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Explorers' Edge Board of Directors Meeting Minutes
Wednesday March 28, 2018
Inn at the Falls, 1 Mahaffy Court Bracebridge, ON

Present: Gail Burrows, Jeff Suddaby, Don MacKay, Hilary Chambers, Michael Simonett, Eric Miglin, John Langford, Anthony Rizzo, Brenda Scott, Laura Ross, Dymrna Hayes, Curt Dunlop, Scott Doughty

Regrets: Kim Loader, Karina White

Guests: Kelly Haywood, Muskoka Tourism Marketing Agency

Staff: James Murphy

Welcome and Chair Remarks: Chair Jeff Suddaby called the meeting to order at 9:30am

Suddaby makes opening remarks – Introduced our guest, Kelly Haywood on behalf of Muskoka Tourism Marketing Agency.

Conflict of Interest: n/a

Approval of Agenda – March 28, 2018

Motion: Don MacKay

Seconded: Curt Dunlop

Discussion: Suddaby recommended that MTMA via Haywood provide a short update related to activities at Muskoka Tourism after financial discussion.

Approval of agenda with recommended changes **Carried.**

Approval of Minutes – January 10, 2018

Motion: John Langford

Seconded: Michael Simmonett

Discussion: n/a

Carried.

Treasurer Dunlop presented financials and noted the changes as a result of FedNor funding announcement and subsequent partnership. The noted impacts to the budget will be seen in additional local partnership and international marketing budget lines. Dunlop also noted that Muskoka Futures has been engaged related to bridge financing as a precaution regarding delays in transfer payments coupled with cash flow. He noted that ED Murphy has been in contact with Muskoka Futures and that a motion from the board is the next step. Dunlop asked about questions regarding current income

statement and balance sheet. Dunlop concluded that the income statement highlights that we are on budget and that the auditor will start reviewing the books in the coming weeks.

Motion to Accept Financials as Presented

Motion: Curt Dunlop

Seconded: Eric Migland

Discussion: n/a

Carried

Treasurer Dunlop then asked the board if they had any questions about the bridge financing. Mackay asked about the total amount, Dunlop deferred to ED Murphy who noted that the amount requested was not to exceed 100k.

Motion to Explore Bridge Financing

Motion: Curt Dunlop

Second: Jeff Suddaby

Discussion: Chair Suddaby thanked ED Murphy for taking the time to facilitate this.

Carried

Treasurer Dunlop then reiterated the budget updates that relate to the FedNor funding and work taking place in 2017-2018 fiscal year.

Motion to Accept Budget Updates

Motion: Curt Dunlop

Second: Gail Burrows

Discussion: NA

Carried

Chair Suddaby introduced Haywood to the board. Haywood thanked the board for the opportunity to sit in on a meeting and also thanked Suddaby for attending the last two MTMA meetings and providing updates on RTO activities. The following information / update was shared with the RTO:

- MTMA April 19, 2018 AGM and Hidden Valley, Haywood also invited the RTO to the AGM as a guest speaker.
- MTMA governance and the process that the board was embarking on in preparation for the AGM so that the bylaws can be updated at the AGM. Work is underway at MTMA to update their bylaws.
- Muskoka Maple festival and collaboration taking place between the RTO, DMO and chamber to promote the spring event in Huntsville, great example of all levels promoting one event in the region.
- Duplication and best practices were noted by Haywood as a work in progress and that working closely with the RTO is of utmost importance to MTMA

- Toronto job fair that took place, with close to 100 candidates, Haywood thanked the RTO for financially supporting the program, Simonett noted that it was closer to 65 qualified potential workers and that the challenge continues to be housing and transportation.
- DMO sponsorship request related to a possible annual TIAO conference and Chamber of Commerce conference were noted as not being financially supported by MTMA
- MTMA has noted the international Waterski Show is coming to Muskoka Sept 7-9, 2018
- The MTMA marketing plan has been developed and reviewed by the board of directors, next step would be to share with the RTO and gather feedback to ensure that duplication can be minimized. MacKay noted that this is an opportunity to collaborate but there needs to be a willingness to cooperate. Suddaby noted that it is important to have dialogue and communication at the beginning of development rather than after a program brief, like a marketing plan, has been vetted by board members. Langford enquired about MTMA funding model with Haywood noting that 300k is provided to the organization via an annual payment with the total budget for the organization being 600k annually. John then asked about funding that the RTO reviews from the District, Murphy explained that while the RTO has received funding it is not an annual budget item rather a project by project investment (airport feasibility study, business plan and international marketing. Ross spoke to the notion of revisiting a roles and responsibilities exercise in Muskoka mentioning the strategy corporation document completed a few years back by the District of Muskoka, MacKay noted that the RTO covers more than Muskoka and that Muskoka should sort out roles and responsibilities first. The board discussed the importance of dialogue between the two organizations and the sharing of information to ensure the right hand knows what the left hand is doing. Doughty noted that sitting on both boards offers a great opportunity to facilitate updates and that while many organizations communicate similar products there is a need to better understand and communicate who those audiences are amongst stakeholders. Simonett shared thoughts that there needs to be more information from partners underlining the need for budgets so that holes and gaps can be identified.

Chair Suddaby thanked Haywood for the update from MTMA while also stating that MTMA board members are welcome at RTO meetings whenever they like.

Miglin shared an update with the board related to Resorts of Ontario and their upcoming spring conference at Deerhurst Resort. Miglin shared with the board that the key note speaker is Roger Brooks and it would be taking place on April 19, 2018. Doughty noted that he has not taken part in Resorts of Ontario programming but would attend the conference. Langford and Miglin both noted the website traffic provided ROI related to membership dues. Miglin noted that the conference would have some great break out session, for instance there would be a info session related to Bill 148 and Ross noted that the provincial investment office would be in attendance with James Lynn facilitating a break out session.

Chair Suddaby then asked Ed Murphy to update the board of directors.

ED Murphy updated the board on Commercial Air Service noting highlighting the updated to the District Committee of the Whole, challenges with Bill C49, work completed by Senior Director Monk on Federal and Political Outreach to better understand the implication of Bill C-49 while underlining the importance of confidentiality as the project continues to progress. MacKay shared with the directors his involvement as a member of the new airport board sharing with them the importance of this project to the community.

ED Murphy updated the board on industry outreach and partnership that has taken place over the last 6 weeks that included presentations and training in Loring Restoule, Product Development Webinar, Muskoka Tourism Alignment meeting, District of Muskoka Collaboration, MTMA, Chamber and Hotel Association, RTO Industry Session & Marketing Committee Meeting.

Ed Murphy shared with the board work taken place related to MTCS commitments such as Business and Operational Plan, updated Amendment with Current Year's Budget, Addition of FedNor Project & Transfer Payment Agreement updates. In addition to work taken place on provincial commitments Murphy shared with the board that HR contracts had been updated and that a job posting for a new position was imminent. ED Murphy also informed the directors that fiscal year work associated with workforce, research and governance were on track to meet year end deadlines.

Chair Suddaby thanked Murphy for the update and asked if there was anything other updates.

Burrows mentioned that the Parry Sound chamber hired a new General Manager and that they have an AGM and business awards ceremony taking place April 14, 2018. She also shared with directors that the Ridge at Manitou has sold and will be operating for the 2018 season.

ED Murphy and Marketing Chair Chambers provided the board a year end marketing update highlighting 2017-2018 Marketing Results, Product Development Framework Results & high-level 2018-2019 Strategy. ED Murphy provided the directors with a budget comparison year over year and reminded directors that this fiscal marketing was diminished as a result of investment in the 5 year strategy and product development. ED Murphy highlighted the content performance and the analysis of the top ten blog posts shows they generated an average site visit time more almost five times the site average (150 seconds versus 30 for the site overall) and that the top ten blog posts accounted for 50% of total page views for the year, up from 44% in F2016, and 63% of total referrals. Ed Murphy also shared with the board Facebook Page / Post Performance and F2017 was another outstanding year for growth of Facebook with 144,898 fans on March 31, 2017 to 179,424 by end of January, 2018, an increase of 33,250 or 22%. Our posts reached almost 100% more Facebook users this year - 37 million and generated over 79 million impressions: 12% of the reach achieved was organic. The posts generated almost 2.4 million engagements (likes, shares, comments, clicks to website) – an 11% decrease from F2016: top ten posts accounted for 39% of all engagements & overall engagement rate (ER) was 3.0%, down from 5.0% in F2016. The program also saw growth in Instagram, twitter and the lead nurturing program produced optimal results. ED Murphy also noted that the RTO had an exceptional year for partnerships with 22 regional partnerships related to content, events and international development.

ED Murphy completed the presentation with a budget reconciliation as of January 2, 2018. MacKay asked if the RTO would hit the budget final numbers and Murphy replied that we were on track while informing the board that lead nurturing would be over budget due to the success of international Share Your Canada 150 and influx of international leads.

Langford enquired about the Marketing Committee and ED Murphy noted that communication regarding committee updates would be shared with the board and any directors wishing to participate in a meeting are more than welcome.

ED Murphy updated the board of directors on the Product Development Framework / Strategy highlighting the amount of research that supports the framework and key insights from that research.

ED Murphy noted:

- Of those surveyed who would consider Ontario, Canada as a getaway destination, 53% said they would choose this province for its natural landscapes or for a Canadian wilderness getaway. Given that there are 40 million people in these 4 US markets, this suggests a massive opportunity for RTO12.
- Of the 14 KTAs that show the broadest appeal (interest level greater than 50% for the total population), six can be described as “outdoor activities” that are differentiators in the competitive provincial landscape.
- These KTAs also have relatively strong Motivation Indices, meaning they influence the decision to consider a vacation destination.
- Together these six activities define a “quintessentially Canadian wilderness experience” and align perfectly with the EE brand.

ED Murphy elaborated that the six key tourism Activities (KTAs) include Being lakeside, Wildlife viewing, Guided nature tours and wildlife viewing, Hiking in Nature, Paddling, Learning about Indigenous culture and Together these activities serve as relevant and differentiating proof points for the brand proposition in the USA market. Discussion also turned to considerations that the RTO must review related to developing the final 3-Year Product Development Strategy. Langford spoke to the importance of paddling with MacKay addressing the importance of golfs role in KTA’s while Doughty spoke to the importance of workforce making all KTA’s work efficiently. Hernando noted that the product development webinar was very well done and commented on how the work completed will set out RTO apart.

ED Murphy provided a brief update on 2018 marketing activities as a result of the committee meeting in early February. Speaking to domestic content Murphy noted the focus will be on International marketing in F2018 with a budget of just \$58k that has been allocated to domestic content marketing. As this is 23% of the marketing budget, we must therefore spend the budget judiciously to maximize the number of domestic visitors. The supported recommendation is that the budget be spent against promoting the RTO’s “greatest hits” - the three to five blog posts from each season that have generated the most traffic over the past three years. Also need to take into consideration sub-regional level

playing field. Regarding international audience we will use significant Intel from the Environics Product Research Study to match audiences with 'KTAs', i.e.;

- English-speaking FB users over 25 living within 50 miles of NYC and Boston who are interested in Canada and or Ontario (approximately 2 MM users)
- English-speaking FB users over 25 living within 50 miles of NYC and Boston who are interested in our KTAs (approximately 5 MM users)

Once we have some performance data, we will drill into these large audiences to identify the best prospects and refine the targeting accordingly while also looking at Canadian ex-pats living within 50 miles of NYC and Boston (approximately 50K users), as well as 1% lookalikes. Another audience is visitors to EE.ca who have a US IP address (reached via remarketing on Facebook). ED Murphy then presented the committee sanctioned draft marketing budget. Langford spoke to the importance of FAM trips and media events.

Motion to accept the proposed marketing budget totalling \$614,200.00.

Motion: Hilary Chambers

Second: Eric Miglin

Discussion: N/A

Carried

Simonett spoke the board of directors regarding workforce development and the need for short term and long term goals. ED Murphy shared with the board an update on content development and communication regarding positioning the region as a hub for hospitality and tourism employment. ED Murphy then shared information with the board related to work completed with the MTCS, Supporting Tourism as a Career, TIAO update, Simcoe Muskoka Workforce Development Board and information related to the regional Job Fair in Toronto. Burrows shared with the board Seguin Valley's approach as it relates to housing and employment.

Simonett then provided the board with a list of those being invited to the workforce development committee.

Motion to accept the draft workforce development members.

Motion: Michael Simonett

Second: Scott Doughty

Discussion: N/A

Carried

Governance Chair Rizzo addressed the board as it relates to work at the committee level. Rizzo updated the board on work completed since 2010 related to governance and those past reviews. He noted that it was time to review and update our governance, processes, roles and understanding of overall governance. The RTO did a closed EOI receiving three competitive quotes. Rizzo spoke to the recommended consultant as it was the most comprehensive proposal out of the group with detailed understanding of the scope, challenges and deliverables. It included a phased approach, references and

the consultant pre-reviewed RTO documentation and was the only consultant that identified current gaps in the overall governance. The recommended proposal also identified and provided additional steps i.e. board recruitment and orientation materials to the overall proposal. Rizzo addressed risks involved with the project, one of which was commitment by directors. MacKay reiterated with the directors the fact that this will only work with the commitment from directors. Miglin spoke to the fact that this is very important for succession and efficiency at the board level.

Motion to accept the recommended consultant subject to the review of work back schedule and expenses.

Motion: Anthony Rizzo

Second: Don MacKay

Discussion: N/A

Carried

Motion to move in camera with ED Murphy.

Motion: Jeff Suddaby

Seconded: Gail Burrows

Discussion: n/a

Carried.

Motion to move in camera with board of directors

Motion: Hilary Chambers

Seconded: Curt Dunlop

Discussion: n/a

Carried.

Motion to Adjourn

Motion: Hilary Chambers

Seconded: Gail Burrows

Discussion: n/a

Carried.