

**SSAI AGM
MINUTES
Saturday, January 18, 2014
Searchmont Resort**

REGISTRATION OF MEMBERS

MEETING CALLED TO ORDER 2014 Meeting

- **Quorum – 16 members**

Introductions – James Real

i) Board Members in Attendance

- Greg Peres, Gilles Labelle, James Real, Dave Hornstein, Martin Pochtaruk, Kent Floreani
 - Not present – ,Andrea Reibmeyer, Jeff Priddle, Suzanne Priddle-Luck

ii) Nominating Committee

- Gilles Labelle, Bob Real, Greg, McMaster (chair)
-

Acceptance of the Annual General Meeting Minutes

G. Elder/Martin Pochtaruk

MOTION: To accept the AGM Minutes dated January 26 2013.

Carried

Reports

i) Board of Directors – James Real

- met 16 times in 2013 with 1 extra meeting
- SSAI is not for profit volunteer board
- operate within financial constraints (positive cash flow)
- cash flow drives how we operate
- debt on balance sheet
- working to negotiate with mortgage holder
- working on property development
- engage with community to promote overall benefits of the

Gov't Funding

- grants NOHFC \$750 000
- FEDNOR \$406 350
-

Raise Capital – to leverage

- need to raise \$500 00 2.5-1 ratio

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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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Planned Infrastructure...

Hill remediation
Snowmaking
Equipment
Buildings
Terrain park
Project Management

Currently at just less than \$130 000

Governance

1. SSAI is not for profit
2. To give oversight and support to GM and management team
3. Strategic focus
4. Voice into the community

G Labelle/G MacMaster

MOTION: To accept the Board of Directors' report.

Carried

**ii) General Manager Report – Dan Missere
Operational Overview (slide show presentation)**

- -increase of about 6%
- Bulk from SSM
- Consistent from Michigan and Sudbury
- Snow Fall Stats – significant climb
- 2014 visitation has doubled from over a year ago
- 42% increase in season's passes
- Aggressive with Sault college and Algoma University
- Partner with Outreach and Engagement Project (in partnership with EDC)
- Polar Express SOLD OUT
- Mini-mont in town
- Mud Run Canadian /Cancer society
- Moonlight Street Jam Downtown association
- New to Sault Welcome
- YMCE/Searchmont
- Library

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- Snow Cross – early season revenue
- Mealey Classic Race
- Corporate Days
- Sault College/Algoma
- School Boards
- Ride for sight
- Biathlon
- Music Festival
- Connection with Tourism SSM budget of about 250 00 developed for marketing for Searchmont
 - A. Direct Mail
 - B. Email/Google

QUAD Update

- Gap on snap ring is the challenge
- Two wheels have be sent to Dopplemayr for inspection and report on what they find
- Even if they okay it...it may not be a go cost will be \$40-50K in material plus labour
- Essentially it requires to take the lift apart and replace all snap rings and baking plates for 78 wheels
- Searchmont Glade – volunteers clearing of Quad area to free up area for Glade skiing – feedback has been great
- Glades are very unique to our hill, more opportunity to develop more next spring

D. Hornstein/M. Pochtaruk MOTION to approve the General Manager’s Report

Carried

4. Treasurer’s Greg Peres

- Weather equals revenue
- Revenue is not climbing as much as you think but we are getting more visits
- Total Revenue - \$1 558 761
- Expenses- wages, utilities and insurance are major costs
- We forecast and manage within out budget
- Not paying interest or payments on mortgage
- Cash flow is increasing but not enough to be sustainable
- Far cry from sustainability

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- Good new cash flow positive but not enough to pay interest or principal on our debt
- We manage within our means
- Track our visits and revenue from visits
- Giving more away to our patrons
- Owe “shy” of \$1.5 million
- Accrued interest \$467 000
- Hold mortgage at a reduced amount
- have not paid debt for 3 years
- JM has been patient wants to settle but is very cautious
- In negotiations with JM to settle at an affordable amount
- Plan is to sell lots to raise capital to pay
- **Timeline** – within 10 months, but do not have a signed agreement at this time
- **Bottleneck** – Gov’t funding is not at risk, lot development has to get done, then move to forward to community partners
- Don’t want to renegotiate a debt that we cannot afford
- Interest rate on mortgage is currently 8%
- Hoping in 10 months to be able to move forward- nothing has been spent yet on servicing about \$100 000
- Septic and lots are onus of the lot owners
- Managing Working Capital
- Funding capital improvements
- Interest, expense drain on cash flows
- Lien on assets impacts some of our options
- focus on paying debt
- Leverage government funding
- Community
- Managing wage costs, electricity/fuel costs and insurance

G. Elder/M. Pochtaruk **MOTION:** To accept the Operational Report and the Treasurer’s Report.

Carried

New Business

- i. Election of Directors (Greg McMaster)
Re-elect Gilles Labelle and Dave Hornstein to the board
Nomination from the floor – Danny Alessandrini

G. McMaster/J. Real **MOTION:** to accept the nomination from the floor of Danny Alessandrini

Danny Alessandrini –introduces himself - new skier, chalet owner, real estate business in town, helps whenever he can

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Hornstein/M. Pochtaruk MOTION: Move to accept nomination of Danny Alessandrini

Carried

VOTE: by show of hands

J. Real/K Floreani

MOTION: RE- elect Dave Hornstein and Gilles Labelle and elect Danny to SSAI Board

K Floreani/M. Pochtaruk

MOTION: to approve Joe Ruscio Professional Services to Prepare income tax for SSAI for a period of two years.

New Business – D. Hornstein

Proposed Property Development

Identified area due to its accessibility

Kresin Engineering did design of lots

Kept lots to a specific size so that it is able to stay with Sault North Planning

Consultant out of North Bay – will meet Jan 30th for advisement

If all ducks are in a row – application could take as little as 6-8 weeks (3-4 months)

– so long as all studies that are required have been completed

Surveyor will have to be sent in

Assume lots will sell between \$40-60 000

Have some “work in kind” that can be leveraged towards FEDNOR and NOFHC

Question Period

Adjournment: 4:20 p.m.

Carried

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