



# The Calgary Exhibition and Stampede Limited EC2022-0520

## 2021 Credit Facility Update

2022 June 29





# The Calgary Exhibition and Stampede Limited Representatives

## Introductions:

- Joel Cowley, Chief Executive Officer
- Graeme Ryder, Vice President – Business Services and Chief Financial Officer

## Opening remarks by the Stampede's representatives



# The Calgary Exhibition and Stampede Limited 2021 Credit Facility Update

- Annually, Administration updates Council regarding the credit facilities guaranteed by The City of Calgary for the Calgary Exhibition and Stampede Limited (The Stampede) park redevelopment and expansion.
- After being cancelled in 2020, the annual exhibition returned in 2021 but on a greatly reduced scale with fewer attractions offered compared to pre-pandemic levels.
  - Allowed for physical distancing
  - Compliance with all public health measures in effect at the time.
  - Many members of the public were apprehensive of venturing out
  - Travel was restricted
- Other year-round revenue generating activities continued to be negatively impacted.
- The loan guarantee with The Stampede has been in place since 1998.



## Credit Facilities

- As of 2021 December 31, a total of \$60.1 million was outstanding on the three guaranteed credit facilities; \$13.4 million of credit Facility D is available for park expansion and development activities, for a total maximum available credit facility of \$73.5 million. Details are outlined below:

Description (\$000s)	Facility B	Facility C	Facility D	Total
Initial Authorization (1998)	\$30,000	\$30,000		\$60,000
Addition (2005)			\$80,000	\$80,000
Reduction (2014)			(\$20,000)	(\$20,000)
<b>Total Authorized</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$60,000</b>	<b>\$120,000</b>
<b>Total Drawn</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$46,600</b>	<b>\$106,600</b>
Opening Balance 2021 Jan 01	\$19,660	\$8,379	\$32,061	\$60,100
(Net Amount Repaid) / Drawn Down in 2021	\$0	\$0	\$0	\$0
Balance Outstanding 2020 Dec 31	\$19,660	\$8,379	\$32,061	\$60,100
Undrawn Availability	\$0	\$0	\$13,400	\$13,400
Maximum Availability				\$73,500



## 2021 Financial Highlights & Covenants

- The annual exhibition represents approx. 60% of The Stampede's revenue and approx. 62% of operating income.
- Due to the pandemic management have reduced operating expense and limited capital deployment.
- Current strategy: Federal support programs, asset dispositions, and amended bank funding including a new \$10 million revolving credit facility, facility extensions, amendments to lender's security, covenant amendments and further principal repayment deferrals.
- Revenues increased to \$67 million in 2021 from \$25 million in 2020 but were still well down from \$154 million in 2019 prior to the pandemic.
- With support from its lenders and The City, The Stampede has remained in compliance with all credit agreement covenants. The City did not require The Stampede to meet a 2021 debt service coverage ratio financial covenant in 2021 in its Credit Agreement. It has been reinstated in 2022.



## Recommendation

That the Executive Committee recommends that Council receive this report for information and the corporate record.