Fund. **MOTION CARRIED**

Jim also noted he will meet with Jim and Pat, in due course, to discuss recognition (and where they may want to suggest we invest the funds).

5.3.3 Audit Committee – DM/JZ

It was noted that with after the 2018 audit that our Agreement with Buchanan Barry does expire and that BB has noted they will be submitting a proposal to continue on as our auditors.

The Board to discuss and make a recommendation on our next Auditor, by no later than the September 23, 2019 Board meeting.

5.3.4 Nominations Cmmt. – DH

David reviewed our current situation. After some Board input, it was agreed that the Nominations Cmmt. will review all the suggestions made develop a recruitment strategy. **ACTION: David H.** (and his committee)

Note: Brian K. confirmed he would like to stand for election for the 2nd term at the upcoming AGM.

5.3.5 Land Update – JZ

Jim reviewed the current situation, noting that the 2 proponents previously mentioned did not meet the land use requirements, namely relating to the AVPA, of the Airport Authority.

MINUTES OF THE 2018-2019 BOARD OF DIRECTORS MEETING

Calgary Rotary Challenger Park Society

Jan. 23rd, 2019

He also noted the following, in the context of creating greater market exposure for the opportunity:

- The Airport Authority has agreed to assist, where possible, in finding us a Tenant.
- We are also approaching, through our realtor, a few large firms, Colliers, CB Richard Ellis, Avison Young and others for the purpose of making a proposal to us, as to engaging their services in finding a tenant.

6.0 Event Reminders/Updates

6.1 Event Reminders/Updates – TT/JZ

- **Golf Tournament – August 28, 2019** (Jim forgot to mention that teams and sponsors can now register and pay for their participation in the tournament on the tournament website – www.tournamentofdiamonds.com).
- **AGM – May 15** (noon at the Park) – Note that we do not have a pre- AGM Board meeting this year, and we will cover any AGM matters at the April Board meeting.
- **Family Day – June 22nd**
- **Next Casino – 1st Q. 2020**

7.0 Adjournment Moved by Doug M. that the meeting be adjourned at 12:49 pm.

**NEXT REGULARLY SCHEDULED MEETING:
April 24, 2019 (11:30 am Board meeting ... CRCP)**

Trevor T. Meeting Chair

Recording Secretary

CASH POSITION SUMMARY

As Of Apr. 16, 2019 (unless otherwise stated)

\$

a. Bank Accounts

General Acct. (net of o/s cheques / YE AR & AP)	26,000
Everyone Can Play Fund	100,713
Segregated	27,560
Casino (net of o/s cheques)	139

b. Reserves & Investments (GIC does not reflect any interest accrued)

2 – Life Cycle Reserve – LCR (Mawer) - Apr. 15	672,200
Operating Reserve – OR (Mawer) – Apr. 15	419,483
1 – Capital Project Fund – CPF (RBC DS) – Apr. 15	732,091
OPS GIC	272,000
3 – Capital Project Fund (RBC GIC)	500,000
Operating GIC	272,777

-
- 1 – Established Acct. November 2015 initially for receipt of donated securities and major pledges re: Ph. 4 (Deposited 1st \$500,000 Anonymous Donor installment). At the beginning of 2018 any other Ph. 4 funds that were in our Segregated Acct., where the funder lifted the Ph. 4 restriction, was then deposited into this acct.. This account was renamed the Capital Projects Fund.
- 2 – Withdrew \$175,000 in 2017 for Life Cycle Work to match WED grant.
- 3 – \$500,000 Burns donation received in 2018 (in GIC) – is part of the CPF.
-

Note:

- A. L.C.R. - Principle invested was: \$586,569.47 (Fund Established: Mar. 2012); & O.R. – Principle invested was: \$301,030.13 (Fund Established: Oct. 2013)
 C.P.F. – \$500,000 principle invested in Nov. 2015 / \$141,015 principle added in January 2018 / \$500,000 via GIC in Dec. 2018

- B. Reserve Contributions Approved (2019)
 Life Cycle – 50,000 Operating Reserve – 3,000

- C. Capital Spending (2019)

Minor Capital Improvements \$40,000 (may increase if we get external funding)

- D. Remaining Surplus Allocated For:

YE Working Capital Projected -> TBA

Key Performance Indicator (KPI) YE	FINAL			Fiscal 2018
	RED ALERT	YELLOW CAUTION	BLUE ACHIEVED Target	GREEN EXCEEDED Stretch
FISCAL YEAR (Jan. - Dec.)	Below Budget	Budget	10% Budget	11.1%+
Sustainability Budgeted Surplus (Budget: \$100,635 for YE / Last Yr Actual - \$82,473)				\$118,877
Sustainability Return On Revenue (Target: 13% for YE / Last Yr Actual - 10.00%)	Less than 5%	5% -12%	13%	13.1%+ 14.50%
Sustainability Capital Spending (Target: Budget)	More than 10% Over Budget	Over Budget (1%-10%)	On Budget	Less than Budget ✓
Facility Utilization # of Visits To Park Annually (Target: 90,000-95,000 for YE / Last Yr Actual - 106,422)	Less than 80,000	80,000 -89,999	90,000 -95,000	95,000 + 100,330
Facility Utilization User Satisfaction - very good - excellent, Q. #6 on online survey (Target: 90% - 94%)	Less than 85%	85% -89%	90% - 94%	95% - 97%+ 97%
Facility Utilization % - ongoing groups from community of persons with disabilities (Target: 26% for thr year)	Less than 20%	20% -25%	26%	27% - 31%+ 32%
Community Involvement New Partnerships/Users for the year. (Target: 10-13 for the year)	Less than 7	7 - 9	10 -13 10	14
Community Involvement Host outside organization events for the year. (Target: 10-13 for the year)	Less than 7	7 - 9	10 -13 12	14
Community Involvement Support organizations through the ECPF or otherwise, for the year.(Target: 15 - 20 for year)	Less than 10	10 - 14	15 -20 17	21
Community Involvement Retention of existing partnerships. (Target: 90-94% for the year)	Less Than 75% Retained	75%-89% Retained	90% - 94% Retained	95% - 97% Retained 98%
Land Opportunity Secured development		No ✓		Yes
Compliance Report:			100.00%	
<ul style="list-style-type: none"> - CRA (including YE GST report filed) and vendor accounts are up to date. - BRD. received draft of YE monitoring report with Jan. 23rd, 2019 Board mtg. material - We are compliant with our City Funding Agreement & the Societies Act (to the best of my knowledge.) - BRD. received draft internal financial statements to YE, with Jan. 16th, 2019 Board mtg. material - All donations, eligible for a tax receipt have been issued, YE report sent to Treasurer/Board Chair - Insurance program reviewed, and in place for 2019. - T4 Slips done and distributed by Ceridian (our payroll service) - Management Manual (including HR policies) have been reviewed 				
Comments: (if any)				
Sustainability:	- Actual numbers being reported are for operations only (does not incl. capital, reserves, amort. or GST) ... revenue higher due mainly to: 1/ receiving 2 grants relating to our environmental initiatives and booking revenue higher (also new utility contracts, LED & Solar, are helping in containing utility costs).			
Facility Utilization:	- We had more weather related cancelations this year then 2017.			
Community Involvement:	- Our retention rate is high ... and as times are booked it is increasingly difficult to attract new groups.			
Land Parcel:	- 2 Developers came forward but their "uses" were rejected by YYC. Expanding our marketing in 2019. YYC has agreed to assist us in finding a tenant.			
Compliance Report:	- All matters relating to this time of year have been met.			

Calgary Rotary Challenger Park Society
Balance Sheet
As of 31 March 2019

31 Mar 19

ASSETS

Current Assets

Chequing/Savings

10000 · Bank

11250 · Cash-Royal Bank Operating	79,932.88
11253 · Casino Account	145.00
11260 · G. O. Segregated - Restricted	27,545.00
11266 · Capital Project Fund (CPF)	1,223,501.65
11270 · E.C.P.F.	100,653.49
11275 · Op's Reserve Fund	417,926.91
11280 · OPS GIC	272,777.00
11285 · Life Cycle Fund Invest	669,702.74
11290 · Petty Cash	737.58

Total 10000 · Bank 2,792,922.25

Total Chequing/Savings 2,792,922.25

Other Current Assets

12000 · Other Current Assets

12400 · General Receivable	4,834.02
12500 · Pre-Paid Expense	18,842.00

Total 12000 · Other Current Assets 23,676.02

Total Other Current Assets 23,676.02

Total Current Assets 2,816,598.27

Fixed Assets

13000 · Assets

13100 · Fixed Assets

13110 · Capital Assets

13111 · Buildings	4,661,737.10
13112 · Land and Improvements	5,320,653.58
13113 · Out Door Facilities	5,020,177.95
13114 · Furniture&Equipment	200,910.86
13115 · Hardware&Software	19,240.49
13110 · Capital Assets - Other	144,063.05

Total 13110 · Capital Assets 15,366,783.03

Total 13100 · Fixed Assets 15,366,783.03

13200 · Accumulated Amortization

13210 · Capital Assets

13211 · Buildings	(1,858,256.07)
13212 · Land and Improvements	(2,481,814.73)
13213 · Out Doors Facilities	(4,108,863.20)

Total 13210 · Capital Assets (8,448,934.00)

13220 · Furniture&Equipment (163,995.08)

13230 · Hardware&Software (14,397.65)

Total 13200 · Accumulated Amortization (8,627,326.73)

Calgary Rotary Challenger Park Society

Balance Sheet

As of 31 March 2019

31 Mar 19

13300 · Current Amortization	
13310 · Capital Assets	
13311 · Buildings	(117,804.16)
13312 · Land and Improvements	(113,553.55)
13313 · Out Doors Facilities	(136,292.26)
13314 · Furniture&Equipment	(7,383.16)
13315 · Hardware&Software	(968.57)
Total 13310 · Capital Assets	<u>(376,001.70)</u>
Total 13300 · Current Amortization	<u>(376,001.70)</u>
Total 13000. · Assets	6,363,454.60
13400 · Park Construction	2,715.72
Total Fixed Assets	<u>6,366,170.32</u>
TOTAL ASSETS	<u>9,182,768.59</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
20000 · Other Current Liabilities	
21100 · Deferred Contributions	100,653.49
21200 · Accounts Payable	
21265 · General Fund Payable	66,052.36
Total 21200 · Accounts Payable	<u>66,052.36</u>
Total 20000 · Other Current Liabilities	166,705.85
21500 · Deferred Revenue	214,220.31
21600 · Tenant Deposits	27,545.00
22000 · GST Paid	(1,526.22)
Total Other Current Liabilities	<u>406,944.94</u>
Total Current Liabilities	<u>406,944.94</u>
Total Liabilities	406,944.94
Equity	
30000 · Equity	7,431,689.27
32000 · Retained Earnings	1,166,115.36
Net Income	178,019.02
Total Equity	<u>8,775,823.65</u>
TOTAL LIABILITIES & EQUITY	<u>9,182,768.59</u>

Calgary Rotary Challenger Park Society
Profit & Loss Budget vs. Actual
January through March 2019

1st QUARTER INCOME STATEMENT	2019		Actual
	Actual	Budget	
Income			
Total 40000 · Grants	68,070.00	68,774.00	68,208.00
Total 41000 · Facility Rentals	96,974.13	87,243.00	82,710.78
Total 42000 · Contributions	3,536.07	1,000.00	13,450.66
Total 43000 · Special Events-Golf Tournament	2,500.00	4,000.00	2,500.00
Total 43100 · Casino	45,350.00	45,350.00	0.00
Total 43200 · Other	0.00	0.00	0.00
Total 44000 · Programming	0.00	0.00	0.00
Total 45000 · Catering/Retail	589.33	350.00	1,047.30
Total 400000 · Operations	217,019.53	206,717.00	167,916.74
Total 460000 · Capital	95,362.48	10,000.00	6.32
Total Income	312,382.01	216,717.00	167,923.06
Expense			
50000 · Operations Expenses			
Total 51100 · Salaries & Benefits & Expenses	62,921.93	60,257.00	60,854.32
Total 51200 · Secetarial and Office	4,962.77	5,000.00	4,790.83
Total 51300 · Catering	0.00	0.00	912.55
Total 51400 · Governance	963.71	1,710.00	727.48
Total 51500 · Marketing	1,032.30	2,900.00	10,885.97
Total 51600 · Professional Fees	5,901.18	6,102.00	9,088.24
Total 51700 · Golf Tournament	147.62	200.00	433.89
Total 51800 · Casino...	40.50	0.00	18.00
Total 52000 · Outside Facilities-Maintenance	205.00	0.00	330.00
Total 53100 · Ball Complex-Maintenance	6,269.19	6,817.00	5,337.47
Total 53200 · Burns Centre-Maitenance	14,704.49	14,068.00	12,086.94
Total 53300 · Track Complex	11,230.59	10,837.00	8,099.41
Total 54000 · Insurance	5,023.00	5,970.00	4,802.72
Total 55000 · Park Utilities	17,272.31	20,925.00	14,764.71
Total 50000 · Operations Expenses	130,674.59	134,786.00	133,132.53
Total 56000 · Ops Reserve Fee	875.93	787.00	828.63
Total 59000 · Capital Expense	1,286.25	1,416.00	1,205.35
Total 60000 · GST Expenes	1,526.22	1,716.00	1,541.50
Total Expense	134,362.99	138,705.00	136,708.01
Net Income	178,019.02	78,012.00	31,215.05
Net Income OPERATIONS ONLY BEFORE GST/Reserves/Capital	86,344.94	71,931.00	34,784.21

MAWER

info@mawer.com | mawer.com

Calgary Office

Centre 10
Suite 600, 517 - 10th Avenue S.W.
Calgary, Alberta, Canada T2R 0A8

t 403 262 4673
800 889 6248
f 403 262 4099

Toronto Office

Bay Adelaide Centre, West Tower
Suite 830, Box 43 333 Bay Street
Toronto, Ontario, Canada M5H 2R2

t 416 865 3354
800 889 6248
f 416 865 3357

April 2019

Calgary Rotary Challenger Park Society
Jim Zackowski
Canada

Dear Jim,

The first quarter of 2019 was considerably positive for investment returns, as markets bounced back from a lacklustre end to 2018. A major catalyst for the turnaround was the shift to a "lower rates for longer" stance from many of the world's central banks. Of note, the Fed indicated that no rate increase should be needed in 2019 and only one in 2020, which seems to have more than satisfied the markets' thirst for confirmation of an extended pause.

That being said, many risk indicators have not disappeared. The progress in the U.S.-China trade talks that appeared to alleviate investor worry during Q1 could evaporate at any moment (or tweet). Brexit continues to add to the overall uncertainty. And while global economic growth does not appear to be shrinking, it is not growing as fast as it once was.

Adding to this, part of the yield curve in Canada and the U.S. inverted—a signal that has (at times) indicated that a recession is due within the next 12-24 months—leaving many investors worried. Although we monitor yield curves closely and do not take this signal lightly, an inverted yield curve does not necessarily mean that a recession is imminent. The signal this time around is likely more convoluted due to central bank intervention and an unprecedented era of globalization.

On the positive side, interest rates remain low and opportunities for growth can still be found. Many companies' fundamentals remain robust, but perhaps just not as strong as a year ago. There is no easy answer in this environment and virtually no way to predict if central banks have the balance right or not. The end of 2018 was a reminder that a portfolio grounded in diversification and resilience is a prudent approach over the long-term. For more of our thoughts on the latest quarter, please see our Quarterly newsletter at Mawer.com.

If you have any questions, please contact me at 403-774-4182 or my Associate, Dylan Anderson at 403-770-5195.

Sincerely,



Aaron Potvin, CFA
Institutional Portfolio Manager
Phone: 403-774-4182
Email: apotvin@mawer.com

PORTFOLIO VALUATION REPORT

As at: March 31, 2019

MAWER

Account Name: Calgary Rotary Challenger Park Society Life Cycle Fund

Account Number: 1714967

Reporting Currency: Canadian Dollar

Held At: IFDS as recordkeeper for units of Mawer Funds

Manager: Aaron Potvin +1 (403) 774-4182

Associate: Dylan Anderson +1 (403) 770-5195

Security Name	Quantity	Unit Cost	*Book Cost (\$)	Market Price	Market Value (\$)	**Market Yield (%)	***Estimated Annual Income (\$)	Weight (%)
Cash Equivalents								
Mawer Funds								
Mawer Canadian Money Market Fund Series O	8,777.3890	10.00 CAD	87,773.89	10.00 CAD	87,773.89	1.37	1,198.98	13.11
Total Mawer Funds			87,773.89		87,773.89	1.37	1,198.98	13.11
Total Cash Equivalents			87,773.89		87,773.89	1.37	1,198.98	13.11
Fixed Income								
Canadian Fixed Income								
Mawer Pooled Funds								
Mawer Canadian Bond Pooled Fund	35,543.6933	9.82 CAD	349,027.27	10.08 CAD	358,411.94	2.33	8,352.77	53.52
Total Mawer Pooled Funds			349,027.27		358,411.94	2.33	8,352.77	53.52
Total Canadian Fixed Income			349,027.27		358,411.94	2.33	8,352.77	53.52
Total Fixed Income			349,027.27		358,411.94	2.33	8,352.77	53.52
Equity								
Global Equity								
Mawer Global Equity Fund Series O	7,117.5117	16.60 CAD	118,154.77	31.40 CAD	223,516.91	2.10	4,694.00	33.38
Total Mawer Funds			118,154.77		223,516.91	2.10	4,694.00	33.38
Total Global Equity			118,154.77		223,516.91	2.10	4,694.00	33.38
Total Equity			118,154.77		223,516.91	2.10	4,694.00	33.38
TOTAL PORTFOLIO			554,955.94		669,702.74	2.13	14,245.75	100.00
Total Accrued Income - Fixed Income					0.00			
Total Accrued Income - Equity					0.00			
TOTAL PORTFOLIO INCLUDING ACCRUED INCOME					669,702.74			

* "Book Cost", the total amount paid to purchase a security, including any transaction charges related to the purchase, adjusted for reinvested dividends, returns of capital and corporate reorganizations. When the book cost of a position is indeterminate, the market value of the position as of December 31, 2015 has been used.

** "Market Yield" is a trailing yield which includes all cashflows, including return of capital, dividends, interest, etc., that have been paid over the last 12 months. It therefore may not be representative of future cashflows. The Market Yield is current as of the "Report Date" and not the "As at" date. If your portfolio holds the security Kinder Morgan Canada Ltd., the Market Yield of this security is overstated due to a large return of capital.

*** The "Estimated Annual Income" is calculated by multiplying the Market Value of the security by its Market Yield percentage. If your portfolio holds the security Kinder Morgan Canada Ltd., the Estimated Annual Income for this security is overstated due to a large return of capital.

The Securities held in your account, including the Mawer Mutual Funds, are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer.

PERFORMANCE

Calgary Rotary Challenger Park Society Life Cycle Fund - 1714967 (SCAD)

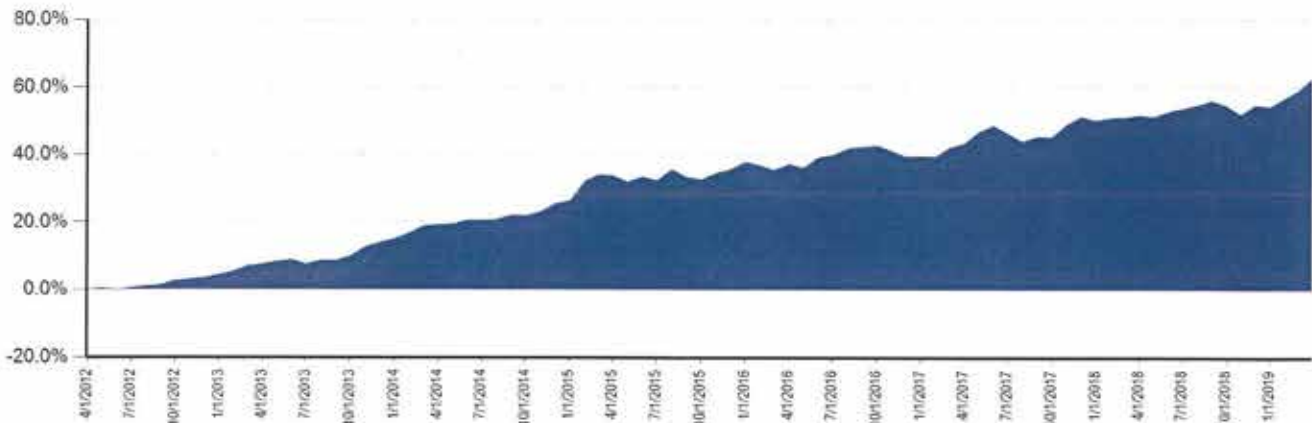


As at: March 31, 2019

*Rate of Return (%)	Non Annualized					Annualized		
	YTD	3-Mo	1-Yr	2-Yr	3-Yr	5-Yr	10-Yr	Since Inception**
	5.49	5.49	7.29	6.56	5.85	6.44	N/A	7.24

Date	Market Value	Net Contributions***	Dollar Return****	Rate of Return (%)*	Cumulative Index
4/30/2012	387,196.44	385,537.12	1,659.32	0.43	100.43
12/31/2012	478,997.92	461,537.12	17,460.80	4.05	104.49
12/31/2013	527,822.74	0.00	48,824.82	10.19	115.15
12/31/2014	579,611.76	0.00	51,789.02	9.81	126.44
12/31/2015	632,540.59	0.00	52,928.83	9.13	137.99
12/31/2016	655,324.81	15,000.00	7,784.22	1.23	139.69
12/31/2017	549,627.12	-150,000.00	44,302.31	7.58	150.28
12/31/2018	634,839.13	70,000.00	15,212.01	2.74	154.40
1/31/2019	645,258.67	0.00	10,419.54	1.64	156.93
2/29/2019	654,353.34	0.00	9,094.67	1.41	159.15
3/31/2019	669,702.74	0.00	15,349.40	2.35	162.88

Cumulative Growth Since Inception



*Rate of Returns are time-weighted rate of returns presented gross-of-fees. The time-weighted rate of return methodology reduces the effects of cash flows, isolating investment manager decisions, making it easier to compare performance against a suitable benchmark or other investment managers using a similar strategy. Gross-of-fee returns include the reinvestment of all income received/earned. For portfolios that hold units of Series A Mawer mutual funds, the fees have been paid from within the funds which may reduce your investment returns.

**Since inception performance is calculated from the first month-end after the first transaction in the account. This number is non-annualized for portfolios that have been open for less than one year.

***Net Contributions for a given period of time is the sum of all client cash contributions and withdrawals, plus the market value of any securities delivered in or out of the account, less any management fees or custodial fees, during the period.

****Dollar Return for a given period is the change in market value, less net contributions.

PORTFOLIO TRANSACTION REPORT

From: January 01, 2019

To: March 31, 2019

Account Name: Calgary Rotary Challenger Park Society Life Cycle Fund

Account Number: 1714967

Reporting Currency: Canadian Dollar

Trade Date	Settlement Date	Security Name	Price Per Security	Quantity	Settlement Amount	Realized Gain/Loss (CAD)
CAD Canadian Dollar						
Buy						
01-31-19	01-31-19	Mawer Canadian Money Market Fund Series O	10.0000	12.0130	120.13	0.00
02-28-19	02-28-19	Mawer Canadian Money Market Fund Series O	10.0000	10.8750	108.75	0.00
03-29-19	03-29-19	Mawer Canadian Money Market Fund Series O	10.0000	11.9730	119.73	0.00
Total Buy					348.61	0.00
Dividend						
01-31-19	01-31-19	Mawer Canadian Money Market Fund Series O Income		8,742.5280	120.13	0.00
02-28-19	02-28-19	Mawer Canadian Money Market Fund Series O Income		8,754.5410	108.75	0.00
03-29-19	03-29-19	Mawer Canadian Money Market Fund Series O Income		8,765.4160	119.73	0.00
Total Dividend					348.61	0.00

The price per security value is presented to 4 decimal places, and may represent a rounded figure. Fixed income transactions include accrued interest.

Price per security are presented in local currency unless otherwise stated.

Settlement amount are presented in local currency unless otherwise stated.

PORTFOLIO VALUATION REPORT

As at: March 31, 2019

MAWER

Account Name: Calgary Rotary Challenger Park Society Operations Reserve Fund

Manager: Aaron Potvin +1 (403) 774-4182

Account Number: 5651787

Associate: Dylan Anderson +1 (403) 770-5195

Reporting Currency: Canadian Dollar

Held At: IFDS as recordkeeper for units of Mawer Funds

Security Name	Quantity	Unit Cost	*Book Cost (\$)	Market Price	Market Value (\$)	**Market Yield (%)	***Estimated Annual Income (\$)	Weight (%)
Cash Equivalents								
Mawer Funds								
Mawer Canadian Money Market Fund Series O	5,518.8250	10.00 CAD	55,188.25	10.00 CAD	55,188.25	1.37	753.87	13.21
Total Mawer Funds			55,188.25		55,188.25	1.37	753.87	13.21
Total Cash Equivalents			55,188.25		55,188.25	1.37	753.87	13.21
Fixed Income								
Canadian Fixed Income								
Mawer Pooled Funds								
Mawer Canadian Bond Pooled Fund	22,406.2084	9.70 CAD	217,368.08	10.08 CAD	225,937.48	2.33	5,265.46	54.06
Total Mawer Pooled Funds			217,368.08		225,937.48	2.33	5,265.46	54.06
Total Canadian Fixed Income			217,368.08		225,937.48	2.33	5,265.46	54.06
Total Fixed Income			217,368.08		225,937.48	2.33	5,265.46	54.06
Equity								
Canadian Large Cap								
Mawer Canadian Equity Pooled Fund	1,602.7006	21.99 CAD	35,241.05	24.72 CAD	39,611.71	5.00	1,980.62	9.48
Total Mawer Pooled Funds			35,241.05		39,611.71	5.00	1,980.62	9.48
Total Canadian Large Cap			35,241.05		39,611.71	5.00	1,980.62	9.48
Global Equity								
Mawer Global Equity Fund Series O	3,094.8316	16.67 CAD	51,604.00	31.40 CAD	97,189.47	2.10	2,041.04	23.26
Total Mawer Funds			51,604.00		97,189.47	2.10	2,041.04	23.26
Total Global Equity			51,604.00		97,189.47	2.10	2,041.04	23.26
Total Equity			86,845.06		136,801.18	2.94	4,021.66	32.73
TOTAL PORTFOLIO			359,401.39		417,926.91	2.40	10,040.98	100.00
Total Accrued Income - Fixed Income					0.00			
Total Accrued Income - Equity					0.00			
TOTAL PORTFOLIO INCLUDING ACCRUED INCOME					417,926.91			

* "Book Cost", the total amount paid to purchase a security, including any transaction charges related to the purchase, adjusted for reinvested dividends, returns of capital and corporate reorganizations. When the book cost of a position is indeterminate, the market value of the position as of December 31, 2015 has been used.

** "Market Yield" is a trailing yield which includes all cashflows, including return of capital, dividends, interest, etc., that have been paid over the last 12 months. It therefore may not be representative of future cashflows. The Market Yield is current as of the "Report Date" and not the "As at" date. If your portfolio holds the security Kinder Morgan Canada Ltd., the Market Yield of this security is overstated due to a large return of capital.

*** The "Estimated Annual Income" is calculated by multiplying the Market Value of the security by its Market Yield percentage. If your portfolio holds the security Kinder Morgan Canada Ltd., the Estimated Annual Income for this security is overstated due to a large return of capital.

The Securities held in your account, including the Mawer Mutual Funds, are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer.

PORTFOLIO VALUATION REPORT

Report run on 4/5/2019

PERFORMANCE

Calgary Rotary Challenger Park Society Operations Reserve Fund - 5651787 (SCAD)

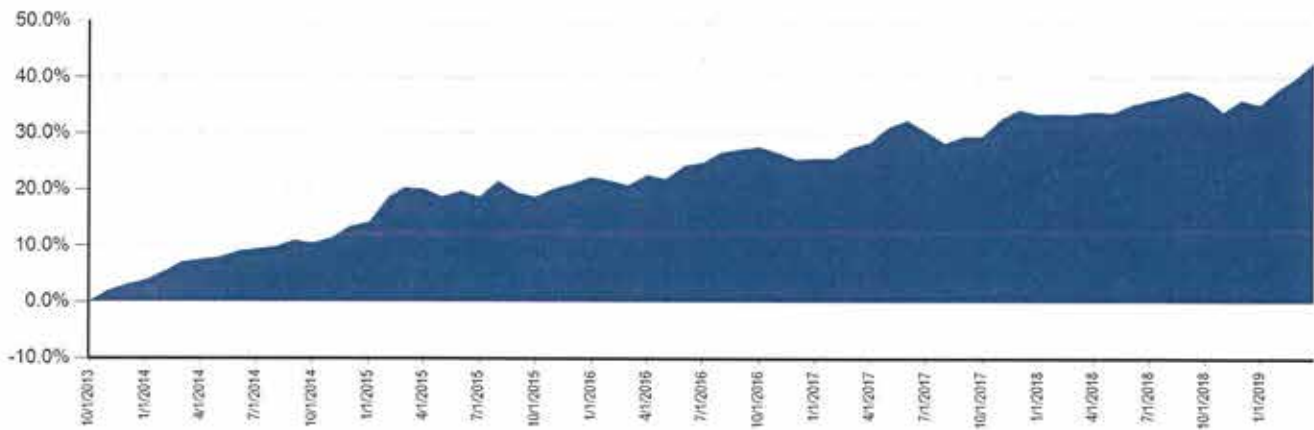


As at: March 31, 2019

*Rate of Return (%)	Non Annualized				Annualized			
	YTD	3-Mo	1-Yr	2-Yr	3-Yr	5-Yr	10-Yr	Since Inception**
	5.68	5.68	6.67	5.46	5.23	5.86	N/A	6.42

Date	Market Value	Net Contributions***	Dollar Return****	Rate of Return (%)*	Cumulative Index
10/31/2013	286,670.01	281,030.13	5,639.88	2.01	102.01
12/31/2013	291,850.60	281,030.13	10,820.47	1.81	103.85
12/31/2014	320,722.25	0.00	28,871.65	9.89	114.12
12/31/2015	343,649.53	0.00	22,927.28	7.15	122.28
12/31/2016	357,983.63	5,000.00	9,334.10	2.72	125.60
12/31/2017	385,448.12	5,000.00	22,464.49	6.28	133.49
12/31/2018	395,454.86	5,000.00	5,006.74	1.30	135.23
1/31/2019	403,529.24	0.00	8,074.38	2.04	137.99
2/28/2019	409,155.00	0.00	5,625.76	1.39	139.91
3/31/2019	417,926.91	0.00	8,771.91	2.14	142.91

Cumulative Growth Since Inception



*Rate of Returns are time-weighted rate of returns presented gross-of-fees. The time-weighted rate of return methodology reduces the affects of cash flows, isolating investment manager decisions, making it easier to compare performance against a suitable benchmark or other investment managers using a similar strategy. Gross-of-fee returns include the reinvestment of all income received/earned. For portfolios that hold units of Series A Mawer mutual funds, the fees have been paid from within the funds which may reduce your investment returns.

**Since inception performance is calculated from the first month-end after the first transaction in the account. This number is non-annualized for portfolios that have been open for less than one year

***Net Contributions for a given period of time is the sum of all client cash contributions and withdrawals, plus the market value of any securities delivered in or out of the account, less any management fees or custodial fees, during the period

****Dollar Return for a given period is the change in market value, less net contributions

PORTFOLIO TRANSACTION REPORT

From: January 01, 2019

To: March 31, 2019



Account Name: Calgary Rotary Challenger Park Society Operations Reserve Fund

Account Number: 5651787

Reporting Currency: Canadian Dollar

Trade Date	Settlement Date	Security Name	Price Per Security	Quantity	Settlement Amount	Realized Gain/Loss (CAD)
CAD Canadian Dollar						
Buy						
01-31-19	01-31-19	Mawer Canadian Money Market Fund Series O	10.0000	7.5530	75.53	0.00
02-28-19	02-28-19	Mawer Canadian Money Market Fund Series O	10.0000	6.8380	68.38	0.00
03-29-19	03-29-19	Mawer Canadian Money Market Fund Series O	10.0000	7.5280	75.28	0.00
Total Buy					219.19	0.00
Dividend						
01-31-19	01-31-19	Mawer Canadian Money Market Fund Series O Income		5,496.9060	75.53	0.00
02-28-19	02-28-19	Mawer Canadian Money Market Fund Series O Income		5,504.4590	68.38	0.00
03-29-19	03-29-19	Mawer Canadian Money Market Fund Series O Income		5,511.2970	75.28	0.00
Total Dividend					219.19	0.00

The price per security value is presented to 4 decimal places, and may represent a rounded figure. Fixed income transactions include accrued interest.

Price per security are presented in local currency unless otherwise stated.

Settlement amount are presented in local currency unless otherwise stated.

AGENDA ITEM: 2.e

RBC Dominion Securities Inc.



Portfolio Valuation by Account

As at settlement date March 31, 2019

Calgary Rotary Challenger Park Household

CALGARY ROTARY CHALLENGER PARK SOCIETY

3688-48 AVE NE
CALGARY, AB. T3J 5C8
Canada

Sean Baylis, M.Sc., CIM

Vice President,
Associate Portfolio Manager,
& Wealth Advisor

Tel: (403) 299-7136
sean.baylis@rbc.com

Brooklyn Hockley
Associate

Tel: (403) 299-5135
brooklyn.hockley@rbc.com

Professional Wealth Management Since 1901



RBC Wealth Management
Dominion Securities

Portfolio Valuation

Calgary Rotary Challenger Park Household

Portfolio Valuation by Account

As at March 31, 2019

Quantity	Security Description	Book Value /Unit	Book Value	Unrealized Gain	Book Value in CAD	Unrealized Gain in CAD	Market Price	Market Value	Current Yield (%)	% of Portfolio	% of Class
CALGARY ROTARY CHALLENGER - Investment Account (7018608518000)											
CASH AND CASH EQUIVALENTS											
Cash											
27,047.80	CAD		27,047.80	-	27,047.80	-		27,047.80	-	3.74	58.32
Total - Cash			27,047.80	0.00	27,047.80	0.00		27,047.80	-	3.74	58.32
Mutual Funds											
1,933.22	RBC INVESTMENT SAVINGS ACCOUNT SR A (2010)	10.00	19,332.17	0.00	19,332.17	0.00	10.00	19,332.17	1.60	2.67	41.68
Total - Mutual Funds			19,332.17	0.00	19,332.17	0.00		19,332.17	1.60	2.67	41.68
TOTAL - CASH AND CASH EQUIVALENTS			46,379.97	0.00	46,379.97	0.00		46,379.97	0.67	6.41	100.00
FIXED INCOME											
Mutual Funds											
26,016.66	IA CLARINGTON FLOATING RATE INCOME FD SR E (1050)	9.91	257,946.18	399.23	257,946.18	399.23	9.93	258,345.41	4.19	35.71	64.00
10,253.74	PIMCO MONTHLY INCOME FUND (CANADA) SR O (405)	14.35	147,110.79	(1,804.98)	147,110.79	(1,804.98)	14.17	145,305.81	3.37	20.08	36.00
Total - Mutual Funds			405,056.97	(1,405.75)	405,056.97	(1,405.75)		403,651.22	3.90	55.79	100.00
TOTAL - FIXED INCOME			405,056.97	(1,405.75)	405,056.97	(1,405.75)		403,651.22	3.90	55.79	100.00
EQUITY											
Index Replicating Vehicles											
10,248.00	HORIZONS ACTIVE GLOBAL DIVID ETF UNIT CL E	20.26	207,668.82	13,995.42	207,668.82	13,995.42	21.63	221,664.24	6.18	30.64	100.00
Total - Index Replicating Vehicles			207,668.82	13,995.42	207,668.82	13,995.42		221,664.24	6.18	30.64	100.00
TOTAL - EQUITY			207,668.82	13,995.42	207,668.82	13,995.42		221,664.24	6.18	30.64	100.00
Total CALGARY ROTARY CHALLENGER (7018608518000)			659,105.76	12,589.67	659,105.76	12,589.67		671,695.43	4.43	92.84	

Quantity	Security Description	Book Value /Unit	Book Value	Unrealized Gain	Book Value in CAD	Unrealized Gain in CAD	Market Price	Market Value	Current Yield (%)	% of Portfolio	% of Class
CALGARY ROTARY CHALLENGER - Investment Account (7018608518001)											
CASH AND CASH EQUIVALENTS											
Cash											
	911.98 USD		911.98	-	1,218.72	-		911.98	-	0.17	100.00 ^
Total - Cash			911.98	0.00	1,218.72	0.00		911.98	-	0.17	100.00
TOTAL - CASH AND CASH EQUIVALENTS			911.98	0.00	1,218.72	0.00		911.98	-	0.17	100.00
EQUITY											
Index Replicating Vehicles											
	1,420.00	ISHARES TR US DIVID & BUYBACK ETF	26.76	38,005.42	(150.44)	50,132.95	454.55	26.66	37,854.98	0.00	6.99 100.00 ^
Total - Index Replicating Vehicles			38,005.42	(150.44)	50,132.95	454.55		37,854.98	-	6.99	100.00
TOTAL - EQUITY			38,005.42	(150.44)	50,132.95	454.55		37,854.98	-	6.99	100.00
Total CALGARY ROTARY CHALLENGER (7018608518001)			38,917.40	(150.44)	51,351.67	454.55		38,766.96	-	7.16	
SUMMARY in CAD ¹											
TOTAL - CALGARY ROTARY CHALLENGER - Investment Account (7018608518000)			659,105.76	12,589.67	659,105.76	12,589.67		671,695.43	4.43	92.84	
TOTAL - CALGARY ROTARY CHALLENGER - Investment Account (7018608518001)			38,917.40	(150.44)	51,351.67	454.55		51,806.22	0.00	7.16	
TOTAL - PORTFOLIO					710,457.43	13,044.22		723,501.65	4.11	100.00	

^ Held in USD. See Statement of Terms for conversion rates.
Yield on Cost cannot be calculated for discount instruments at this time. YOC values at the total level exclude discount instruments.
Book Values are reported in account currency unless otherwise stated.
Market values include accrued income.

Statement of Terms

Calgary Rotary Challenger Park Household

As at March 31, 2019

Legal Disclaimers

The portfolio summary ("the Portfolio Report") is prepared by your Investment Advisor/Portfolio Manager who is an employee of RBC DS and is prepared from information received from sources we believe to be reliable. It is not an official statement of your positions at RBC Dominion Securities Inc. ("RBC DS").

This Portfolio Report has been prepared at the direction of and solely for the general guidance and benefit of the owners of the accounts included in the portfolio. It should be noted that a Portfolio Report can be created at anytime whereas your monthly statement is created at the last day of the month. Some of the positions shown in this statement may be held at other financial institutions where they are not covered by the Canadian Investor Protection Fund. Information regarding positions that are not held at RBC DS has been provided by the owner of an account included in the portfolio. These positions are included in the Portfolio Report at the request of the owner(s) of one or more of the accounts comprising the Portfolio Report for the purposes of providing as complete a view as possible of the portfolio. Neither RBC DS nor its employees can guarantee the accuracy or completeness of information relating to positions held at entities other than RBC DS, including quantities of securities held, market value and book-cost.

Please consult the monthly statements you receive from RBC DS or from other entities where the positions are held to determine which positions are eligible for protection by the Canadian Investor Protection Fund, including information as to which positions are held in segregation.

If there are any discrepancies between the transactions or positions shown on the monthly statements you receive from RBC DS and those shown in this Portfolio Report as being transacted or held at RBC DS please report them to your RBC DS Investment Advisor or Portfolio Manager. If there are any discrepancies between the transactions or positions shown on the monthly statements you receive from other entities where the positions are held please report them to such other entity.

The securities accounts comprising the portfolio are listed below. Please review this list of accounts carefully to understand what assets are included and what assets are not included in the Portfolio Report. Contact your Investment Advisor/Portfolio Manager if you are uncertain as to the beneficial ownership of any accounts included in this Portfolio Report.

Each beneficial owner of an account included in the Portfolio Report must have provided consent to their RBC DS Investment Advisor/Portfolio Manager to include information about their account(s) in this Portfolio Report as this information will be shared with all parties whose accounts or assets have been included in the Portfolio Report. If you are the beneficial owner of an account(s) included in this Portfolio Report and you wish to have your accounts removed from the Portfolio Report please advise your Investment Advisor/Portfolio Manager.

Clients should consult their Investment Advisor/Portfolio Manager when planning to purchase or sell securities or otherwise rebalance securities holdings as a result of the information provided in this Portfolio Report. This will ensure that their own circumstances, including their own individual investment objectives and risk tolerances, have been considered properly and that action is taken on the latest available information. Interest rates, market conditions market prices, tax rules, security classifications and other investment factors are subject to change.

For more information on the terms, conditions and a glossary of terms used in the Portfolio Report, please contact your Investment Advisor/Portfolio Manager.

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General Disclaimers

- Generated on April 5, 2019
- This portfolio is composed of the following accounts:
CALGARY ROTARY CHALLENGER - 7018608518000
CALGARY ROTARY CHALLENGER - 7018608518001
- For position not held in CAD, all values were converted using the following exchange rates:
CAD converted to USD at CAD\$1 - USD\$0.74831
USD converted to CAD at USD\$1 - CAD\$1.33635

- Accrued income is included in market values except when accrued income is displayed in a separate column.
- Book Values are reported in account currency unless otherwise stated.

Section Specific Disclaimers

Portfolio Valuation

- Yield % indicates yield to maturity based on current market value for debt products. In general, CDN and US Bonds and Debentures indicate semi-annual yield. All other debt products indicate annual yield. Equity Products indicate current yield.
- Distribution information may not be available for certain mutual funds.
- Distributions may vary widely from year to year.

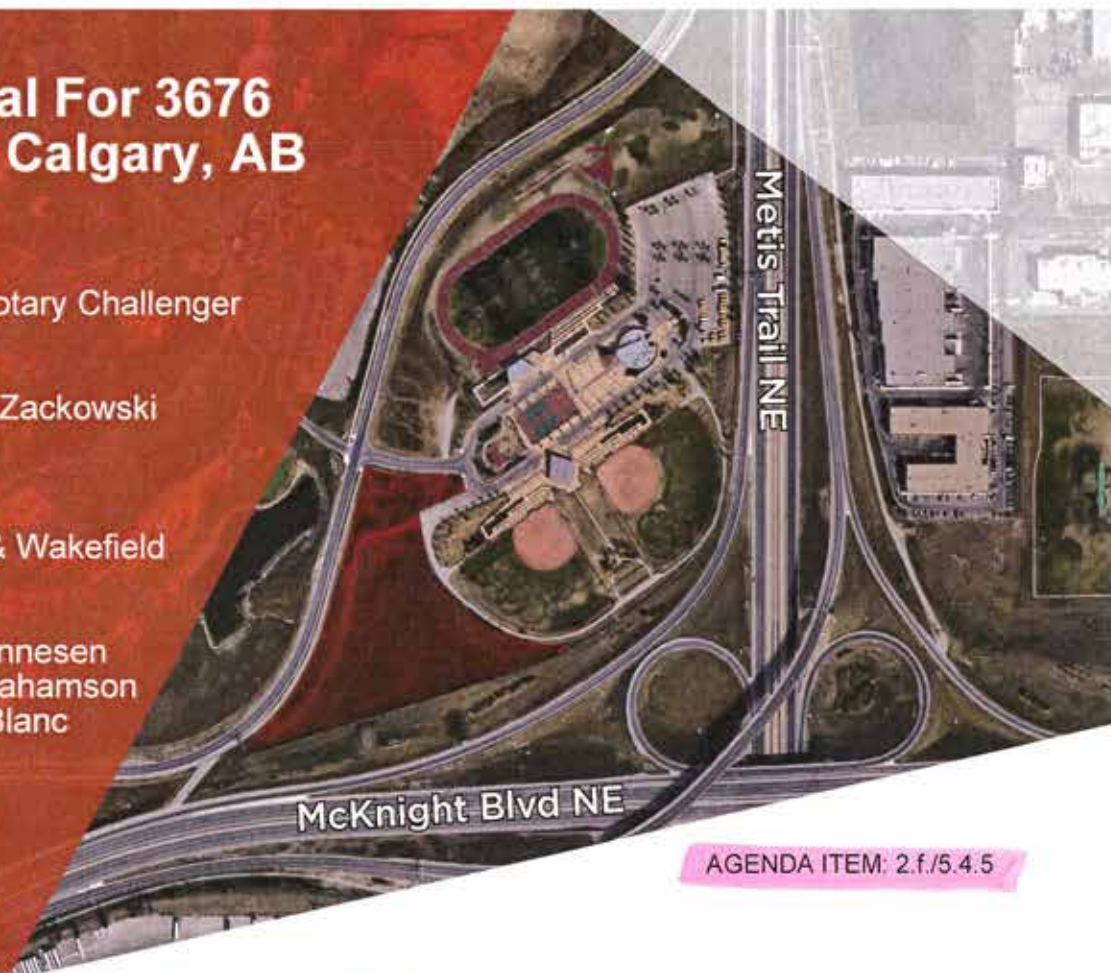
Listing Proposal For 3676 48 Avenue NE, Calgary, AB

Prepared For: Calgary Rotary Challenger
Park

James M. Zackowski

Prepared By: Cushman & Wakefield
ULC

Brent Johannesen
Darren Abrahamson
Jordan LeBlanc



AGENDA ITEM: 2.f./5.4.5



INTRODUCTION

Cushman & Wakefield ULC ("C&W") is pleased to present this listing proposal to James M. Zackowski of Calgary Rotary Challenger Park for the property located at 3676 14th Avenue NE, Calgary, Alberta (the "Property").

Cushman & Wakefield proposes the use of an experienced team of agents, along with administrative, marketing and research support, to market the Property to the most logical developers and occupiers and to the brokerage community.

This proposal will outline a description of the subject Property, permitted uses, proposed approach in marketing the Property through our relationships and networks, as well as provide an opinion of the Property land value through data and market intelligence. Furthermore, this proposal will highlight the advantages of working with the full service agency at Cushman & Wakefield ULC.

We look forward to applying our resources, knowledge and experience to this assignment and thank you for the opportunity.

Yours Truly,

Cushman & Wakefield ULC

Brent Johannsen
Vice President
Industrial Sales & Leasing
Direct: +1 403 261 1116
Cell: +1 403 589 8600
brent.johannsen@cushwake.com



Darren Abrahamson
Senior Associate
Industrial Sales & Leasing
Direct: +1 403 261 1175
Cell: +1 403 813 7758
darren.abrahamson@cushwake.com



Jordan LeBlanc
Associate
Industrial Sales & Leasing
Direct: +1 403 261 1166
Cell: +1 403 660 5141
jordan.leblanc@cushwake.com



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Asset Overview



Opportunity



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Reasoning



Summary



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01

Asset Overview



ASSET OVERVIEW

3676 – 48th Avenue NE

Property Information

Municipal Address:	3676 48th Avenue NE, Calgary, AB
Legal Address:	Plan 9210847, Block A
Tenant:	Calgary Airport Authority
Sub Tenant:	Calgary Rotary Challenger Park
Plan:	BS.04 on Plan No. 0712931
Land Use:	East Airfield Light Industrial District (Must follow AVPA)
Site Size:	5.34 Acres
Services:	To the property line
Site Info:	Unimproved (raw land)



General Description

The subject parcel is an irregularly shaped 5.34 acre site of unimproved land that is leased from the Calgary Airport Authority to the Calgary Rotary Challenger Park. The parcel must follow the land use guidelines under the East Airfield Light Industrial District as well as follow all restrictions set forth in the Airport Vicinity Protection Area guidelines.

ASSET OVERVIEW



Zoning - Land Use Restrictions

The Property is zoned East Airfield Light Industrial District which allows for many uses that provide a wide range of opportunities. Cushman & Wakefield sees the importance of understanding the restrictions set forth:

East Airfield Light Industrial District

The purpose of this district is to provide for a wide range of light industrial and business users which are compatible with each other and airport operations.

All yards must be a minimum depth of six metres from the lease line or a depth equal to the height of the face of the principal building adjacent to the Property line, whichever is the greater.

Storage of a variety of goods may be allowed, as long as the products do not attract birds or other animals, and do not create hazards or nuisances to aviation and neighbouring uses.

Building height limited to 12 metres.

Restricted Uses - Airport Vicinity Protection Area

- Residences
- Schools
- Day cares
- Sports facilities
- Medical care facilities
- Halls and auditoriums
- Places of worship
- Campgrounds
- Outdoor exhibition and fairgrounds
- Outdoors spectator entertainment

02

Opportunity



3676 48TH Avenue NE

The Opportunity

Basis of Understanding

Cushman & Wakefield's goal for Calgary Rotary Challenger Park and its Founding Partners is to provide a viable and sustainable, long term, market value solution for the 5.34 acre land lease portion of the parcel located at 3676 48 Avenue NE, Calgary, Alberta.

Cushman & Wakefield understands the importance of achieving market value for the land taking into account the Land Use guidelines and Airport regulations as the overriding goal. Our intention is to provide a conclusive explanation to what we believe to be market value and demonstrate how it can be achieved.

We will strive to take advantage of the well established presence of Calgary Rotary Challenger Park and its existing infrastructure and community. We plan to provide a mutually beneficial environment where both the proposed new use and the existing Calgary Rotary Challenger Park can maximize the park and facilities to provide additional value.



03

Our Approach



OUR APPROACH

3676 – 48th Avenue NE

Leveraging on our existing relationships and network, data and market intelligence as well as our service line capabilities, our team is able to provide a viable and sustainable, long term, market value solution for Calgary Rotary Challenger Park.



Our Relationships and Network

Using Cushman & Wakefield's long term, well established relationships and professional marketing strategies, to create interest from potential developers/investors and/or users, that intend to lease the land at market value with a viable, long term vision. By collecting preliminary input from developers and users, we understand how this opportunity is positioned in regards to the rest of competing opportunities in the market.



Data and Market Intelligence

We have included relevant information that will give us the opportunity to understand the potential added benefits that are associated with this Property. Such information includes competing availabilities, comparable transactions, land use descriptions, as well as market value calculations. Understanding the challenges that potential tenants will face beforehand gives us a clear direction in servicing any potential long term tenancies.



Service Lines

As a full service firm, Cushman & Wakefield's platform offers a multitude of diverse skill sets that will provide the necessary tools to successfully market the Property and in turn, find the best solution for Calgary Challenger Rotary Park.

- o Project & Development Services
- o Valuation and Advisory
- o Global Occupier Services
- o Asset Services

04

Reasoning



OUR RELATIONSHIPS & NETWORKS



Feedback

Cushman & Wakefield has an extensive database and global network which allows us to reach out to the right people in the most effective way. By engaging in preliminary conversations with prospects, our team can begin to understand the benefits and challenges surrounding this opportunity. Our team sees the advantages of collecting feedback from the experts who work on these types of projects on an annual basis.

<u>Groups we have spoken with</u>		<u>Groups we are planning to speak with</u>	
<ul style="list-style-type: none"> Atlas Developments Calgary Climbing Centre York Realty 	<ul style="list-style-type: none"> GWL Realty Advisors Telsec Remington 	<ul style="list-style-type: none"> Small user / occupier requirement with parking and yard Trailer Parking Quasi Retail Food Services 	<ul style="list-style-type: none"> Car and RV dealerships Equipment / Product storage Recreation Uses
<u>Strengths</u>		<u>Challenges</u>	
Market Value Feedback	<ul style="list-style-type: none"> Great exposure and easy access Potential to leverage off existing park Proximity to airport and amenities Zoning allows for many varied uses 	<ul style="list-style-type: none"> Irregular shape and size limits development potential No direct access Cost of improving the site Perception of lease versus freehold ownership Right of way / other restrictions 	

OUR RELATIONSHIPS & NETWORKS



Marketing Overview

Further to our relationship and network connections, we have proven that our marketing plans will highlight the strengths of the Property. Through various efforts, our agents will be able to attract a range of prospects and give exposure to this opportunity.

Custom brochure published for print and digital distribution

High visibility signage installed on Property

E-flyer to brokerage community and targeted database contacts

Calls and meetings with targeted developers and occupiers

Listing published to broker network and social network with monthly updates

MARKETING BROCHURE

CUSTOM SIGNAGE

E-BLAST

CALLS MEETINGS

MONTHLY LISTINGS



Sample Brochure



Sample Signage



Sample E-flyer



Sample Twitter Post



DATA & MARKET INTELLIGENCE

Competing Land Availabilities



Address	Site Size	Zoning	Servicing	Lease Rate	Comments:
2520 23 Street NE	2.21 Acres	I-C	Fully Serviced	\$1.50 PSF	<ul style="list-style-type: none"> • Unimproved land • Rectangular shaped • Exposure to 23 Street NE • Development Opportunity
5805 17 Avenue SE	4.08 Acres	DC-97D2009	Deferred Servicing	\$1.35 PSF	<ul style="list-style-type: none"> • Improved land • Rectangular/triangular shaped • Land use based on I-B • Design Build
315 Moraine Road NE	1.52 Acres	I-C	To Property Line	\$1.50 PSF	<ul style="list-style-type: none"> • Improved land • Rectangular shaped • 1-3 year commitment • Fenced yard
9515/9527 Horton Road SW	2.55 Acres	I-C	To Property Line	\$1.60 PSF	<ul style="list-style-type: none"> • Improved land • Rectangular shaped • Compacted and gravelled • Landlord will fence site
3030 23 Street NE	1.985 Acres	C-COR-3	To Property Line	\$2.25 PSF	<ul style="list-style-type: none"> • Unimproved land • Rectangular shaped • Development site • Commercial focused

DATA & MARKET INTELLIGENCE

Comparable Land Transactions



9515 & 9527 Horton Road SW

1.75 Acres
I-C Zoning
10 year term
\$1.60 per SF

- High exposure
- Fully compact and graveled
- Site fully fenced



234085 Wrangler Road SE

2.0 Acres
B-2 Zoning
5 year term
\$1.05 per SF

- Flexible lot sizes
- Power to property line
- Site fully fenced



6429 79 Avenue SE

0.5 Acres
I-G Zoning
3 year term
\$1.00 per SF

- Glenmore Trail exposure
- Fully compact and graveled
- Site fully fenced

DATA & MARKET INTELLIGENCE



Land Value

Upon being awarded this assignment, we will endeavour to use our resources to obtain upper level development quotes for improving the land. With this information Cushman & Wakefield can provide more direction, solutions and an extensive analysis of market value.

Based on the information provided, we are able to use the market value from a perspective sale as well as the income approach to establish an a preliminary lease rate for such Property.

Note: The following represents the potential return on the entire 5.34 acres. However, adjustments may have to be made to represent the useable size versus the actual size of the parcel.

$\$700,000 \text{ per acre} \times 5.34 \text{ acres} = \$3,738,000$

Estimated 6.5% annualized return = \$242,970.00

Land Lease Expectation = $\$242,970.00 / 5.34 \text{ acres} (232,610.40 \text{ SF}) = \1.05 PSF / year

DATA & MARKET INTELLIGENCE



Sales Comparison Method

In establishing achievable lease rates for 3676 - 48th Avenue NE, Calgary, Alberta, we have also taken into consideration the positioning of the Property relative to recently completed lease transactions and competing properties available to a prospective developer and/or owner-occupier in the marketplace.

By analyzing the available information, the average rate is approximately \$1.50 per square foot gross. Cushman & Wakefield suggests taking into account the cost associated with improving the land which most of the comparable properties include. Based on the assumption that improving the land costs \$100,000 per acre, one must consider a discounted rate or an allowance in making the site competitive.

Based on this information as well as taking into account the location of the Property, exposure to McKnight Boulevard, cost associated with improving the site, land use restrictions, the surrounding tenants and occupiers, size of the site, and amenities in the area, our team values the site based on this discount at the following rate:

Lease Rate	
Per square foot per annum	\$1.10
Annual Revenue	\$255,871.44
Monthly Revenue	\$21,322.62

We estimate that the site will be leased within 5 to 6 months.

SERVICE LINES

Full service agency



Cushman & Wakefield provides a broad range of services to compliment the traditional brokerage. By involving start to finish solutions for our clients, we allow them to benefit from an efficient and streamlined process.

Project & Developments Services

- Base Building Development
- Program, Project and Construction Management
- Construction Cost Consultancy
- Master Planning Advisory
- Schedule and Budget Management
- LEED services

Valuation and Advisory

Our capabilities include diligence advisory, financial reporting, portfolio valuation, and individual valuation. Access to real-time market data, the insights of our leasing teams, research and capital markets experts, and the experience derived from 30 years of operation ensure the application of best practices and proven successful methodologies.

Global Occupier Services

Global Occupier Services (GOS) deliver real estate solutions which match the strategy and goals of the company from operational cost reductions, through location seeking, expansion and consolidation, to portfolio analysis and optimization. Increasing employee productivity, lease administration and integrated facility management are also addressed by the GOS team.

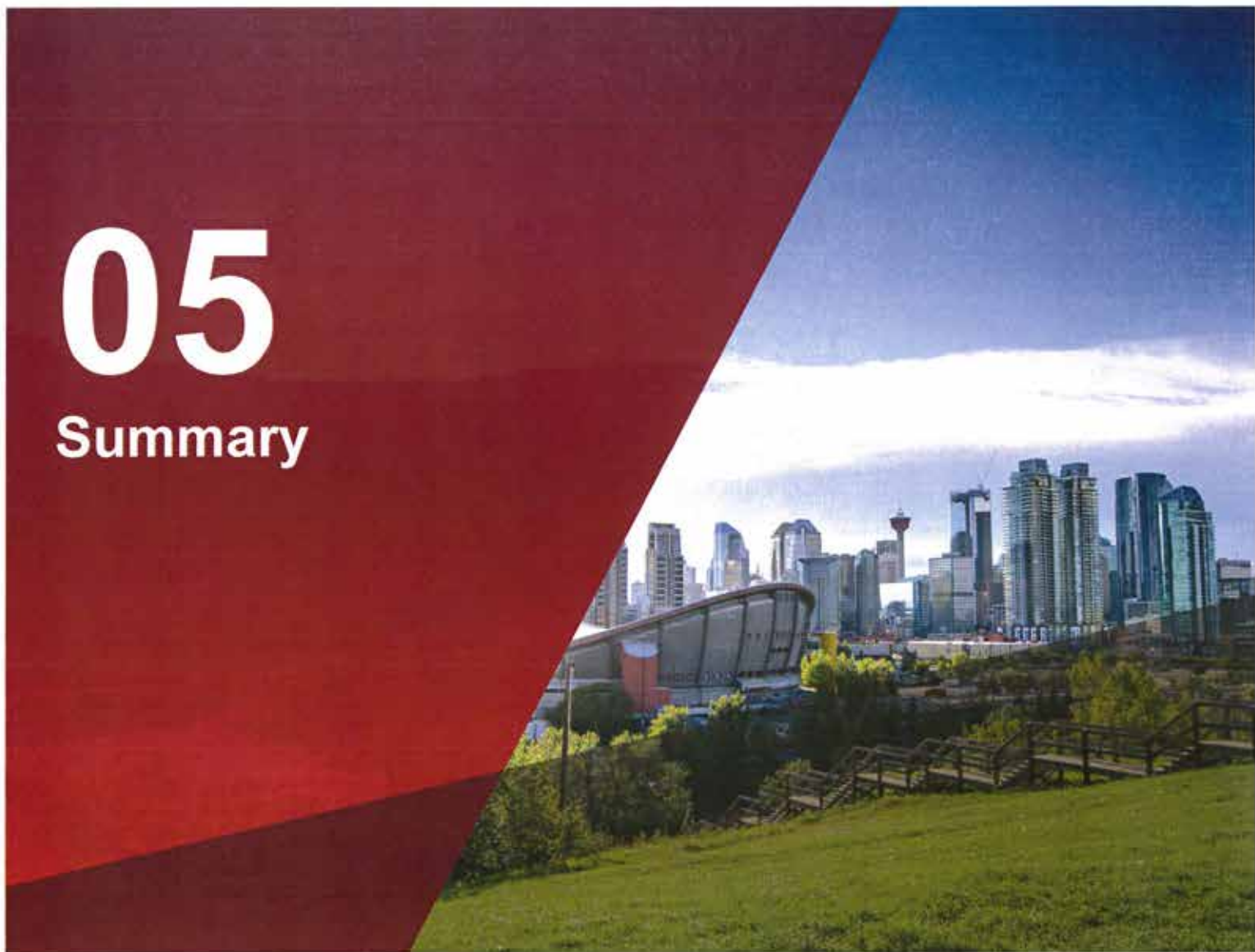
Asset Services

Cushman & Wakefield Asset Services provides comprehensive property management services across Canada to ensure maximum, measurable outcomes for all types of real estate. Our integrated solutions, tailored to each clients' operational priorities and financial goals, protect and increase the value of each investment by minimizing operating costs, improving efficiencies, and enhancing the tenant experience.



05

Summary



SUMMARY

3676 – 48th Avenue NE

The opportunity exists to generate a high amount of interest and exposure during the currency of the proposed listing agreement resulting in Calgary Challenger Rotary Park securing a long term tenant. Based on our preliminary findings, we recommend transacting at market value which we believe to be within the range of **\$1.00 to \$1.10** per square foot gross.

In this proposal, we have demonstrated how C&W will achieve specific results through a strategic approach with an accomplished and knowledgeable team who have experience with similar users and developers as well as possess the advanced market knowledge required.



Relationships and network: Using our familiarity with local developers and business owners



Data and Market Intelligence: Understanding the research available provided and how it affects the Property



Service Lines: Utilizing Cushman & Wakefield's vast platform and our teams specialized expertise

Upon successful assignment of this listing, our team will require additional information which shall include but not limited to geotechnical reports, environmental reports, existing land lease agreements, site plans, surveys, and a real property report. This is strongly suggested so that the Calgary Rotary Challenger Park is able to fully understand the full scope of what a user will undertake when looking to improve the land.

06

Appendix



APPENDIX

Team Biography

C&W has assembled a Listing Team with valuable experience in the leasing and sale of industrial properties in and around the Calgary area. Brent Johannsen, Darren Abrahamson and Jordan LeBlanc will be the main points of contact in the marketing of the Property. They will be supported by other members of the C&W brokerage team, marketing and administrative groups in order to efficiently execute the marketing campaign.



Brent Johannsen
Vice President
Industrial Sales & Leasing
Direct: +1 403 261 1116
Cell: +1 403 589 8600
brent.johannsen@cushwake.com



Darren Abrahamson
Senior Associate
Industrial Sales & Leasing
Direct: +1 403 261 1175
Cell: +1 403 813 7758
darren.abrahamson@cushwake.com



Jordan LeBlanc
Associate
Industrial Sales & Leasing
Direct: +1 403 261 1166
Cell: +1 403 660 5141
jordan.leblanc@cushwake.com

APPENDIX

Cushman & Wakefield Overview

CUSHMAN & WAKEFIELD WHAT'S NEXT

About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services.



BY THE NUMBERS

400
OFFICES
(approx.)

70
COUNTRIES
(approx.)

\$8.2B*
2018 REVENUE
* USD

51,000
EMPLOYEES
(approx.)

APPENDIX

Cushman & Wakefield Overview

Fueled by ideas, expertise and dedication across borders and beyond service lines, we create real estate solutions to prepare our clients for what's next.

CORE SERVICES



INDUSTRIES & SPECIALITIES

Airports Automotive
Banking/Financial
Build-to-Suit
Data Centers
eCommerce
Education
Energy (oil & gas)
Food & Beverage
Global Supply Chain
Government
Healthcare Hospitality

Industrial
Land
Legal/Professional Life
Sciences/Pharma
Multifamily
Net Lease Investment
Not-for-Profit
Ports & Intermodal
Rail
Retail
Technology
Third-Party Logistics (3PL)

APPENDIX

Compensation

Our promise to you is to provide the greatest service and economic value. For an assignment such as this, C&W suggests that an exclusive listing agreement be executed on the following proposed terms:

Fee:	C&W proposes a fee equal to the total of five percent (5%) of the gross Rent for the first five (5) years of the Term of the Lease and two and one-half percent (2.5%) of the gross Rent for each year of the balance of the Term of the Lease. In the event where a tenant is represented by an agent or broker other than the Listing Agent ("Presenting Agent"), the fee shall be one hundred and fifty percent (150%) of the fee calculated above, and C&W shall be responsible for the payment of commissions to the Presenting Agent. The fee shall be payable on Lease execution and occupancy by the tenant.
Outside Agents:	We will fully cooperate with the brokerage community to ensure maximum exposure of the opportunity and maximum value is attained for the Owner.
Term:	The Term of the listing agreement will be for twelve (12) months.

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Listing Proposal

for the Leasing of Land
3676 48 Avenue NE
Calgary Alberta

Partnership. Performance.






AGENDA ITEM: 2.f./5.4.5



Prepared for
James M Zackowski
Calgary Rotary Challenger Park Society

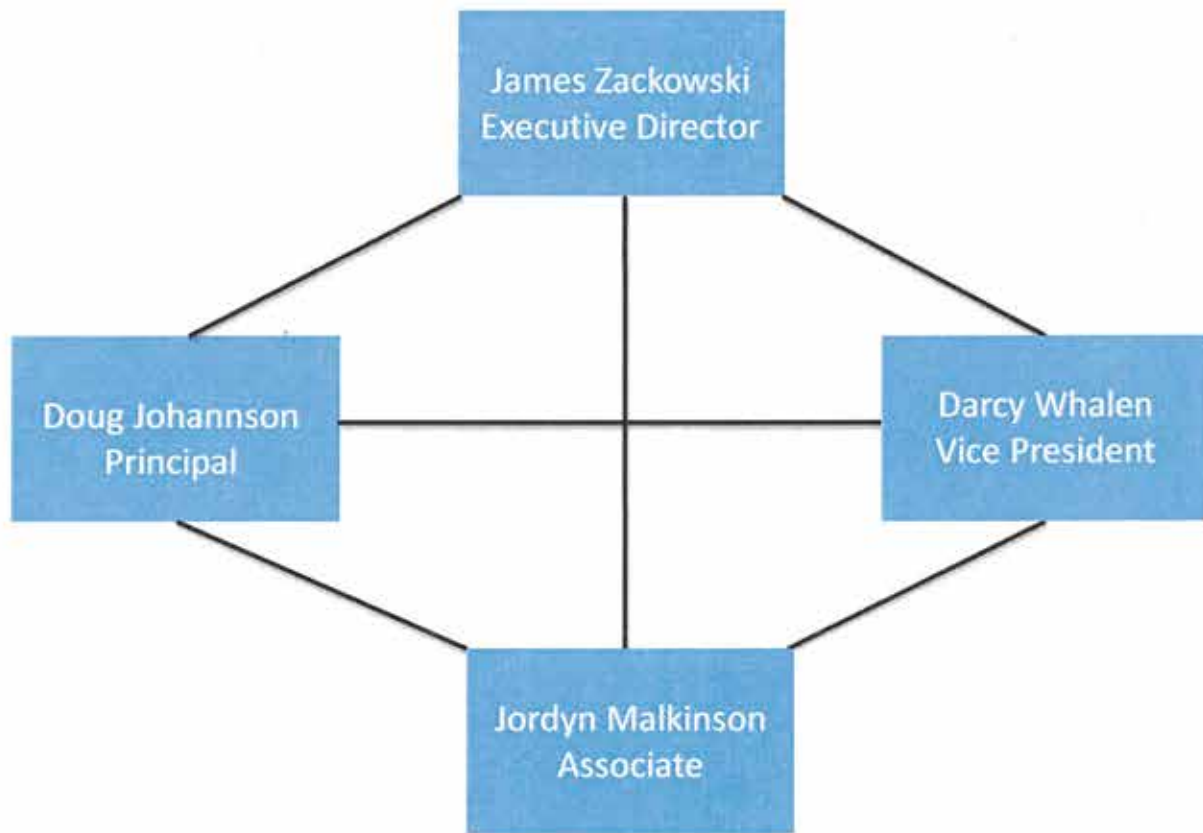
Doug Johannson
Principal, Industrial
403-470-8875

Darcy Whalen
Vice President, Industrial
403-554-8453

	The Team	1
	The Industrial Market	2
	Strategy, Fees & Commission	3
	Proposed Monthly Reporting	4
	Relevant Experience	5

The Team

Organizational Chart



The Listing Team's Roles & Responsibilities

Doug Johannson
Principal, Industrial

- Identify and target major tenants
- Preparation of lease proposals
- Arrange meetings and site visits
- Lead marketing meetings
- Prepare leasing update reports
- Lead the team in all areas including broker outreach & deal negotiations

Darcy Whalen
Vice President, Industrial

- Identify and target major tenants
- Geographic specific prospecting
- Vertical specific prospecting
- Preparation of lease proposals
- Arrange meetings and site visits
- Participate in marketing meetings
- Monitor progress and performance

Jordyn Malkinson
Associate, Industrial

- Activity reporting
- Coordinate marketing efforts
- Market and availability research
- Preparation of marketing materials
- Preparation of promotional materials
- Support the team in all areas including broker information requests

Team Biographies



Doug Johannson
Principal
Industrial

Doug joined Avison Young in 2009 after a 20 year career in commercial real estate development and brokerage. Focused on industrial properties, Doug has been the architect of hundreds of leasing and sale transactions across Canada as well as Eastern Europe. His understanding of development and real estate finance has been instrumental to many large and complex transactions. He is a Fellow of the Royal Institution of Chartered Surveyors (RICS) and is a member of the Board of RICS Americas.

Prior to joining Avison Young Doug was responsible for all aspects of leasing and property management with Giffels Management Russia. Projects in Central Eastern Europe included a 6 million square foot logistics park in South Moscow, and large logistics parks in Kiev, Ukraine and Kazan, Russia. He was also Vice President, Leasing with Giffels Management Limited (now referred to as IG Realty Investments Inc.) and was responsible for Giffels leasing programs across Canada. Doug was Vice President, Industrial with Hopewell Development Corporation in both Calgary and Toronto from 1997 to 2004, overseeing the leasing of more than 10 million square feet of industrial space.

Doug holds a Bachelor of Arts (Honours) degree in Geography (1986) and a Bachelor of Commerce (Honours) in Finance (1989), both from the University of Manitoba.



Darcy Whalen
Vice President
Industrial

Darcy specializes in the industrial real estate of Southern Alberta and is a highly regarded sales professional. In Darcy's 17 years of sales experience, the last 12 years have primarily been working with industrial clients, first on behalf of telecom and digital imaging companies and now in real estate. Darcy has been recognized as a top sales professional and for overall client satisfaction by Fortune 500 companies with whom he was employed. He has participated in numerous professional development workshops, provided by some of the most reputable training organizations in the industry.

As an industrial real estate professional, Darcy has been very active in tenant advisory services, landlord representation and property acquisitions. He prides himself on his hard work ethic and dedication to the people he works with. Darcy has an extensive knowledge of the Calgary Industrial Market and has worked with a variety of business types, such as warehousing, fabrication, manufacturing, automotive and many others. He has worked closely with peers from across North America to assist regional, national and international organizations.



Jordyn Malkinson
Associate
Industrial

After graduating from the University of British Columbia Okanagan with a degree in Kinesiology, Jordyn decided to move to Calgary for bigger and better opportunities. After joining Avison Young in 2016 she started putting her skills with client services to work. Working with one of the most dynamic office leasing teams in Calgary, Jordyn is using her skills to assist the team in any way possible. Over the past 3 years Jordyn has grown into her role as an Associate on the Office Team and has now started learning the Industrial side of the business. The knowledge and experience gained over the past 3 years has been tremendous and she looks forward to growing and learning more in the future!

Research Biographies



Susan Thompson
Manager

Most recently, Susan spent over five years with Calgary Economic Development. First as their Business Development Manager specializing in Real Estate, helping companies bring their business to Calgary navigate the commercial real estate market. Then as their overall Research Manager providing economic analysis and commentary on the Calgary market. Working her way up from Research Analyst to Manager for the Calgary office, Susan analyzed thousands of commercial real estate transactions and is extremely knowledgeable about the commercial real estate market. Susan also previously spent over four years as the Research Manager for Avison Young's Calgary office and was responsible for dozens of reports on the Calgary commercial real estate market, covering office, retail and industrial leasing as well as business condominium properties and commercial property sales. Well recognized in the industry, Susan's name is often seen in the media as she provides commentary and insight on current commercial real estate topics.



Wadjih Bouaziz
Coordinator

Wadjih is a Research Coordinator at Avison Young, joining in 2017. Working within the Research team, Wadjih focuses on the collection, storage, maintenance, and packaging of real estate and contact data from a variety of sources for the purposes of providing sales and leasing professionals with current market information.

Avison Young Offices



The Industrial Market

Calgary's Industrial Landscape

Calgary Industrial Absorption by Location



Market Facts

7.9% 
 Vacancy
 (Q3 2018: 7.3%)

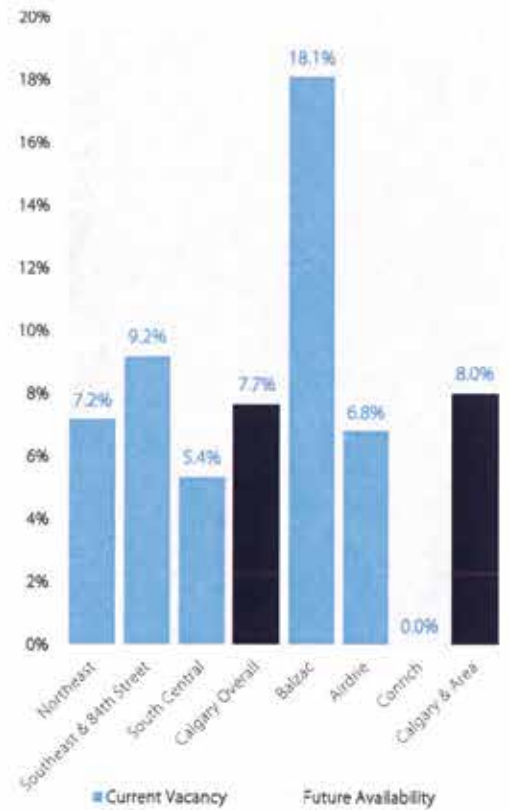
7.9% 
 Availability
 (Q3 2018: 7.3%)

768,000 SF 
 Absorption
 (Q3 2018 - 1,709,000 SF)

2,189,000 SF 
 Under Construction
 (Q3 2018: 3,097,000 SF)

1,860,000 SF 
 Completed
 (Q3 2018: 1,115,000 SF)

Calgary Industrial Vacancy Rates by Location



Market Activity



10690 42nd Street NE

- Event Date: 2018-03-21
- Price: \$6,600,000
- Land Area: 8.250 acres
- Price per Acre: \$800,000
- Stripped and rough graded



10620 36th Street NE

- Event Date: 2019-01-04
- Price: \$2,023,500
- Land Area: 2.260 acres
- Price per Acre: \$895,354
- Stripped and rough graded



20 Stonehill Place NE

- Event Date: 2018-03-29
- Price: 1,400,000
- Land Area: 9.160 acres
- Price per Acre: \$1,400,000
- Lots sold stripped and rough graded

Market Activity



3420 80th Avenue NE

- Event Date: 2018-10-23
- Price: \$2,500,000
- Land Area: 4.380 acres
- Price per Acre: \$570,776
- Green field land, long term hold



4120 67th Avenue NE

- Event Date: 2018-04-13
- Price: \$2,880,000
- Land Area: 4.100 acres
- Price per Acre: \$702,439
- Fenced and partially graveled.



10718 14th Street NE

- Event Date: 2018-12-03
- Price: 6,300,000
- Land Area: 6.250 acres
- Price per Acre: \$1,008,000
- Lots sold stripped and rough graded

Strategy, Fees & Commission

Strategy

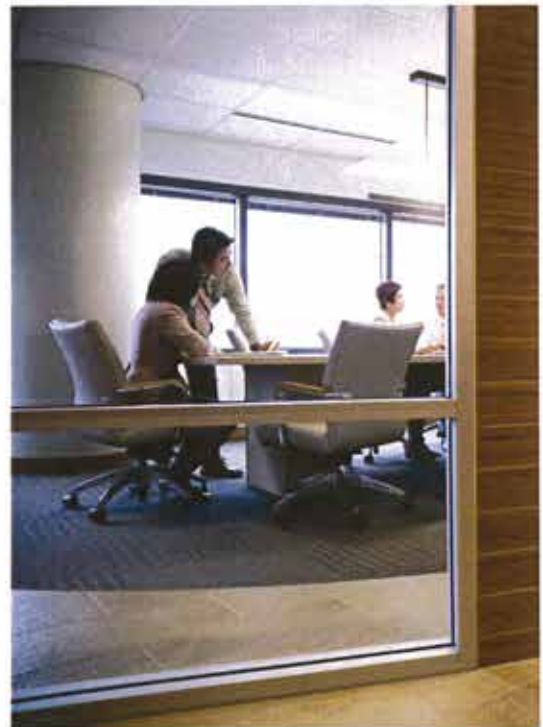
The marketing plan for this property starts with an understanding of your priorities as the Landlord, which comes down to price and timing. We couple your requirements with our understanding of the competing properties and past sales to determine the best possible positioning of the property. Our ultimate goal is to ensure that you obtain the maximum value in the quickest time period with the best possible covenant.

Actions:

- Active direct contact program with companies in the geographic area and identified target markets. (Cold & Warm calling)
- Immediate follow up with all signage and online enquiries, including qualifying buyers.
- Full market brokerage engagement, along with open house and regular follow up on all enquires.

As a wide variety of users will be introduced to the property, we expect a wide range of values that various groups will attribute to it. Some will see the value in the location, others will value things such as the exposure, or the land size and configuration etc.

Since user types will vary greatly and as such, so will how they value the property. We will work closely with each group to understand the metrics they're using and highlight site specific values whenever possible.



3676 48 AVENUE NE



Land Lease

- 5.34 acres of greenfield development land
- 52 years of term remaining with possible extensions
- Direct frontage onto McKnight Trail Northeast
- High profile site in close proximity to residential, retail, recreational and light industrial facilities
- Located near McKnight Trail and Metis Trail NE which easily connect to the major transportation network of Deerfoot Trail and Stoney Trail with exceptional access to and from the Calgary International Airport

Asking Price:

Lease Terms:

Due Diligence:

Recommendations:

Market

- First and last months deposit
- 60 day due diligence period
- Appraisal, environmental, RPR, geotechnical reports
- City of Calgary and Airport Authority correspondence
- Undertake due diligence

Marketing Expenses

Marketing Responsibilities and Costs


The following marketing expenses would be paid for as shown:

Item	Responsibility
Direct Mail Materials & Postage	Avison Young
Brochure Design and Production	Avison Young
Marketing & Graphics	Avison Young
Site Signage	Avison Young
Database Management	Avison Young
Website Creation & Management	Avison Young
Brokers Reception (Catered Open House)	Avison Young
Renderings and Imagery	Avison Young
Cold/Warm Call Targeted Marketing	Avison Young
Due Diligence Materials	Vendor

Marketing Tools

Sample Marketing Brochures

DEVELOPMENT OPPORTUNITY
5805 - 17 AVENUE SE, CALGARY, AB



Partnership. Performance.

FOR SALE
4.08 Acres with Direct Control Zoning

Doug Johnson, Principal
403.232.4314
dougjohnson@avisonyoung.com

Darcy Whalen, Vice President
403.232.4380
darcywhalen@avisonyoung.com

5805 Avenue 17 SE, Suite 100, 18, 58 Avenue SE, Calgary, AB, T2C 1P1 | (403) 232-5900 | 403.232.4314 | www.avisonyoung.com
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FOR SALE - DEVELOPMENT LAND
285127 Frontier Road, Rocky View County, AB



Partnership. Performance.

Area: 2.8 Acres	LUD: DC (Direct Control)
Legal: Plan S113710 Block 2, Lot 12	Price: \$1,000,000.00
Topography: Level and at grade with surrounding development	Services: Partially serviced



Doug Johnson, Principal
403.232.4314
dougjohnson@avisonyoung.com

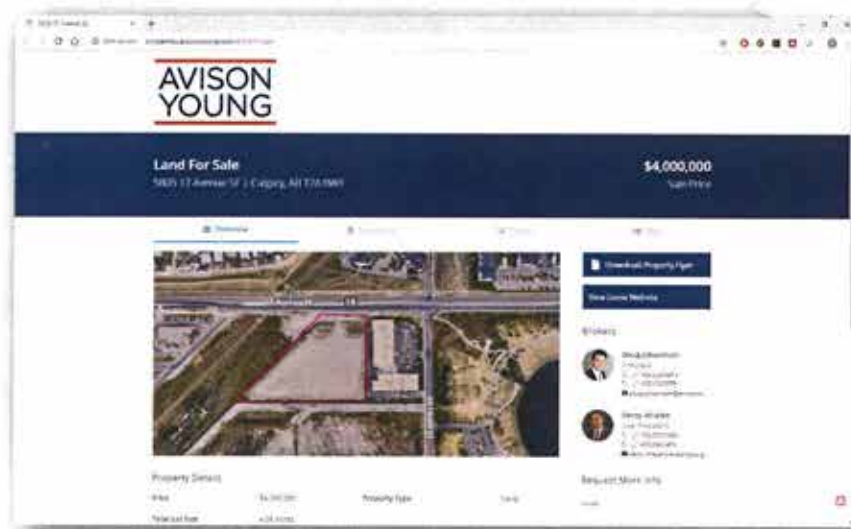
Darcy Whalen, Vice President
403.232.4380
darcywhalen@avisonyoung.com

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Marketing Tools

Websites

- www.avisonyoung.com - 24/7 access to our property listings section and also available on Avison Young and the marketing team's websites
- Other real estate listing hosting websites: Buildout.com, Realnet.com, loopnet.com, Costar.com, Kijiji.com



Avison Young Website Metrics

- Unique Visitors = 19,000/month average
- Hits = 3.5 million/month average
- AY Blog = 1,200/month average

Marketing Tools

Site Signage

- High profile customized signage erected on site to provide maximum exposure



Intelligent
Real Estate
Solutions

For Lease

avisonyoung.com

Doug Johannson
403.232.4314

Darcy Whalen
403.232.4380



Proposed Fees/Commissions

Direct Transaction	Co-Brokered Transaction (Cooperating agent from different brokerage, not the listing team)	Additional Incentive, if any
5% of Net Rent Years 1 - 5 2.5% of Net Rent for Years 6 - 10 1% of Net Rent for Years 11 - 20	Commission paid to cooperating agents with a 50% override to the listing team.	Not applicable.

Proposed Monthly Reporting

Listing Activity Report

- Continuous feedback & accountability
- Diligent tracking of prospects in the market
- Monthly written reports
- Competitive listings and completed deals



Prospects / Tours

1 = Completed Deals 2 = Offers 3 = Active Prospects 4 = Tours 5 = Inquiries 6 = No further interest

Prospect	Broker	Size	Risks	Comments
Undisclosed				
TBD			2	Awaiting Councilor Offer. No further feedback
TBD			3	Reversing options; Not looking positive
TBD			3, 4	Toured manager from China. Positive feedback.
TBD			5	Broker has a meeting - start next week. Expecting a tour in October
TBD			5	Tour scheduled for Sept 30th
TBD			5	Sent details and floor plans. On hold until April
TBD			5	Package sent; Prefer to be in Markham. Will try to make it on their second tour.
TBD			5	Package sent.
TBD			5	Package sent.

Relevant Experience

Leased or Sold



285127 Frontier Road

- 2.76 acre site
- Vendor: 1743170 Alberta Ltd. (Black Diamond Group)
- Purchaser: ING Developments 2009 Ltd.
- Site: Former loam pile currently at grade level
- Considerations: 1 meter of loam remaining
- Service: Deep water services unavailable
- Closed: June 2018

Sale Price: \$960,000



4207 80 Avenue NE

- 2.76 acre site
- Term: May 2015 until April 2017
- Landlord: Jupiter Properties Inc.
- Tenant: OHL Construction Canada, Inc.
- Inducements: As-is, where-is
- Site: Graveled and fenced
- Service: Full services available but unconnected

Lease Rate: \$5,000 per Month Gross

Leased or Sold



12725 52 Street SE

- 36.6 acre site
- Vendor: Canadian Broadcasting Corporation
- Purchaser: Telsec Property Corporation
- Site: Former communications tower
- Considerations: Future LRT expansion
- Service: Full services available
- Closed: December 2012

Sale Price: \$8,235,000



7 Balzac Way

- 2.00 acre site
- Term: July 2018 until June 2020
- Landlord: SWA Holdings Inc.
- Tenant: New West Equipment Services Ltd.
- Inducements: One month fixturing
- Site: Graveled and fenced with storm pond
- Service: Most services available but unconnected

Lease Rate: \$4,750 per Month Gross

Leased or Sold



240085 Frontier Crescent

- 7.49 acre site
- Vendor: Remington Development Corporation
- Purchaser: S P Building Systems Inc.
- Site: Previously stripped and rough graded
- Considerations: Planned speculative development
- Service: Deep water services unavailable
- Closed: May 2013

Sale Price: \$1,797,600



240039 Frontier Crescent

- 8.64 acre site
- Vendor: 1804947 Alberta Ltd. (Sureway Metals)
- Purchaser: Pat Powell Holdings Ltd. (KLS Earthworks)
- Site: Previously stripped and rough graded
- Considerations: Planned speculative development
- Service: Deep water services unavailable
- Closed: July 2013

Sale Price: \$3,456,000

Thank you.

Doug Johannson, Principal
403.232.4314
doug.johannson@avisonyoung.com

Darcy Whalen, Vice President
403.232.4380
darcy.whelen@avisonyoung.com

Jordyn Malkinson, Associate
403.232.4316
jordyn.malkinson@avisonyoung.com



Intelligent
Real Estate
Solutions



Regional Member

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**CALGARY ROTARY CHALLENGER PARK
SOCIETY**

Financial Statements

DECEMBER 31, 2018

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INDEPENDENT AUDITORS' REPORT

To the Members of Calgary Rotary Challenger Park Society

Opinion

We have audited the accompanying financial statements of Calgary Rotary Challenger Park Society (the "Society") which comprise the statement of financial position as at December 31, 2018, and the statements of operations and changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2018 and the results of its operations, changes in fund balances and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with 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.

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

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

Independent Auditors' Report to the Members of Calgary Rotary Challenger Park Society *(continued)*

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

Calgary, Alberta

CHARTERED ACCOUNTANTS

CALGARY ROTARY CHALLENGER PARK SOCIETY
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2018

	General Fund		Park Construction Fund		Capital Fund		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues								
Casino	\$ 27,215	\$ 29	\$ -	\$ -	\$ -	\$ -	\$ 27,215	\$ 29
Contributions	519,712	45,399	-	10,713	-	-	519,712	56,112
Facility rental	389,967	386,371	-	-	-	-	389,967	386,371
Grants	305,424	313,742	-	587,077	-	-	305,424	900,819
Programming	12,146	17,895	-	-	-	-	12,146	17,895
Special event	62,300	79,373	-	-	-	-	62,300	79,373
	<u>1,316,764</u>	<u>842,809</u>	<u>-</u>	<u>597,790</u>	<u>-</u>	<u>-</u>	<u>1,316,764</u>	<u>1,440,599</u>
Expenses								
Amortization of capital assets	1,395	1,743	-	-	374,607	370,785	376,002	372,528
Marketing and public relations	37,002	40,479	-	278	-	-	37,002	40,757
Operations and administration (Note 8)	645,025	694,126	71	10,627	4,933	4,116	650,029	708,869
Special event	19,132	27,178	-	-	-	-	19,132	27,178
	<u>702,554</u>	<u>763,526</u>	<u>71</u>	<u>10,905</u>	<u>379,540</u>	<u>374,901</u>	<u>1,082,165</u>	<u>1,149,332</u>
Excess (deficiency) of revenues over expenses from operations	<u>614,210</u>	<u>79,283</u>	<u>(71)</u>	<u>586,885</u>	<u>(379,540)</u>	<u>(374,901)</u>	<u>234,599</u>	<u>291,267</u>
Other income (loss)								
Write-off park construction fund assets (Note 4)	-	-	-	(174,850)	-	-	-	(174,850)
Non-claimable GST ITC's	(10,774)	(32,573)	-	-	-	-	(10,774)	(32,573)
Change in fair value of marketable securities	(7,947)	9,004	(48,603)	16,108	(5,407)	(2,579)	(61,957)	22,533
Interest income	3,272	1,447	-	-	-	-	3,272	1,447
Investment income	11,583	10,103	23,006	14,590	17,017	10,600	51,606	35,293
Realized gain on sale of marketable securities	1,371	3,357	-	-	3,601	36,282	4,972	39,639
Foreign exchange	-	-	13,111	-	-	-	13,111	-
	<u>(2,495)</u>	<u>(8,662)</u>	<u>(12,486)</u>	<u>(144,152)</u>	<u>15,211</u>	<u>44,303</u>	<u>230</u>	<u>(108,511)</u>
Excess (deficiency) of revenues over expenses	<u>611,715</u>	<u>70,621</u>	<u>(12,557)</u>	<u>442,733</u>	<u>(364,329)</u>	<u>(330,598)</u>	<u>234,829</u>	<u>182,756</u>
Fund Balances - Beginning of Year	<u>396,311</u>	<u>438,653</u>	<u>874,885</u>	<u>837,029</u>	<u>7,091,780</u>	<u>6,904,538</u>	<u>8,362,976</u>	<u>8,180,220</u>
Interfund transfers (Note 10)	<u>(589,698)</u>	<u>(112,963)</u>	<u>514,961</u>	<u>258,690</u>	<u>74,737</u>	<u>(145,727)</u>	<u>-</u>	<u>-</u>
Transfer of capital assets	<u>-</u>	<u>-</u>	<u>(189,098)</u>	<u>(663,567)</u>	<u>189,098</u>	<u>663,567</u>	<u>-</u>	<u>-</u>
Fund Balances - End of Year	<u>\$ 418,328</u>	<u>\$ 396,311</u>	<u>\$ 1,188,191</u>	<u>\$ 874,885</u>	<u>\$ 6,991,286</u>	<u>\$ 7,091,780</u>	<u>\$ 8,597,805</u>	<u>\$ 8,362,976</u>

CALGARY ROTARY CHALLENGER PARK SOCIETY

STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2018

	2018	2017
Operating activities		
Excess (deficiency) of revenues over expenses of the:		
General Fund	\$ 611,715	\$ 70,621
Park Construction Fund	(12,557)	442,733
Capital Fund	(364,329)	(330,598)
	234,829	182,756
Items not affecting cash:		
Amortization of capital assets	376,002	372,528
Write-off park construction fund assets	-	174,850
Investment income reinvested	(38,703)	(31,987)
Change in fair value of marketable securities	61,957	(22,533)
Gain on sale of marketable securities	(4,972)	(39,639)
Change in foreign exchange	(13,111)	-
Recognition of deferred contributions (Note 6)	(12,146)	(15,395)
	603,856	660,219
Change in non-cash working capital:		
Accounts receivable	36,414	(40,098)
Prepaid expenses	19,873	(20,738)
Accounts payable and accrued liabilities	(74,967)	84,884
Goods and services tax payable	21,746	(18,938)
Deferred revenue	49,952	(8,445)
Tenant deposits	(3,500)	(12,000)
	653,374	605,245
Investing activity		
Capital asset additions	(10,279)	(178,818)
Park construction additions	(2,716)	(663,567)
	(12,995)	(842,385)
Financing activities		
Deferred contributions received (Note 6)	16,001	5,213
Proceeds from disposal of marketable securities	-	175,043
Purchase of marketable securities	(715,877)	(30,000)
	(699,876)	150,256
Decrease in cash	(59,497)	(86,884)
Cash, beginning of year	341,420	428,304
Cash, end of year	\$ 281,923	\$ 341,420

Non-cash transaction (Note 11)

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. Significant accounting policies

The financial statements of Calgary Rotary Challenger Park Society (the "Society") have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The financial statements have, in management's opinion, been properly prepared using careful judgment with reasonable limits of materiality and within the framework of the significant policies summarized below.

Fund accounting

The General Fund accounts for the Society's operating and services revenues and expenses, as well as administrative and fundraising activities. The fund also reports the assets and liabilities of the general operations.

The Park Construction Fund is a restricted fund that reports the assets, liabilities, revenues and expenses related to the Society's construction activities.

The Capital Fund is a restricted fund that reports the assets, liabilities, revenues and expenses related to the Society's capital assets.

Revenue recognition

The Society follows the restricted fund method of accounting for contributions.

Unrestricted contributions are recognized as revenue of the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to Park construction are recorded as revenue in the Park Construction Fund when received or receivable. Restricted contributions related to the acquisition of capital assets are recognized as revenue in the Capital Fund when received or receivable. Casino, programming and special event revenue is recognized as revenue of the General Fund using the deferral method, whereby contributions are recognized as revenue in the year in which the related expenses are incurred only if the contributions are externally restricted.

Facility rental revenue is recognized on an accrual basis as it is earned. Deferred revenues represent amounts received in advance for rents related to subsequent periods.

Financial instruments*Measurement*

The Society initially measures its financial assets and liabilities at fair value, except for certain related party transactions which are measured at the carrying amount or exchange amount. The Society subsequently measures all financial assets and financial liabilities at amortized cost, except equity instruments quoted in an active market, which are reported at fair value with any unrealized gains and losses reported in the statement of operations.

Financial assets subsequently measured at amortized cost include cash and accounts receivable.

Financial assets subsequently measured at fair value include marketable securities.

Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities and tenant deposits.

Continues...

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. Significant accounting policies (continued)

Financial instruments (continued)

Impairment

Financial assets subsequently measured at amortized cost are tested for impairment when there are indications that an impairment exists. The amount of write-down is recognized as an impairment loss in the statement of operations. A previously recognized impairment loss may be reversed to the extent of an improvement, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations in the period the reversal occurs.

Transactions costs

The Society recognizes transaction costs on financial instruments subsequently measured at fair value in the statement of operations in the period incurred. Financial instruments subsequently measured at amortized cost are adjusted for financing fees and transaction costs which are directly attributable to the origination and acquisition of the financial instrument.

Cash, cash equivalents and marketable securities

Cash consists of cash on hand and bank deposits. Highly liquid investments with maturities of three months or less at date of purchase are considered to be cash equivalents.

Pledges receivable

Pledges receivable are recorded in the financial statements when the following criteria are met:

- (a) The Society receives a signed letter from the donor stating the pledged amount with no outstanding conditions; and
- (b) The fair value of the pledge can be reasonably estimated.

Capital assets

Capital assets are recorded at cost and amortized over their useful life using the declining balance method at the following annual rates:

Buildings	4%
Furniture and equipment	20%
Land improvements and services	4%
Outdoor facilities/fields	15%

Continues...

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

1. Significant accounting policies (continued)**Park Construction**

Park construction costs include tangible and intangible costs of developing, constructing and enhancing the Park. These costs are not subject to amortization. Once the work is complete and assets are put into use, the costs are transferred to capital assets and amortized at the applicable rate.

Intangible development costs are tested for impairment annually, or when events or circumstances indicate uncertainty as to realizing a future benefit. If the carrying amount of the intangible asset exceeds its fair value, the excess amount is recognized as an impairment loss in the statement of operations.

Contributed services

In the current fiscal year, volunteers contributed services to assist the Society in carrying out its mandate. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Allocation of expenses

The costs included in each respective function are expenses that are directly related to the services and functions carried on by the Society. Operations and administration are considered a function in their own right and have not been allocated. Detail of operations and administration - General Fund is included in Note 8.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO 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. Estimates and assumptions include the estimated useful life of capital assets for amortization purposes, and the net recoverable amount of accounts receivable, capital assets, and park construction costs. By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

2. Nature and purpose of organization

The Society is incorporated under the Societies Act of Alberta and received its charitable status in January 2005. The Society is not subject to federal or provincial income tax.

The mission statement for the Society is that it will be responsible for "Providing accessible sport and recreational facilities, *WHERE EVERYONE CAN PLAY*".

The Society constructed a barrier-free sport and recreational facility (the "Park") that facilitates the development and delivery of programs and services to persons of all abilities. The Park is located on 25 acres of land in northeast Calgary.

During the year the Society entered into two (2) new agreements. The first was a Funding Agreement with the City of Calgary (the "City"), which replaced the Society's Management and Operations Agreement with the City. The second agreement was a Consent To Assignment, which was a tri-party agreement between the City, the Society and the Calgary Airport Authority. The latter agreement assigns the original Sublease on the Park's lands to the Society directly. Subsequent to this agreement, the Society received an Extension to this Sublease to June 29, 2072.

Continues..

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

2. Nature and purpose of organization (continued)

As part of the new Funding Agreement, the City will continue to provide an annual Operating grant, as part of the City's 4-year budget cycle until December 31, 2022, to support the operating expenses of the Society. This agreement may be renewed or extended for a subsequent budget cycle, upon mutual agreement between the City and the Society. The amount of the grant for the current year was \$272,777 (2017 – \$265,606).

3. Capital assets

	2018			2017
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 4,805,800	\$ 1,976,060	\$ 2,829,740	\$ 2,810,415
Furniture and equipment	220,151	186,745	33,406	38,669
Land improvements and services	5,320,654	2,595,369	2,725,285	2,825,317
Outdoor facilities/fields	5,020,178	4,245,155	775,023	875,958
	<u>\$15,366,783</u>	<u>\$ 9,003,329</u>	<u>\$ 6,363,454</u>	<u>\$ 6,550,359</u>

Buildings, land improvements and services and outdoor facilities/fields are owned by the Park (Note 2).

4. Park construction costs

Under the terms of the Consent of Assignment (Note 2) the Park buildings, land improvements and services and outdoor facilities/fields constructed are the property of the Park. As the Society has the beneficial risks and rewards of ownership for the assets, the financial statements account for these expenditures as long-term assets of the Society.

Park construction costs include development costs related to upgrading of the current Park facilities. During the year, the Society undertook new improvements amounting to \$12,996 (2017 - \$842,384). Some of this work was not completed at year end and is reflected on the Statement of Financial Position, under Park Construction. These costs are not subject to amortization, and will remain in Park Construction until the projects are completed, at which time they will be transferred to the Capital Fund.

The Society will continue to explore ways to develop the 5.34 acres of lands currently under a Sublease Agreement until June 2072 with the Calgary Airport Authority.

5. Deferred revenue

Included in deferred revenue is \$51,207 (2017 - \$1,255) of revenue related to bookings and casino revenue. This revenue will be recognized for activities that will occur in 2019.

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2018

6. Deferred contributions

	2018	2017
Balance, beginning of year	\$ 96,805	\$ 106,987
Contributions during the year	16,001	5,213
Recognized as revenue in the year	(12,146)	(15,395)
Balance, end of year	\$ 100,660	\$ 96,805

Deferred contributions relate to contributions made specifically for the Everyone Can Play Fund Program ("ECPF"). The ECPF is a subsidy-based program used by the Society to assist disability organizations in paying for their use of the Park. Contributions received for the ECPF for this year were \$16,001. The amount of contributions recognized as revenue in the General Fund is equal to the amount of subsidies the Society has provided for bookings during the year.

7. Reserves externally and internally restricted

	2018		
	Life Cycle Maintenance	Operating Reserve	Park Construction Reserve
Balance, beginning of year	\$ 548,394	\$ 385,448	\$ 697,961
Restricted contributions	-	-	-
Transfers from operating	70,000	5,000	500,000
Investment income (expense)	15,016	8,278	(12,486)
Withdrawals	-	(3,271)	-
Balance, end of year	\$ 633,410	\$ 395,455	\$ 1,185,475
	2017		
	Life Cycle Maintenance	Operating Reserve	Park Construction Reserve
Balance, beginning of year	\$ 653,934	\$ 357,984	\$ 660,262
Restricted contributions	-	-	9,000
Transfer from operating	25,000	5,000	-
Investment income	44,302	23,912	30,699
Withdrawals	(174,842)	(1,448)	(2,000)
Balance, end of year	\$ 548,394	\$ 385,448	\$ 697,961

Continues...

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

7. Reserves externally and internally restricted (continued)

The Society maintains reserves for general operations, life cycle maintenance and capital projects.

The Operating Reserve is reported as an internally restricted fund balance in the General Fund as this reserve is to be utilized at the discretion of the Society towards unanticipated operational costs or actual shortfalls. The assets of the operating reserve are comprised of marketable securities which are held in mutual funds.

The Life Cycle Maintenance Reserve is reported as an internally restricted fund balance in the Capital Fund as these funds are restricted for the purpose of protecting the integrity of the Park. Disbursements from the Life Cycle Maintenance Reserve are outlined in the life cycle plan. The assets of the Life Cycle Maintenance Reserve are comprised of marketable securities that are held in mutual funds. In the prior year, the Life Cycle Maintenance Reserve was reported as an externally restricted fund balance in the Capital Fund as per the Management and Operations Agreement with the City. This was replaced by the agreements described in Note 2 that no longer stipulate any external restrictions.

The Park Construction Reserve is reported as an internally restricted fund balance in the Park Construction Fund as these funds are restricted for the purpose of capital improvements and/or life cycle maintenance. Disbursements from the Park Construction Reserve are included in the annual budgeting process of the Society. The reserve is comprised of cash of \$23,554 (2017 - \$151,633), marketable securities with a value of \$661,921 (2017 - \$546,435) and a Guaranteed Investment Certificate of \$500,000 (2017 - \$Nil).

During the year, the Board of Directors internally restricted \$70,000 (2017 - \$25,000) for the Life Cycle Maintenance Reserve, \$5,000 (2017 - \$5,000) for the Operating Reserve and \$500,000 (2017 - \$697,717) for the Park Construction Reserve.

8. Operations and administration - General Fund

	2018	2017
Catering	3,267	2,509
Governance	\$ 11,699	\$ 13,296
Insurance	20,728	30,879
Park maintenance	235,598	278,345
Park utilities	59,430	67,607
Professional fees	29,088	24,163
Secretarial and office	32,532	30,838
Staff salaries, benefits and expenses	252,683	246,489
	\$ 645,025	\$ 694,126

9. Operating line of credit

The Society has an operating line of credit with a maximum available amount of \$20,000, bearing interest at bank prime plus 3.00%. As of December 31, 2018, \$Nil (2017 - \$Nil) was drawn on this credit facility.

CALGARY ROTARY CHALLENGER PARK SOCIETYNOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018**10. Interfund transfers**

Interfund transfers consist of transfers from the General Fund to the Park Construction Fund to cover park construction costs totalling \$19,894 and transfer of investment income to the Capital Fund of \$195. Furthermore, there was a transfer from the Park Construction Fund to the Capital fund to cover investment broker fees of \$4,933.

During the year, the Society internally restricted a donation of \$500,000 and transferred from the General Fund to the Park Construction Fund to finance capital improvements and/or life cycle maintenance. The Board of Directors also internally restricted \$75,000 from the General Fund and transferred \$70,000 to the Life Cycle Maintenance Reserve and \$5,000 to the Operating Reserve to fund costs described in Note 7.

11. Non-cash transaction

During the year, the Society sold marketable securities for proceeds of \$12,150 which were then reinvested. As this transaction is non-cash in nature, it has been excluded from the statement of cash flows.

12. Sublease

The Society retains two (2) separate subleases from the Calgary Airport Authority. One lease is for the current Park lands and the second lease is for 2.16 hectares (5.34 acres) of land adjacent to the current Park's South East boundary. Both of these subleases are for a term until June 30, 2072. Development of the 5.34 acre parcel of land is restricted by the Land Uses Guidelines of the Calgary Airport Authority.

13. Endowment Fund

During the year ended December 31, 2006, a contribution of \$100,000 was made by Mr. Lou MacEachern (the "donor") to The Calgary Foundation with a direction that 3.5% of the market value of the funds be distributed annually to the Society. The donor designated this annual distribution to be used in its Everyone Can Play Fund Program. During the year, the Society received \$5,371 (2017 - \$5,231) from the Lou MacEachern Fund which is included in contributions to the Society's Everyone Can Play Fund (Note 6).

The fair market value of the Lou MacEachern Fund at The Calgary Foundation at December 31, 2018 was \$148,059 (2017 - \$152,726).

14. Financial instruments risk exposure

The Society is exposed to various risks through its financial instruments. The following analysis provides a measure of the entity's risk exposure and concentrations at the statement of financial position date.

(a) Credit risk

Credit risk arises from the possibility that third parties may default on their financial obligations.

The Society's credit risk exposure on cash is minimized substantially by ensuring that cash is held with credible financial institutions. The Society's accounts receivable were collected subsequent to year-end.

(b) Liquidity Risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

Continues..

CALGARY ROTARY CHALLENGER PARK SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2018

15. Financial instruments risk exposure (continued)**(c) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk, and other price risk as described below.

• Currency Risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the reporting currency of the Society will fluctuate due to changes in foreign exchange rates. The Society is exposed to foreign currency exchange risk on its cash and marketable securities denominated in United States ("US") Dollars. At December 31, 2018 the Society holds in US dollars, cash of \$677 (2017 - \$Nil) and marketable securities of \$33,718 (2017 - \$Nil). The Society is exposed to minimal currency risk.

• 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. The Society is not exposed to significant interest rate risk.

• Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Society is exposed to other price risk on its marketable securities which have a cost base of \$1,581,491 (2017 - \$1,338,051) and a market value of \$1,692,215 (2017 - \$1,481,509) as at December 31, 2018. The marketable securities are comprised of mutual funds, the majority of which are invested in bonds and money market funds. Approximately 30% of the mutual funds are made up of equity investments which carry a higher risk of fluctuation in fair value.

16. Comparative figures

Some of the comparative figures have been reclassified to conform to the current year's presentation.