

BLUE MOUNTAIN VILLAGE ASSOCIATION

DRAFT MINUTES

ANNUAL GENERAL MEETING OF THE MEMBERS

DATE: November 3, 2018

PLACE: Huron Ballroom, Blue Mountain Village Conference Centre,
Blue Mountain Resort, Blue Mountains, Ontario

PRESENT: Residential Members
Lodging Members
Commercial Members
Blue Mountain Resorts LP
Skyline Investments Inc.

ALSO PRESENT: Traci Smith, BDO Canada LLP
BMVA Staff

REGRETS: Michael Martin; Town of the Blue Mountains Board Representative

PRESIDENT: Andrew Siegwart

SECRETARY: Craig McIntyre

CALL TO ORDER

The President called the meeting to order and had The Secretary confirm there was quorum for the Annual General Meeting.

PROOF OF NOTICE

The President noted that a preliminary notice of meeting had been mailed or emailed to all members on August 16, 2018 with a formal notice sent on October 3, 2018.

APPOINTMENT OF SCRUTINEERS

Andrew recommended the appointment of Traci Smith, BDO Canada LLP as Scrutineer. Members confirmed no objections to this appointment.

PREVIOUS ANNUAL GENERAL MEETING MINUTES

The minutes of the previous Annual General Meeting of Members was distributed with the meeting notice. There were no questions or comments on the minutes. Upon motion duly made by Gerard Buckley, seconded by Abdullah Mohibuddin and unanimously carried, the following resolution was passed:

RESOLVED THAT the minutes from the November 18, 2017 Annual General Meeting be approved.

AUDITOR's REPORT AND FINANCIAL STATEMENTS

The highlights of the Financial Statements of the Blue Mountain Village Association for the fiscal year ended June 30, 2018 were reviewed by Traci Smith from BDO Canada LLP, the Association's auditor. Traci noted that the Association has a strong cash position and is debt free, with secure investments that are accessible if required and that the Association is planning for the future by maintaining Operating and Capital Reserves. She noted that Plunge had delivered a small surplus this fiscal year after two years of significant growth. The Audit Opinion states that the Financial Statements present fairly, in all material respects.

The Annual Report which included the Financial Statements audited by BDO are available online to all Members or sent by mail on request as noted in the Notice of Meeting sent October 3, 2018.

APPOINTMENT OF AUDITOR

Upon motion duly made by Maurice Byrne, seconded by Gerard Buckley and unanimously carried, the following resolution was passed:

RESOLVED THAT BDO Canada LLP is appointed the auditor of the Association to hold office until the close of the next annual meeting or until its successor has been appointed at such remuneration as may be fixed by the Board of Directors.

DIRECTOR ELECTIONS

The President reported on the nomination process, noting that no nominations for Director positions for Residential, Commercial or Lodging had been received from the Members. He proposed the Slate of Nominees recommended by the Board of Directors, as provided to Members in the Information Circular be approved by Members. He asked if there were any nominations from the floor. There were none.

As there were no nominations from the floor, a motion to accept the existing Board Slate for Residential, Commercial and Lodging Class was requested. Upon motion duly made by Armand Attar, seconded by Mary Pasut and unanimously carried, the following resolution was passed:

RESOLVED THAT the Board of Director's slate of Nominees for Directors for Residential, Commercial and Lodging classes be accepted.

The President declared the following individuals were elected directors of the Association for a 2 year term:

Elected by the Residential Members:

Steven Troster

Elected by the Commercial Members:

Bill Vomvolakis

Elected by the Lodging Members:

Maurice Byrne

PRESIDENT'S REPORT

Andrew reported on the operations of the Association for the 2017-18 Fiscal Year. A copy of the presentation is attached to these minutes as Schedule A. Key areas of note were:

Revenue-

- Growth in Basic Fees related to new developments; increase in Membership.
- Rental Royalty Fees up 8% year over year as a result of increased visitation and price.
- Plunge saw a significant decrease in net income year over year with increased competition from new attractions and increased operating expenses.
- Other Revenue is related to the South Georgian Bay Labour Supply Task Force. The Association took the lead in raising funds from local stakeholders to conduct a study related to Attainable Housing in the region.

Expenditures-

- Events expenditures were broken out into 5 categories in the Annual Report to provide additional clarity for Members. This has historically been presented as a single category.
- Property Management staffing costs were now included under "Operations Administration". Hiring in-house gardening & grounds staff allowed money to be better spent in landscaping. Some savings seen in Security as the Association leveraged BMR's security team in lieu of OPP.

Unrestricted Assets-

- The Association has unrestricted investments equal to approximately 8 months of expenditures which falls in line with best practices of between 6 and 12 months. No fee increases or assessments on the horizon.

QUESTIONS FROM THE FLOOR

- A Member questioned if the change in tax law related to passive income would affect the Association's investments. Andrew explained that the Audit Committee evaluates these changes and they did not find any cause for concern as the Association is a Non-Profit.
- A Member asked where the ongoing litigation against the Association was in the notes, and if there was a provision in the Financial Statements. Andrew referred to Note #9 in the Annual Report , and explained that the Audit Committee advised a provision was not necessary at this point, and the Board of Directors agreed.
- A Member questioned if there were any Resale Entry Fees payable from the sale of Blue Mountain Resorts. Andrew explained that there was not as Resale Entry Fees are only applicable to Member properties.

PRESIDENT'S REPORT CONTINUED

Andrew continued his presentation. Highlights:

- A quick debrief on the Municipal Election Campaign. New slate of counsellors heavily utilized BMVA talking points in their campaigns – members had a voice.
- South Georgian Bay Labour Supply Task Force work. Attainable housing is a continuing concern in the region with very few affordable homes and rentals for those employed in the Tourism Industry. 6 month pilot project for extended bus hours started July 1.
- On the Horizon for the Association:
 - Impact of cannabis legislation.
 - Changes to the STA bylaws.
 - Potential Hotel Tax.
- TrustYou aggregator of online review websites allows the Association to better compare ourselves to other destinations as well as keep track of and respond to reviews across a variety of platforms.
- Leveraging traffic counting analytics capabilities of new security camera system. Set measurement benchmarks, compare weekday/weekend split and increase ability to sell sponsorships.
- Next Up for the Association:
 - Different outdoor event spaces in the Village to allow conference business to build upon.
 - Event launches of Blumination Dream Trail and Sea Otter Classic.
 - Engage consultants to update the Association's Bylaws.

RMA 2020

Andrew called Maurice Byrne – Director, Lodging on stage to give an update on the progress of “RMA 2020”. Maurice explained that a group had been formed related to the upcoming negotiation of the Rental Management Agreement for Seasons at Blue, Weider Lodge and Grand Georgian. He explained that RMA 2020 had undergone an RFP process and selected CBRE Group to represent their interests. Maurice requested that any Member that had not already signed up for the RMA 2020 group do so at the registration table outside the Meeting.

TERMINATION

Upon motion duly made by Gerard Buckley, seconded by Michael Wilde and unanimously carried, the following resolution was passed:

RESOLVED THAT there being no further business, the meeting was terminated.

Andrew Siegwart
President

Craig McIntyre
Secretary