

# PrairieLand Park

WHERE GREAT THINGS HAPPEN



# 2016 ANNUAL REPORT

Saskatoon PrairieLand Park Corporation

# Saskatoon Prairieland Park Corporation

## *2016 Annual Report*

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## MESSAGE FROM THE CHAIR, VOLUNTEER BOARD OF DIRECTORS

Saskatoon Prairieland Park continues to grow every year, pushing our management team and our employees to find ways to move activities in and out of our buildings due to tight schedules. We often work through the night dismantling and preparing for our next event. This does not happen without hard work led by Mark Regier and his management team.

This Park continues to be the number one destination point in Saskatchewan with over 1.6 million people attending events over the last year.

The Trade & Convention Centre, Special Events Department, Agriculture Department and Sports on Tap are all exceeding budget. The only area we are experiencing negative results in is Marquis Downs. This is an ongoing focus for your Board; Rick Fior, Manager of Horse Racing and of course Mark. Management has come forward with a very aggressive budget where many noticeable changes will take place to ensure the viability of horse racing.

As you review the financial reports, you will notice we are having a very strong year in profits. We mentioned last year that we require capital reserves for our new 80,000 square foot building. The building has been architecturally designed but not yet sent out for tender. We've been working with a company called Earnscliffe Consulting to assist us in getting federal funding due to budget restrictions and lack of support from the provincial government. We need more space for the Crop Production Show as well as numerous other clients which is why funding for this is so important. The Regina Trade Centre has received up to \$33,000,000 from its city; and both the Provincial & Federal governments, which means we will be in direct competition with them in the future.

We have a dedicated Board, who supports growth that is needed for upgrades and capital improvements to ensure our park is able to meet today's needs as well as a vision for a business plan that looks into the future.

The Prairieland Park Board of Directors does a yearly confidential self-assessment questionnaire of over 60 questions that helps to measure how we are doing. This is conducted by the Board Chair and reviewed by the whole Board at the end of the year.

This past year we completed an economic impact study which was done by SREDA. It states we have an economic impact to this city and province of \$126,000,000. The Board of Directors feel this number is very conservative.

We have reviewed our Board of Director's policy manual, which covers our governance process, ends policy, and the Board/CEO relationship.

With your understanding and approval from last year, we reduced our board to nine members and we want to ensure you that it is working very efficiently.

I thank Steve Chisholm for chairing the Site Development Committee, Curtis Gulka for chairing the Audit/Finance Committee and Cory Thoms for chairing the Governance / Membership Committee. This was the first year these three chaired committees and again, thanks for a job well done. Great work happens at these meetings and these chairs

dedicate extra time to ensure it happens. You will be hearing from them during the committee reports.

I would also like to recognize the remaining Board members, Vice-Chair Daymond Volk, Trevor Forrest, Don Hrapchak, Tracy Arno, Brian Rossnagel, Dwight Buchholz and Troy Davies who represents the City of Saskatoon.

Trevor Forrest's term on the Board of Directors will conclude at the annual meeting. Trevor has given a total of 11 years of service to the corporation including two years as Chair of the Board. I wish to thank Trevor for his exemplary leadership to Prairieland Park.

This will also be the last year of a nine year term for Daymond Volk. Thank you Daymond for your leadership.

Prairieland Park plays a large roll in the identity and culture of our city and province. Everyone on this team understands this and does their part in keeping us relevant and moving forward.

Thank "you" to our members, of which we are at a record high of 314 for attending this yearly meeting and showing your support for the past and future growth of this great organization.

Being that this is my final year as the Board Chair for Prairieland, I want to say it's been my honor as well as a rewarding experience to work with both past and existing board members; as well as with Mark and his team. I send a special thanks to Korilee for all the work she has done for me over these past 2 years.



*Stu Irvine - Chair*

## BOARD OF DIRECTORS

# SASKATOON PRAIRIELAND PARK CORPORATION

Saskatoon Prairieland Park Corporation is a world-class destination for premiere events and entertainment. We produce, host, and facilitate extraordinary events through first-rate customer service and superior facilities.

## OFFICERS

Chair – Stu Irvine

Past Chair – Trevor Forrest

Vice - Chair – Daymond Volk

Audit/Finance Chair – Curtis Gulka

Governance/Membership Chair – Cory Thoms

Site Development Chair– Steve Chisholm

Chief Executive Officer – Mark Regier

Chief Financial Officer – Dan Kemppainen

Executive Assistant – Korilee Burgess

Auditors – Deloitte



Back Row: Brian Rossnagel, Troy Davies (City of Saskatoon representative), Trevor Forrest, Dwight Buchholz, Steve Chisholm.

Middle Row: Tracy Arno, Curtis Gulka, Don Hrapchak, Cory Thoms, Korilee Burgess (Executive Assistant).

Front Row: Mark Regier (Chief Executive Officer), Stu Irvine (Chair of the Board), Daymond Volk (Vice - Chair of the Board).



## CHIEF EXECUTIVE OFFICER REPORT

The corporation concluded the 2016 fiscal year with cash earnings from operations of \$3.88 million. This is down \$290,000 from 2015 due primarily to the Skills Canada national event held that year. This strong financial performance provides the corporation with the capital to finance future development of the Park. \$3.6 million was invested in park development in 2016 with another \$3.16 million budgeted for 2017.

The Trade & Convention Centre was operating all twelve months hosting 379 events and 1,165 event days. March and April are the busiest months of the year with many overnight turnovers of events. It is amazing to see a major convention or trade show taking place in the evening and returning the next morning to see the buildings cleared and ready for the next event. Prairieland Park is a full service operation offering services from event planners, operations personnel, culinary services and technical services.

The Racing Division presented a 26 day thoroughbred racing season at Marquis Downs, concluding with the 56th running of the Saskatchewan Derby. It was an amazing season with strong horse fields generating thrilling live action for the large enthusiastic crowds. The 26 day live handle remained strong at \$988,440. However, the off-track betting handle at our three provincial teletheatres is down 15% to \$5.5 million. This is a major concern as 85% of the total handle is generated from the teletheatres. Management is working hard to streamline operating costs for the 2017 race season.

Seven major events are produced by the agriculture department. These include the Western Canadian Crop Production Show, Saskatchewan Equine Expo, Prairieland Youth Leadership Conference, Saskatchewan Beef Expo, the World Professional Chuckwagon Races, Prairieland Junior Ag Showcase and AG Experience. The department also operated the Ag Centre which hosted an additional 65 event days. A total of \$8,000 in scholarships were awarded at the Youth Leadership Conference. 70 kids participated in Beef Expo and 240 participants were included in the Junior Ag Program. Producing these events is a clear demonstration of Prairieland Park's commitment to agriculture.

The Saskatoon Ex took place on August 9 - 14th, 2016 with a total attendance of 210,055. This is a modest increase

from 2015 considering threats of severe weather. Lively crowds filled the stands for the numerous acts and entertainment that covered the entire Park.

On top of producing the Saskatoon Ex, the Special Events Department produced Gardenscape, several Small Business Christmas Parties, The New Year's Eve Party and many concerts and cabarets.

On November 25th, 2016, Director of Events, Carl Schlosser lost his battle with cancer. Carl was a significant part of our management team with his years of experience and special skill sets. He will be greatly missed both personally and professionally. We miss him dearly.

I wish to thank Board Chair Stu Irvine and the entire Board of Directors for cultivating a strong working relationship with the management team. This is what makes this corporation great!



*Mark Regier - CEO*

# PRAIRIELAND PARK ADMINISTRATION

## INTERNAL DIRECTORS



**Dan Kemppainen**  
Chief Financial Officer  
Oversees the management of the Finance, Food & Beverage, and Sports on Tap departments.



**Allan Sorowski**  
Director - Facilities & Operations  
Oversees the management of the Operations Department plus all facility and park development.

## 2016 Salaried Staff

### Executive Office

Mark Regier – Chief Executive Officer  
Korilee Burgess – Executive Assistant

### Human Resource Department

Sharon Preston - Manager - Human Resources  
Shirlee Olekson – Office Administrator  
Krista King – Administrative Assistant

### Marketing Department

Donna Bohrsen – Manager – Marketing – Jan – June  
Claire Letendre - Web Designer/ Developer - Jan – June  
Shandra Liss - Marketing Coordinator – Jan - June  
Kristy Rempel – Manager – Marketing – June - Dec  
Cassie Wallace - Marketing Coordinator – June - Dec  
Cameron Just - Web Designer/Developer – June - Dec

### Finance Department

Dan Kemppainen – Chief Financial Officer  
Shawn Irwin – Controller  
Paulette Pellerin – Payroll Administrator  
Lisa Harms - Staff Accountant  
Barry Podhorodeski - Staff Accountant  
Brett Smith - IT & Financial Systems Administrator  
Leica Carlson - Accounts Payable/Receivable Administrator

### Events Department

Carl Schlosser - Director – Events  
Susan Kuzma - Manager - Special Events  
Jason Hynd - Manager - Corporate Sales & Sponsorship  
Jay Boechler - Manager - Technical Services  
Guylaine Patenaude - Special Events Coordinator  
Keat Maddison - Technical Services Coordinator

### Food & Beverage Department

Sharon Odnokon - Manager - Food & Beverage  
Amy Schindelka – Manager – Food & Beverage  
Erin Kuemper – Food & Beverage Staffing Administrator  
Eliot Lang- Executive Chef  
Selina Callaghan - Sous Chef

Tricia Sullivan – Food & Beverage Supervisor  
Tammy Allen – Food & Beverage Supervisor  
Judith Aronovitch – Food & Beverage Supervisor  
Keith Sandy - First Cook

### Agriculture Department

Lori Cates - Manager - Agriculture  
Leigh Ann Hurlburt - Agriculture Coordinator  
Charlene Omelan - Agriculture Administrator  
Shelley Wing – Exhibits Administrator  
Crystal Willms - Ag Centre Coordinator

### Rentals Department

Caroline Laird - Manager - Rentals  
Gerald Ball – Event Coordinator  
Monica Horn - Event Coordinator  
Kyle Chudyk - Event Coordinator  
Greg Monson - Sales Coordinator

### Racing & Wagering

Rick Fior - Manager - Racing  
Rose Hnatuk - Mutuel/Administrative Coordinator  
Denis Paules – Track/Stable Supervisor

### Operations Department

Wayne Heiser – Director – Facilities – Jan- May  
Allan Sorowski – Director – Facilities & Operations  
Colleen Woodley – Assistant Manager - Facilities & Operations  
Patrick Laprairie – Custodial Service Supervisor  
Dave Gruending – Equipment & Grounds Supervisor  
Roger Miller - Operations Supervisor  
Jonathon Burgess – Electrician  
Dave Jack - Carpenter  
Glenn Huber – Mechanic  
Garth Sommerfeld – Operations Personnel

### Sports on Tap

Kelsey Stabler - Assistant Manager – Sports on Tap

## AUDIT/FINANCE COMMITTEE REPORT

Once again, 2016 was a successful year for Prairieland Park.

For the year ending December 31, 2016, Prairieland Park reported a \$ 1,759,357 excess of revenues over expenditures. Cash flow generated by the Corporation in 2016 totaled \$ 3,884,721. This is calculated by adding the non-cash items, principally the amortization of capital assets, to the excess of revenues over expenditures.

The cash flow of Prairieland Park is required for use in 3 main areas: 1) reinvestment and replacement in facilities and equipment, which totaled \$ 3,663,700 in 2016; 2) repayment of long-term debt, which totaled \$ 400,000 in 2016; and 3) changes to the operating and capital reserve fund.

The statement of financial position (balance sheet) clearly shows the financial health of the Corporation. The current ratio of 3.24:1 indicates the capability to repay current liabilities with current assets. The debt-to-equity ratio is at 0.17, which is considered low when analyzing the Corporation's ability to borrow and repay debt. This number has been decreasing steadily, as the debt is being paid down while increasing the equity (net assets) on the balance sheet.

Cash and marketable securities remain strong, with a combined total of over \$ 9.2 million. While this may seem like a large figure, it's very important to maintain strong reserves while continuing to invest in capital improvements to the property and equipment. There is a long list of capital expenditures that will need to be made in the future so ensuring there is a strong reserve fund to assist in facilitating these needs is essential.

Each year, the Audit/Finance Committee reviews the annual operating budget prepared by Management. These budgets are then recommended to the Board of Directors for the subsequent year. Throughout the year, the Committee reviews the financial performance of the Corporation at the quarterly meetings.

The financial statements are audited at the end of each year by Deloitte, the external auditors appointed by the Board of Directors. The Audit/Finance Committee reviews and approves the audit plan as presented by Deloitte. Upon completion of the yearend audit, the auditors meet with the Committee to review the audit results. Once again, Deloitte has issued an unqualified audit opinion to the Committee, which means that the financial records and statements are fairly and appropriately presented, and in accordance with Generally Accepted Accounting Principles (GAAP). The Board of Directors is proud that a clean audit report is the norm for the Corporation and wish to thank the Management and Staff for their continuing efforts in ensuring this.

On behalf of the Audit/Finance Committee, I would like to express my gratitude to the Management and Staff of Prairieland Park for their actions in achieving a strong financial performance once again in 2016 and in providing the required information at our Committee meetings.

Further, I would like to thank the members of the Committee – Daymond Volk, Trevor Forrest and Troy Davies – for their contributions and commitment to the work of this Committee.

Respectfully submitted,

Chair – Curtis Gulka





## GOVERNANCE/MEMBERSHIP COMMITTEE REPORT

The Governance/Membership Committee ensures that our Board fulfills its legal, ethical and functional responsibilities through adequate governance policy development, member recruitment strategies, training programs, monitoring of board activities and evaluation of Board performance. The committee integrates best practices through regular review of the organization's governance.

### Governance:

Annually, the committee reviews a portion of Prairieland's governance policies and bylaws. All policies and bylaws are reviewed over the course of a three-year cycle. This is a process which the committee takes very seriously and allows us to continue to evolve in a legal and ethical manner.

The committee did a fantastic job in recruiting our newest board member for 2017. We asked all board members to submit names from the membership that they felt would benefit our board. Following our board matrix, we then vetted out all the candidates and came up with Lou Hammond Ketilson as this year's new board member.

In 2016 we had a 50/50 ticket that was unclaimed for a value of \$2,443. The committee and board decided to give the proceeds to Camp Firefly.

### Membership:

Over the past couple of years we have seen a fantastic spike in membership applications. This is a direct result of our current membership recruiting new members. Keep up the great work.

Memberships approved during the Calendar Year

2013	2014	2015	2016
6 - Personal	8 - Personal	28 - Personal, 1 Corporate	25 - Personal 1 - Corporate

It was approved at our last board meeting to have all new members sponsored by an existing member in good standing. The Board feels this is a good way to recruit high quality members that may eventually become board members.

I wish to thank the members of the Governance/Membership Committee for their great work in 2016; Dwight Buchholz, Don Hrapchak and the Chair of the Board, Stu Irvine.

Respectfully Submitted,

Cory Thoms





## 2016 SITE DEVELOPMENT COMMITTEE REPORT

The Site Development Committee works each year with management of Prairieland Park to evaluate those areas of improvements that are necessary to ensure that the organization continues to be the premier events location in Saskatchewan. The committee then makes recommendations to the entire Board for approval. Once given, management uses the Site Committee's plan for a blueprint of yearly expenditures.

Saskatoon continues to grow and demand more from facilities and Prairieland Park has been extremely progressive in its approach to the increasing expectations. Several years ago it was decided that the electrical infrastructure required updating and serious resources were dedicated to this project. This is not a project that is highly visible but it is absolutely vital to the success and growth of the Park. The bulk of the electrical infrastructure project was completed in 2016. There are still some low priority items to be completed at a future time. Two more volleyball courts along with a patio have been added to Sports on Tap to accommodate the increasing demand. The new 37 pad RV Park has been created next to the racetrack. Paving sealant has been administered to the Trade Centre parking lot. Midway washrooms have been added to the north/east corner of the Midway. Renovations to the Spudnut facility have been completed. These last two items greatly enhance the customer experience of those attending the Exhibition. Plus there has been some work done on landscaping in the Park.

Site development plans in 2017 include some very exciting projects. The main Trade Centre entrance and car port will be redeveloped. A recent survey conducted on behalf of the tourism industry suggested that the entrance is not of the aesthetics reflected in the rest of Prairieland Park. The new look of the entrance and car port will be eye-catching and will provide a better customer experience.

Secondly, Prairieland Park hosts one of the largest and most important agriculture shows annually - The Western Canadian Crop Production Show. In recent years the Crop Production Show has included an equally important event called Cropsphere. In January 2017, Cropsphere was hosted at the Park in a tent. If you recall, January was not a good month to be outside in a tent. Due to the increasing demands of both visitors, presenters and exhibitors; Prairieland Park is going to proceed with building an 18,000 square foot facility that will become a key component to hosting the Crop Production Show and Cropsphere. The \$2,200,000 for the construction will come from corporate reserves. The Prairieland facilities are being pushed to capacity and while this is an interim measure to accommodate the Park's increased activity, it will be built with the future in mind .

While these large projects tend to attract all the attention, there are smaller developments approved by the Site Committee including lighting upgrades in Hall B and more paving sealant that will extend the life span of the parking lots and concession row.

It is an exciting time and as Chair of the Site Committee, I am honoured to be a small part of a vibrant organization that is Prairieland. I would like to thank the valuable input of Tracy Arno, Brian Rossnagel and Stu Irvine on this committee and thank you to Mark, Korilee and Allan for all their support to this committee.

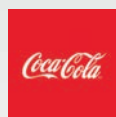
Respectfully,  
Steve Chisholm



## OUR PARTNERS

PrairieLand Park appreciates the association and assistance of our major corporate partners, plus the many other sponsors who continue to support our programs and events throughout the year.

### Major Corporate Partners



### Event Partners

2% Realty	Dupont Pioneer	Nufarm
96.3 CRUZ FM	Early's Farm & Garden Centre Inc.	Omega Alpha
98 COOL FM	Earthworks Equipment	Pizza 73
AgriCard Finance	Enterprise Rental	RAM Truck Tour
Astro Towing	Farm Credit Canada	RBC Agriculture
Bacardi Canada	Farmlink Marketing Solutions	Richardson International
Barndog Productions Inc.	FMC	Rock 102
BASF	Global Television	Rocky Ridge Ranch
Bayer CropScience	Goodyear	SAASE
Beachcomber Hot Tubs	Handy Special Events	Sask Cattleman's Association
Beam Suntory	Heagy Altrogge Matchett & Partners	Sask Credit Unions
Beef Business Magazine	Helluva Good Dip	Sask Energy
Blair's Fertilizer	HJR Asphalt	Sask Milk
Burnco Landscape Centre	Input Capital	Sask Ministry of Agriculture
C95	Koch Ag Services	Sask Power
Calidon Leasing	Loraas Disposal	Sask Pulse Growers
Captive Audience	LS Energy Ltd	Saskatchewan Blue Cross
Cargill	Mac's Convenience Stores	Saskatchewan Lotteries
Cervus Equipment	Market Tire	Saskatoon Blades
City of Saskatoon	McCain Foods	Saskatoon Co-op
CJWW	MD Ambulance	Saskatoon Fire & Protective Services
CJYM / CFYM	Merck	Saskatoon Police Service
CKOM 650	Misty Ventures Storage	Scoular
Conexus Credit Union	MNP	SGI
Constellation Brands	Monsanto	Sterling Truck & Trailer
Cowtown	NAERIC	Sysco
Crop Production Services	National Bank of Canada	The Bull 92.9
CTV Saskatoon	National Leasing	The Star Phoenix
DFI	Norheim Ranching	Top Crop Manager
Dick Bonnycastle	North American Midway Entertainment	Western Producer Publications
Dow AgroSciences	Novozymes	Wireless Age
Dr. Oetker Tour		
Dupont		



## 2016 PRAIRIELAND EVENTS

### Western Canadian Crop Production Show

**January 11 – 14, 2016**

Following the 33rd Annual Western Canadian Crop Production Show, organizers were pleased to announce an all-time record attendance of 20,425. The Crop Production show continues to be Western Canada's premier grain industry showcase; presenting information to producers on the latest technology, services and products. A total of 340 companies utilizing 1,035 trade show booths showcased products and services to show attendees. Our key note speaker for the Precision Ag seminar this year was a professor from Perdue University discussing the advancements in data gathering technology. This full day event is a popular event and attracted over 125 participants in 2016. The Crop Production show was sold out again with a long waitlist of requests from new exhibitors as well as existing exhibitors wanting to increase the size of their booth space.



### Saskatchewan Equine Expo

**February 11 – 14, 2016**

In excess of 9,000 horse enthusiasts attended the events in both the Prairieland Ag Centre and the Trade and Convention Centre over the four-day event. The free Thursday evening performance was a great addition to the program and attracted over 500 people.

Throughout the weekend, attendees were able to take part in a variety of seminars and demonstrations presented by the Western College of Veterinary Medicine; world renowned horseman Jonathan Field; Saskatchewan favorite Connie Dorsch; and Cowboy Dressage expert, Lyn Ringrose-Moe from California. The Friday and Saturday evening Equine Extravaganza thrilled a sold out audience that included the Battle of the Breeds challenge; the first Equine Expo Hunter Derby and modified Nations Cup and the daring moves from the Flying C's Trick Riders. Retail sales and equine education was the focus of the trade show with 82 companies from across Canada displaying products. A new feature in 2016 was the combination of the Sask Horse Federation and Western College of Veterinary Medicine educational booth.



### Youth Leadership Conference

**February 20 - 21, 2016**

A total of 43 participants aged 14-21 took part in the annual Prairieland Youth Leadership Conference. Activities began on Saturday with a presentation by Jered Heigh, Manager, Talent Development for Cameco. The focus of this year's conference was resumes, cover letters and the interview. After the presentation, 4H members were divided into teams and worked out their own strategies on the process of applying for a job all the way through to the interview. Three judges were challenged to assign marks to the participants by observing the teams as they worked, as well as an interview and current event questionnaire as part of the final marks. Saturday evening was our "Road to Agriculture" which was comprised of a panel of 3 professionals from different fields that discussed their career choices and the path that led them to their current involvement in agriculture. This year we were honored to have Dr. Gordon Barnhart as our guest speaker at the awards banquet concluding the program on Sunday evening.



### Saskatchewan Blue Cross Gardenscape

**April 8, 9, 10, 2016**

This year Saskatchewan Blue Cross Gardenscape moved from its traditional end of March date to April due to an early Easter. This provided many opportunities for exhibitors to display and sell product lines not available in March.

The show featured the ever popular display gardens including the Feature Plant of the Year – The Coleus. We celebrated the International Year of the Pulse with an educational and live plant display and provided a family entertainment feature; The Amazing World of Birds of Prey which performed to standing room only crowds.

Attendance at the show was 23,864 over the three day event which is up slightly from last year. Patrons had the opportunity to purchase the newest in backyard



living décor, plants, products, equipment and furnishings with a full range of products and services from industry experts for garden life and outdoor living. Exhibitors indicated they were extremely busy with great sales and concrete leads for the upcoming season.

Back by popular demand was the "How To" demonstration area which is designed to provide tips and techniques from industry experts for the skills and knowledge needed to tackle many backyard projects. The Speakers' Theatre provided a full range of experts sharing their knowledge and expertise on the industry's hottest topics including feature speaker Lyndon Penner.

Now in its 27th year, Saskatchewan Blue Cross Gardenscape is an excellent example of Prairieland's commitment to support industry and to market and educate the community on new products and trends.



## Saskatchewan Beef Expo

### April 9 - 10, 2016

The Prairieland Park Ag Centre was a hub of activity as over 70 youth aged 9 – 21 gathered to participate in the event that included an educational and competition component specifically for youth involved in the beef industry.

Saturday started with a judging demonstration with all participants completing a judging card. The Team Judging competition came next with each team consisting of a judge and a ring person. Each team was marked on their performance. There were presentations from industry professionals offering their expertise on topics such as herd health, safe animal handling and proper use of implants and grooming.

Show ring competitions on Sunday allowed the participants to demonstrate some of the skills they learned on Saturday and to use the day as a warm up for their club or regional 4H show.



## World Professional Chuckwagon Races

### June 9 - 12, 2016

The World Professional Chuckwagon Association drivers and wagons took over Marquis Downs race track for four days of high energy entertainment. The only tour stop in Saskatchewan features the best horses and drivers in Canada. In 2016 we faced some weather challenges as well as competing with six Garth Brooks shows on the same weekend, and very limited hotel space. The WPCA tour definitely has a strong following, however our goal for upcoming years will be to engage an urban audience.



## Prairieland Junior Ag Showcase

### July 6 - 11, 2016

The Prairieland Junior Ag Showcase events were held over six days in 2016 to accommodate the various species. 240 4-H'ers from across the province participated in a variety of events including Light Horse, Beef, Dairy, Sheep and Showcase of Arts competitions. The event wrapped up with the annual 4H Steer Sale.



## The Saskatoon EX -- Memories that will last a lifetime!

### August 9 - 14, 2016

Despite the weatherman's forecast, it was a dry week for the 130th annual Saskatoon Exhibition attracting in excess of 210,000 enthusiastic fairgoers for Saskatchewan's largest summer festival.

The Grandstand concerts were once again a huge draw for the event with Serena Ryder kicking the week off. Then X Ambassadors, Simple Plan and CCMA Male Vocalist and Fan Choice of the Year Winner Brett Kissel performed. Classic rock icon Tom Cochrane with Red Rider rocked the house with an electrifying concert on Saturday night. Sunday's Crash'n Bash Demolition Derby and dirt party did not disappoint with people dancing in the stands to Longshot.

Those that love the thrills and chills of the midway were treated to 25 main midway rides including the Himalaya and Ring of Fire. Families were again blown away by the 21 feature rides in the expanded Kidsville area. The new lighting around the park and the addition of another midway washroom was well received by fairgoers.

Bob the Builder, Dora the Explorer Sing-Along Adventure as well as hypnotist Tyzen provided families with entertainment for all ages. New this year was the Stars of the







Peking Acrobats, one of the premiere Chinese acrobatic companies in the world today. The Fair would not be complete without the ever popular President's Choice Superdogs and Bubble Wonders in Hall A.

Along with our indoor attractions, we provided many outdoor spectaculars including the Craze-E-Crew Stunt Team, West Coast Lumberjack Show and Wanuskewin with their rich culture and history. The free stage entertainment featured comedy juggling and a master illusionist along with Wanuskewin traditional dance. Animal shows at The EX continue to educate our patrons providing an opportunity to get up close to many exotic animals at the Dinosaurs Past and Present exhibit which included hourly presentations throughout the day.

Each day the evening was capped off with a spectacular fireworks presentation and fairgoers applauded this entertainment finale as they made their way off the park. Plans are well underway for the 131st edition, August 8 to 13, 2017.

## AG-EXperience for Students

**October 4 – 6, 2016**

This year 619 Grade Four students from 17 different schools attended our annual AG-EXperience. Students were guided through 12 different stations covering a variety of agriculture sectors. The theme "Discover Where your Food Comes From" was carried throughout by the presenters with hands-on interactive sessions allowing students a close-up view of agriculture. This included animal care, the environment, and how some products are processed. Ag EX-perience helps bridge the gap between rural and urban, building awareness for and appreciation of the role of agriculture in our everyday lives. AG-EXperience is presented with support from the Saskatchewan Ministry of Agriculture, Sask Milk, and Agriculture in the Classroom.



## Special Events

2016 was another busy year for the Special Events Department with a total of thirteen events produced or hosted throughout the year.

Along with the various corporate events, trade shows and touring cabarets, we now have another venue with the Kickin' Horse Saloon area. This venue continues to grow and provides us with another unique performance area for summer festivals and concerts. This quality of outdoor green space is very popular for touring festival-style events and we look forward to continuing to promote this area in the future.

2017 already looks like it will be another busy year with four events, university theme cabarets and corporate events. We are also very excited to once again host the CCMA's in Saskatoon with another anticipated sold out cabaret to kick off the weekend. We have a number of previous clients returning as well as current clients committing to multiple year agreements on their annual events so the future is very bright for the events department.



## Garden EX-perience School Tours

**April 6 - 8, 2016**

The three days prior to Gardenscape 2016 saw over 1,100 Grade three students tour a variety of stations where qualified resource people conducted presentations on topics including Good Bugs/Bad Bugs, Composting, Plants of Saskatchewan and the Importance of Birds in our Gardens. A highlight of the tour for the students is planting their own plant to take home. All these activities form part of Garden EX-perience School Tours presented by Prairieland Park in partnership with Agriculture in the Classroom.

## PrairieLand Park Ag Centre



The Ag Centre offered winter boarding again from November 1 – April 1, 2016. In addition to our own PrairieLand Park produced livestock events, we also welcomed approximately 14,100 exhibitors and spectators from across Canada and the United States in excess of 65 event days.

The Ag Centre continues to be a premier facility for equine events in Saskatchewan and also houses thoroughbreds during the race meet at Marquis Downs.

## Marquis Downs

### May 28 – September 3, 2016

Marquis Downs once again had another successful thoroughbred race season. For the first time in a number of years there were no race days lost due to inclement weather. This can be attributed to the new base on the track and to the sand that was added to the track surface two years ago. Once again we had a strong horse inventory and an extremely competitive jockey colony. Race patrons experienced high quality racing that had not been seen for many years. This was due to the fact that local horsemen upgraded their horse inventory during the spring and the summer. Marquis Downs ran 26 days with a purse pool totaling \$809,800. With 366 horses registered to race, 55% of the 185 races that were run offered 8 horses or more. The pari-mutuel handle on live racing was \$988,440. Wagering online (HPI) and Off Track Wagering generated \$319,674 to bring the total handle to \$1,308,114 for an average daily handle of \$50,313. In 2015 the total handle for 24 days was \$1,263,606 for an average daily handle of \$50,544. The Saskatchewan Liquor and Gaming Authority licensed 549 people in the racing industry of which 105 of those worked at Marquis Downs during live racing.

The 56th running of the Saskatchewan Derby took place on September 3rd for a purse of \$20,000. The winner was Saskatoon owned and trained, Trill Point who was purchased at Canterbury Downs in Minnesota by Pink Cloud Racing and was conditioned by Colleen O'Hagan. Trill Point placed well early and moved with a rush heading to the final turn. He then drew clear in the final furlong to win by nine lengths and take home the winners share of \$11,800. The total handle for the evening including HPI and Off Track Wagering was \$102,395. The staff and management at Marquis Downs would like to thank all of those people who made 2016 a most successful year.



## Sports on Tap



Sports on Tap started off the year with some exciting World Junior games, which unfortunately ended with Canada losing in the gold medal game. The NFL season came to an end and we threw another amazing Super Bowl Party. We are giving away 2 tickets to an NHL Flames vs. Sharks game just before playoffs begin which will be an exciting end to the regular season for 2 lucky customers. With the end of NHL comes the beginning of the MLB season and we will be looking forward to cheering on those Blue Jays! Beach volleyball is also just around the corner and so far registration has been great with only a few spots left to fill. We look forward to some great weather this summer and another fantastic season for the volleyball players in 2017. 2017 is shaping up to be another exciting year at Sports on Tap and we hope to see you there!



## OUR MEMBERSHIP

### GENERAL MEMBERS

Craig Allan  
 Kathleen Alexander  
 Carey Allchurch  
 Gordon R. Allchurch  
 Lorraine Allchurch  
 Terry Alm  
 Al Anderson  
 Doug Anderson  
 Jacqueline Anderson  
 Joan Anderson  
 Lorne O. Anderson  
 Maryann Anderson  
 Tracy Arno  
 Don Atchison  
 Ken Barrett  
 Dustin Bartlett  
 Jaclyn Bartlett  
 Grace Bartzten  
 Neva Bayliss  
 Aaron Bazylak  
 Art Belanger  
 Dwight R. Benning  
 Bud Besse  
 Luc Bezaire  
 Collette Bezaire  
 David Bilanski  
 Marllys Bilanski  
 Cam Bird  
 Donna Birkmaier  
 Gisele Blanchette  
 Kelly Block  
 Milton Block  
 Joe Bloski  
 Ruth Bond-Martinson  
 Juliette Boser  
 Merv Brand  
 Todd Brandt  
 Linda Braun  
 Norma Briskar  
 William Briskar  
 Don Bristow  
 Jack Brodsky  
 Jan Bruce  
 Dwight Buchholz  
 Jill Buechler  
 Neil Buechler  
 Adele Buettner  
 Orrin Bull  
 Hudson Byblow  
 G.R. (Garry) Byers  
 Blaine Canitz  
 Les Cannam  
 Duane Carruthers  
 Glenda Carruthers  
 Lester Cey  
 Carter Cheveldayoff  
 Ken Cheveldayoff  
 Trish Cheveldayoff  
 Lily Chin  
 Steve Chisholm  
 Cory Choponis  
 Dorothy Clement  
 Wayne Clement  
 Bill Cooper  
 Francis Crosson  
 Doug Daigle  
 Troy Davies  
 Bill Davis  
 Joyce Davis  
 Wayne Davis  
 Peter Dawson  
 Gord Deibert  
 John Diebert  
 Tyson Delorme  
 Darren Deminchuk  
 Terry Deneiko  
 Dana Derenoski  
 John Diebert  
 Shona Dietz  
 Eldon Driedger  
 Bev Dubois  
 Vic Dubois  
 Gene Dupuis  
 Dave Dutchak  
 Wendell Dyck  
 Valerie Ellis  
 Harold Empey  
 Dave Engel  
 Roger Ethier  
 Gary Evans  
 Lynn Evans  
 Tony Fabbro  
 David Fairlie  
 Bob Fawcett  
 Don Featherstone  
 Marjorie Featherstone  
 Maurice Fedorchuk  
 Randy Fernets  
 Wendy Fernets  
 Theresa Fisher  
 Jason Forrest  
 Trevor Forrest  
 Phyllis Fowler  
 Arny Froese  
 Shannon Froese  
 Fay Gabrielson  
 Neil Gabrielson  
 Paul Gauthier  
 Arden Gibb  
 Darlene Gibb  
 Michael Gorniak  
 Curtis Gulka  
 Al Habicht  
 Gordon Haddock  
 Norm Hall  
 Lou Hammond Ketilson  
 Henry Hamre  
 Linda Hamre  
 Judy Harwood  
 Ross Harwood  
 Jean Heidt  
 Myles Heidt  
 Brian Heinz  
 Merle Hicks  
 Ron Hicks  
 Anthony Hill  
 Ruth Hill  
 Fay Hoiness  
 Bruce Horn  
 Lynne Horn  
 Michelle Houle  
 Cheryl Hrapchak  
 Don Hrapchak  
 Cara Humphrey  
 Bart Hunter  
 Dean Hurlburt  
 Delvyn Huyghebaert  
 Roxanne Irvine  
 Stu Irvine  
 Robert Istace  
 Donald Johnson  
 Sylvia Johnson  
 Kane Kachur  
 Dale Kary  
 Wilfred Kary  
 Darrell Kasahoff  
 Deborah Kasahoff  
 Joe Kasahoff  
 Ralph Katzman  
 Douglas Keats  
 Gordon Kemp  
 Lyla Kempainen  
 Toivo Kempainen  
 Denise Kendrick  
 Bob Kenny  
 Melanie Kenny  
 Neil Ketilson  
 Rick King  
 Len Klasson  
 David Klatt  
 Randy Klein  
 Andy Klotz  
 George Kool  
 Frances Korolchuk  
**Dr. Effie Kutsogiannis**  
 Larry Labiuk  
 Jim Lang  
 Melissa Larouche  
 Joan Lasiuk  
 Vivian Laturnus  
 Don LaVallee  
 Norman Lawrence  
 Ronald James Lee  
 Richard Letkeman  
 Veronique Loewen  
 Darcy Luoma  
 Connie Lynch  
 Michael Lynch  
 Gerald MacLeod  
 Lesley Magnus  
 Randy Magnus  
 Walter Mah  
 Russel Marcoux  
 Harold Martinson  
 Cara Mazurak  
 Wayne Mazurak  
 Chuck McCutcheon  
 Stuart McDowell  
 Brent McFadzen  
 Frank McKeown  
 Lynda McWatters  
 Sterling McWatters  
 Daved Meakin  
 Susan Michasiw  
 Walter Michasiw  
 Gwen Miller  
 Michael Millar  
 Keith Moen  
 Sandy Morgan  
 Ron Morris  
 Doreen Morrison  
 Merv Morrison  
 Debbie Murphy  
 Robert Muzika  
 Cheryl Nelson  
 Dwight Nelson  
 Shawna Nelson  
 Rosemary Neufeld  
 Tatum Neveu  
 Darrell Novakovski  
 Derrick Oberhofer  
 Eric Olason  
 Ian Oliver  
 Sylvia Oliver  
 Murray Osborn  
 Roberta Palen  
 Patricia Patterson  
 Terry Patterson  
 Todd Peterson  
 Steve Pidgurski  
 Patrick Pitka  
 Darlene Pratt  
 John Presseau  
 Randy Pshebylo  
 Hank Pulles  
 Christopher Rachul  
 Terri Rasmussen  
 Adrienne Rawling  
 Don Regier  
 Beatrice Reid  
 Rick Reid  
 Linda Reynolds  
 Michelle Richards  
 Chris Riis  
 Margaret Riis  
 Len Ritchot  
 Ben Robb  
 Marlene Rochelle  
 Sharon Rochelle  
 Wayne Rorke  
 Shirley Ross  
 Brian Rossnagel  
 Laurel Rossnagel  
 Don Rothenburger  
 W.F. (Bill) Ryan  
 Joan Sachse  
 Linda Saunders  
 Arthur Sawatsky  
 Barry Sawchuk  
 Brian Sawka  
 Carla Scharback  
 Al Schell  
 Brad Schlosser  
 Kim Schmidt  
 Murray Schmidt  
 Al Scholz  
 Steve Shannon  
 George Shrimpton  
 Brian Sim  
 Reta Simpson  
 Carol Skelton  
 J.N. (Jim) Smart  
 Jason Smith  
 Julian Smith  
 Larry Sommerfeld  
 Kent Sommerfeld  
 Dana Soonias  
 Vern Sparrow  
 Keon Sproule  
 James Start  
 Irv Stevens  
 Marjorie Stevens  
 Ron Stevens  
 Dawn Stranden  
 Kim Stranden  
 Pat Stranden  
 Dick Strayer  
 Bert Sutherland  
 Ian Sutherland  
 Brian Swidrovich  
 Brad Sylvester  
 Bob Tait  
 Lynn Tait  
 Milton Taylor  
 Howard Thomas  
 Cory Thoms  
 Donna Lyn Thorsteinson  
 Nicole Tiessen  
 Paul Tiessen  
 Wayne Tillotson  
 Allan Tirk  
 Tim Tkachuk  
 Greg Trew  
 Jim Twigg  
 Daymond Volk  
 Anne Wallace  
 Patrick Wallace  
 JoAnne Wasko  
 Kevin Waugh  
 Harvey Welter  
 Kristy Werner  
 Dennis Wiebe  
 Ken Wilde  
 Rosella Willems  
 Willmer Willems  
 C.M. Williams  
 Cassandra Williamson  
 Betty Willms  
 Ken Willms  
 Lynne Yelich  
 Bernie Yuzdeski  
 Peter Zakreski  
 Reynold Zeiler  
 David Zolinsky

### CORPORATE MEMBERS

Ag-West Bio Inc.  
 Centennial Foodservice  
 Cheung On Investments Group Ltd.  
 Culligan Water Conditioning  
 Early's Farm & Garden Centre Inc.  
 Edge Family Law  
 Global Television Network  
 Greater Saskatoon Chamber of  
 Commerce  
 Handy Group of Companies  
 Horizon Computer Solutions Inc.  
 Maxie's Excavating Ltd.  
 Ramada Hotel  
 Saskatchewan Trade & Export  
 Partnership  
 U of S College of Agriculture  
 Western Development Museum

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SASKATOON PRAIRIELAND PARK CORPORATION

We have audited the accompanying financial statements (the "financial statements") of Saskatoon Prairieland Park Corporation (the "Corporation") which comprise the statement of financial position as at December 31, 2016 and the statements of operations and net assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2016 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



**Chartered Professional Accountants  
Licensed Professional Accountants**

March 8, 2017  
Saskatoon, Saskatchewan



**SASKATOON PRAIRIELAND PARK CORPORATION**  
**STATEMENT OF FINANCIAL POSITION**  
as at December 31, 2016

	Notes	2016	2015
<b>CURRENT ASSETS</b>			
Cash		\$ 1,730,831	\$ 2,400,502
Marketable securities	4	7,486,823	7,221,132
Accounts receivable	5,10	820,604	492,960
Inventories	6	301,476	323,762
Prepaid expenses		152,200	196,736
		<u>10,491,934</u>	<u>10,635,092</u>
<b>PROPERTY AND EQUIPMENT</b>	7	<u>20,356,838</u>	<u>18,836,164</u>
		<u>\$ 30,848,772</u>	<u>\$ 29,471,256</u>
<b>LIABILITIES AND NET ASSETS</b>			
Accounts payable and accrued liabilities		\$ 1,237,279	\$ 1,429,210
Customer deposits		1,516,113	1,344,582
Government remittances payable		84,843	46,284
Current portion of long-term debt	8	400,000	400,000
		<u>3,238,235</u>	<u>3,220,076</u>
Long-term debt	8	3,633,333	4,033,333
		<u>6,871,568</u>	<u>7,253,409</u>
<b>NET ASSETS</b>			
Net assets invested in property and equipment		16,323,505	14,402,831
Net assets, unrestricted		7,653,699	7,815,016
		<u>23,977,204</u>	<u>22,217,847</u>
		<u>\$ 30,848,772</u>	<u>\$ 29,471,256</u>

**APPROVED BY THE BOARD:**

.....Director  
.....Director

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

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**STATEMENT OF OPERATIONS AND NET ASSETS**  
**year ended December 31, 2016**

	Notes	2016	2015
<b>REVENUE</b>			
Trade & Convention Centre		\$ 6,716,347	\$ 7,112,839
Special Events & Programs		4,261,139	4,416,379
Agriculture		1,862,396	1,783,347
Horse Racing & Sports on Tap		4,921,444	5,012,225
Corporate	4,9	<u>3,372,184</u>	<u>3,582,836</u>
		<u>21,133,510</u>	<u>21,907,626</u>
<b>EXPENDITURES (Schedule)</b>			
Trade & Convention Centre		7,821,298	7,629,909
Special Events & Programs		2,376,505	2,670,736
Agriculture		734,188	774,900
Horse Racing & Sports on Tap		5,224,589	5,108,808
Corporate		<u>3,217,573</u>	<u>3,261,999</u>
		<u>19,374,153</u>	<u>19,446,352</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>			
Trade & Convention Centre		(1,104,951)	(517,070)
Special Events & Programs		1,884,634	1,745,643
Agriculture		1,128,208	1,008,447
Horse Racing & Sports on Tap		(303,145)	(96,583)
Corporate		<u>154,611</u>	<u>320,837</u>
		<u>1,759,357</u>	<u>2,461,274</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>		<u>22,217,847</u>	<u>19,756,573</u>
<b>NET ASSETS, END OF YEAR</b>		<u>\$ 23,977,204</u>	<u>\$ 22,217,847</u>

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



**SASKATOON PRAIRIELAND PARK CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**year ended December 31, 2016**

	2016	2015
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenditures	\$ 1,759,357	\$ 2,461,274
Items not affecting cash and unrealized gain		
Amortization of property and equipment	2,143,026	2,023,468
Unrealized gain in market value of marketable securities	(70,693)	(314,245)
Changes in non-cash working capital items	(242,663)	52,576
	<u>3,589,027</u>	<u>4,223,073</u>
<b>INVESTING ACTIVITIES</b>		
Cash interest received reinvested	(194,998)	(177,484)
Purchase of marketable securities	-	(1,000,000)
Additions to property and equipment	(3,663,700)	(2,179,645)
	<u>(3,858,698)</u>	<u>(3,357,129)</u>
<b>FINANCING ACTIVITY</b>		
Repayment of long-term debt	(400,000)	(400,000)
	<u>(400,000)</u>	<u>(400,000)</u>
<b>NET (DECREASE) INCREASE IN CASH</b>	<b>(669,671)</b>	<b>465,944</b>
<b>CASH POSITION, BEGINNING OF YEAR</b>	<b>2,400,502</b>	<b>1,934,558</b>
<b>CASH POSITION, END OF YEAR</b>	<b>\$ 1,730,831</b>	<b>\$ 2,400,502</b>

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

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**1. NATURE OF OPERATIONS**

Saskatoon Prairieland Park Corporation (the "Corporation") was incorporated under the Non-Profit Act of Saskatchewan on December 13, 1911. Activities of the Corporation include trade shows, agricultural events, horse racing, school programs, the Saskatoon Exhibition and the operation of Sports on Tap.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

***Revenue Recognition***

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Management fees are recognized as revenue when received or receivable. Customer deposits received for events are deferred until revenue is recognized.

***Financial Instruments***

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is measured at amortized cost except for short-term and long-term investments which are measured at fair value as at the reporting date. Fair value fluctuations in these assets including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in administration revenues.

The Corporation's financial assets measured at fair value include quoted shares and investments in bonds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, and long-term debt.

Transaction costs related to cash and short-term and long-term investments are expensed as incurred. Transaction costs related to other financial instruments are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.



**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

***Financial Instruments (continued)***

The Corporation uses the effective interest method to recognize interest income or expense which includes transaction costs or fees, premiums or discounts earned or incurred for financial instruments.

***Inventories***

Inventories are recorded at cost and valued at the lower of cost and net realizable value with cost being determined on a first in, first out basis. Inventories consist of alcohol, food, and other items.

***Property and Equipment***

Property and equipment are recorded at cost. Normal maintenance and repair expenditures are expensed as incurred.

Amortization of property and equipment is recorded in the accounts on a straight-line basis at rates expected to amortize the cost of the assets over their estimated useful lives:

Buildings	2.5% - 12.5%
Equipment	10% - 33.3%
Leasehold improvements and paving	4% - 10%

***Impairment of Long-lived Assets***

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value of long-lived assets exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value at the date of impairment.

***Government Assistance***

Government assistance is recorded in the financial statements when there is reasonable assurance that the Corporation has complied with, and will continue to comply with, all conditions necessary to obtain the assistance. Government assistance is reflected as a reduction in the cost of the assets or expenses to which it relates.

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Use of Estimates*

The preparation of the Corporation's financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used when accounting for items and matters such as allowance for doubtful accounts, inventory obsolescence, amortization of property and equipment, provisions and contingencies.

**3. LINE OF CREDIT**

The Corporation maintained an authorized line of credit of \$1,000,000. At December 31, 2016, there was \$nil (2015 - \$nil) drawn against the line of credit. Interest on any outstanding credit is calculated at prime (2.7% at December 31, 2016). The line of credit is secured by the assets of the Corporation.

**4. MARKETABLE SECURITIES**

In 2016, \$70,693 (2015 - \$314,245) was reported as an unrealized gain in corporate revenue on the statement of operations and net assets.

The marketable securities are comprised of listed equities and bonds. Bonds earn interest at rates between 1.95% and 9.98% (2015 - 1.70% and 9.98%) with maturity dates between 1 - 32 years (2015 - 2-30 years).

	<b>2016</b>	2015	
Bonds	\$ <b>2,606,466</b>	\$ 2,580,020	
Listed shares	<b>4,880,357</b>	4,641,112	
	<b>\$ 7,486,823</b>	\$ 7,221,132	



**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

**5. ACCOUNTS RECEIVABLE**

	<u>2016</u>	<u>2015</u>
Trade	\$ 740,442	\$ 419,698
Other	80,162	73,262
	<u>\$ 820,604</u>	<u>\$ 492,960</u>

**6. INVENTORIES**

	<u>2016</u>	<u>2015</u>
Food	\$ 166,640	\$ 150,695
Alcohol	123,123	160,638
Other	11,713	12,429
	<u>\$ 301,476</u>	<u>\$ 323,762</u>

**7. PROPERTY AND EQUIPMENT**

	<u>2016</u>			<u>2015</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Buildings	\$ 24,495,121	\$ 14,799,595	\$ 9,695,526	\$ 9,886,430
Equipment	11,521,260	9,299,554	2,221,706	2,204,504
Leasehold improvements	3,470,802	541,040	2,929,762	972,128
Roads	10,298,232	4,948,172	5,350,060	4,957,507
Capital projects in progress	127,676	-	127,676	-
Site development	32,108	-	32,108	835,595
	<u>\$ 49,945,199</u>	<u>\$ 29,588,361</u>	<u>\$ 20,356,838</u>	<u>\$ 18,836,164</u>

Land occupied by the Corporation is provided under a lease with the City of Saskatoon expiring in the year 2045.

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**8. LONG-TERM DEBT**

	<b>2016</b>	<b>2015</b>
Term demand loan payable in monthly instalments of \$33,333 principal plus interest at prime; maturing in April of 2027; secured by all of the assets of the Corporation.	<b>\$ 4,033,333</b>	\$ 4,433,333
	<b>4,033,333</b>	4,433,333
Less current portion	<b>400,000</b>	400,000
	<b>\$ 3,633,333</b>	\$ 4,033,333

On March 8, 2017, the Bank of Montreal confirmed that there is no current intention to demand payment on the loans within the year and as a result the term demand loans have been recorded as long-term.

**9. SIGA MANAGEMENT FEES**

Pursuant to an agreement with the Government of Saskatchewan, Saskatchewan Indian Gaming Authority (“SIGA”) was required to advise the Corporation of the August 10, 2007 opening day for the Dakota Dunes Casino. This required the closure of the Emerald Casino on August 5, 2007. Monthly payments to the Corporation for the compensation of lost income from the casino closure commenced upon the opening of Dakota Dunes Casino. In accordance with the agreement, \$2,600,004 (2015 - \$2,600,004) was received in the current year and recorded as management fees within corporate revenue.

Under the agreement, SIGA will pay to the Corporation, for a period of thirty (30) years, annual payments in the amount of \$2,600,004 payable in monthly installments of \$216,667.

The agreement between SIGA and the Corporation shall cease if; (1) the Corporation operates gaming, other than permitted gaming on land it owns, leases, or controls or (2) if the Corporation ceases to exist as a corporation without previously assigning its assets to a successor entity with the consent of SLGA or (3) ceases to conduct active business operations.

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Corporation, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments: credit risk, interest rate risk and liquidity risk.

***Credit Risk***

The Corporation's principal financial assets are cash, marketable securities, and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent the Corporation's maximum credit exposure at the statement of financial position date.

The Corporation's credit risk is primarily attributable to its trade receivables. The Corporation does not have significant exposure to any individual customer and has not incurred any significant bad debts during the year and has a \$nil allowance for bad debts (2015 - \$nil). The credit risk on cash and marketable securities is limited because the counterparties are chartered banks with high credit-ratings assigned by national credit-rating agencies.

***Interest Rate Risk***

The interest bearing marketable securities have a limited exposure to interest rate risk due to their short term maturity. Fixed-rate investments subject the Corporation to a fair value risk.

The debt bears interest at rates which are reset annually or more frequently, based on Canadian prime rate and as such is subject to interest rate risk.

***Liquidity Risk***

The Corporation's objective is to have sufficient liquidity to meet its liabilities when due. The Corporation monitors its cash balances and cash flows generated from operations to meet its requirements. As at December 31, 2016 the most significant financial liabilities are accounts payable and accrued liabilities and long-term debt.

***Fair Values***

The fair values of cash, accounts receivable and accounts payable and accrued liabilities, approximate their carrying values due to their short-term maturity.

The fair value of marketable securities is based on quoted market prices.

The fair value of long-term debt approximates its carrying value due to its interest rate floating with prime.



**SASKATOON PRAIRIELAND PARK CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**year ended December 31, 2016**

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**11. INCOME TAXES**

The Corporation is incorporated under the Non-Profit Corporations Act of Saskatchewan and is not subject to income tax under the provisions of paragraph 149 (1)(l) of the Income Tax Act.

**12. COMPARATIVE FIGURES**

Certain of the prior year amounts have been reclassified to conform to current presentation. Excess of revenues over expenditures and net assets previously reported have not been affected by this reclassification.

**SASKATOON PRAIRIELAND PARK CORPORATION**  
**SCHEDULE OF EXPENDITURES**  
**year ended December 31, 2016**

	2016	2015
Advertising and promotion	\$ 351,901	\$ 418,841
Administration and office	471,709	476,589
Amortization of property and equipment	2,143,026	2,023,468
Contracted services	1,376,505	1,496,352
Cost of sales	2,436,001	2,669,261
Equipment rental	263,541	306,632
Host track fees	404,812	429,753
Insurance	167,575	169,034
Interest expense on long-term debt	115,127	130,115
Licenses and permits	10,877	26,058
Professional fees	32,435	47,581
Purses and prize money	892,879	894,310
Racing tote, data lines, and decoders	319,076	304,564
Repairs, maintenance, and supplies	856,510	910,423
Utilities	995,366	944,468
Wages and benefits	8,536,813	8,198,903
	<u>\$ 19,374,153</u>	<u>\$ 19,446,352</u>

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

