

**SSAI GENERAL MEETING
MINUTES
Wednesday, December 7, 2011**

1. REGISTRATION OF MEMBERS

2. MEETING CALLED TO ORDER

- 14 members in attendance ó quorum

Introductions – Greg Peres

i) Board Members in Attendance

- Greg Peres, Andrea Reibmayr, Gilles Labelle, James Real, Brent Krmopotich, Kent Floreani, Dave Hornstein, Martin Pochtaruk
- not in attendance ó Jeff Priddle, Suzanne Priddle-Luck

ii) Nominating Committee

- Lee Marcoux, Andrea Reibmayr, Corrine Mezzomo
- Thank you to the committee

4. Acceptance of the Annual General Meeting Minutes of November 18, 2010

B. Krmopotich/M. Pochtaruk

MOTION: To accept the AGM Minutes dated November 18, 2010.

Carried

5. Reports

i) Board of Directors

- met 20 times this year, including strategic planning
- key areas to move forward

1. Financial Constraints
 - cash flow positive operation ó let cash flow drive how we operate and determine what we can offer ó the top line will determine how we operate through the year in order to stay cash flow positive
 - negotiating the mortgage ó has yet to be finalized because terms of negotiation are not finalized ó need to have community supporting the resort and if there are ways the community can help the resort by offering services in kind that helps the cash flow situation
2. Government Funding to Update Infrastructure
 - NOHFC grant for \$750,000 has been approved, however need to raise \$250,000 in order to get the \$750,000, there is \$500,000 from FedNor which is also looking promising ó this will help to maintain sustainability
3. Raise Capital
 - need to fundraise to raise the \$250,000 to leverage
 - need corporate donations ó want to raise those dollars through the winter months ó have started campaign earlier but has not been a lot of uptake during the summer

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Our Vision: *Searchmont Resort is a premiere-ranked, regional training & recreation facility with high quality mountain terrain, amenities, events & entertainment as well as open, intimate, down-to-earth people & Canadian hospitality. Searchmont service will reflect cornerstones of excellence, knowledge, respect & fun.*

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- development of lots ó spring 2012 ó have cleared hurdles ó would like to set pricing of lots and determine interest and have lots sold with anticipated ministry approval in the spring and those can be put towards \$250,000 fundraising
- want to engage community and put a positive spin around Searchmont
- bring forward this is a community asset
- would like to raise the money by the end of February
- 4. Governance
 - with Andrea keeping us on track ó promote good governance practices
 - offer oversight and support to Dan, GM
 - Strategic focus ó challenges today are on financial and are trying to deal with that and infrastructure
 - we are the voice of Searchmont in the community and need to show case Searchmont in the community

A.Reibmayr-G. Elder MOTION: To accept the Board of Directorsøreport.

Carried

ii) General Manager Report

Operational Overview

- power point presentation
- Canadian Ski Council National Survey ó score high on overall value for price, wait times, food and beverage services
- tend to get poor results in grooming, etc.
- employee of 100 people and wages \$770,000
- weather was a challenge ó mild temperatures, hope to avoid rain and mild weather during Christmas week
- overall visitation increased by ten percent ó saw the increase in the month of March ó the year before was virtually non-existent ó losing the first part of the season affected this number
- revenue remained flat and that had to do with discounting last March
- we are drawing from Sault and Algoma area ó 60% of visits
- 15% from Michigan, but down 12% from 2006
- Sudbury and regional market remains strong ó 25%
- this data comes from ticket window tracking
- Snow Fall stats ó environment Canada data over last four years ó not hitting peak snowfall that we have seen in previous years
- Season Pass Sales ó hovering around 800 pass holders ó to date sold app. 600 for the season ó up ten percent from this time last year
- New Pricing structure ó need to grow the market within SSM ó engaging 4 ó 10 year old age category and attracting families
- children 10 and under ski free ó with a paid adult

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- New early payment incentive ó discount for paying in April was \$100, encourage pre-season money coming in early
- reduced pricing for Seniors (55-69) ó Super Senior category 70+ ski free
- reduced pricing for students ó college and university students
- reduced youth price (11-17)
- New Weekday lift ticket pricing
- New daily lift and rental package
- Discover program remains for 11+
- Discover Three then ski and ride free, returns and remains popular
- working with Duke of Windsor and Sport Check for discounted equipment once they have completed the Discover Three program
- New Snow school program offerings ó targeted at 4 to 10
- Tourism SSM Marketing program continues ó sport store campaign, continues to grow ó 100 stores through Michigan and N. Ontario ó point of purchase materials, brochures that promote Searchmont in addition to providing the store with give away opportunities
- direct mail ó two major mail drops ó primarily in Sudbury area
- email campaign ó regional CTV campaign ó print and radio campaigns

Upcoming Events

- Last year had first Association of Ontario Snowboarders event
- Working on a date right now, drew 35 athletes from S. Ontario, but hope to see that grow for this year
- MACC race
- Mealey Classic ó should be bigger than last year
- No Limits ó successful program ó continues to grow and we will be offering adaptive lessons as part of the education program
- Snow cross has asked regarding next year ó second week in December ó snow dependent

- We are behind from where we are normally at this time of year ó weather being the biggest challenge ó looking at starting snowmaking tomorrow
- Triple Chair is ready to go ó lift inspection on other three on Monday and Tuesday and then should be fine
- December 16th was scheduled opening day ó not sure if we will get there, but will plug away for the next week ó need to get open before Christmas

K. Floreani/D. Hornstein **MOTION:** To accept the General Manager's report.

Carried

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Treasurer Report – Jim Real

- Financial Review
- Overall revenue was down from 2010 and 2001
- On the expense side ó Dan has been doing a good job scaling the revenue
- Should try to operate to generate enough income to replace the assets
- Current state of affairs ó there has been a downward trend on revenues, but still not great news on cash flow basis
- Skier visits and revenue per visit ó two difficult snow years show in the numbers ó poor snow years impact on revenue
- Difficulty managing working capital
- Funding for capital improvements
- Interest expense that we continue to pay down on is a drain on cash flow and does not help in maintaining viability
- The lien on assets causes difficulties
- Significant increases in electricity expenses
- How do we finance infrastructure projects
- Off-season sources of revenue remain limited

P. Henry-L. Marcoux **MOTION:** To accept the Treasurer report.

Carried

6. New Business

Election of Directors

- Nominating committee consists of myself, Lee, Andrea Reibmayr, and Corrine Mezzomo
- Recommending re-election of Andrea Reibmayr, Jeff Priddle, Jim Real, Kent Floreani - James Caicco new member
- Any other nominations from the floor
- James Caicco ó family, wife's family has long history at Searchmont, important to them, and as real estate business man realizes the importance of Searchmont, also a member of NOHFC ó would like to help strengthen the relationship

L. Marcoux-G. Elder **MOTION:** To accept the new board members.

Carried

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Unfinished Business

G. Elder/M. Pochtaruk **MOTION:** To retain the accounting services of KPMG for the 2011/12 fiscal year.

Carried

Andrea – would like to thank the volunteers
ó Music Fest, Rib Fest, Searchmont Ski Runners ó Santa Claus Parade float won best
community float

- Thank you to the board members

9. Question Period

10. Adjournment: 8:23 p.m.

L. Marcoux/K. Floreani **MOTION TO ADJOURN**

Carried

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