

KDCA FALL MEETING WEDNESDAY, OCT.3, 2007

IN ATTENDANCE (16)

HARALD LOHN
ANNE LOHN
GARY BEARDSLEY
STEVE HARTLE
EVE HARTLE
NATHAN HARTLE
MAL TYGESSON
JERRY FISHER
JACQUI HAUKENESS
PETER BURNS
ROBERT PALUCH
GORD BASTABLE
MIKE BILSBARROW
KARLA CLARK
SILVER C. HUNT
JUDY ALEXANDER

KABEEO LODGE
KABEEO LODGE
LAC SEUL'S EVERGREEN LODGE
BIG HOOK WILDERNESS CAMPS
BIG HOOK WILDERNESS CAMPS
BIG HOOK WILDERNESS CAMPS
EVERGREEN LODGE
MORSON OUTFITTERS/VP NWOTA
RUGBY LAKE LODGE
McAULEY & PARTNERS
TEMPLE BAY LODGE
VERMILION BAY LODGE
PRTC/DARKWATER DEVELOPMENTS
CLARK'S RESORTS
WALDHOF BAY LODGE
NORTHWEST DESIGN + COMMUNICATIONS

1. CALL TO ORDER The meeting was called to order at 9:18 a.m. May 4, 2007 by Harald Lohn as President.

2. PRESIDENT'S OBSERVATIONS/DISCUSSIONS : Harald Lohn

Harald said he tried to keep this meetings agenda lean and mean and down to a few critical issues- Destination Marketing and KDCA Elections.

Border Issues: KDCA wants to be invited to a Border Caucus meeting being held in Ottawa Oct.16th. NOTO has formed a working group to address border crossings and Steve Hartle is in charge of this. NOTO will be attending the Ottawa meeting.

We have a major problem with the Fort Frances/Rainy River border crossing. Three hot spot U.S.border crossings into Canada were identified as #1 Fort Frances, #2 Saskatchewan, and #3 Vancouver. Gary Beardsley said that his guests haven't had a problem in the last 16 years with crossing the border until this year. His guest was arrested 22 years ago for a bar fight, was hassled at border as the clerk of courts never took his name off the record. Gary said they are especially checking hunters at the border. Harald said that we as tourist operators have to explain these issues to our guests. We have a complaint form on-line now that people should be filling out so that we have this information documented in order to fight this issue. Information from these forms are being sent to Ken Boshcoff. Mal Tygesson asked that if we can get invited to the Oct. 16th meeting in Ottawa who will represent us? Jerry said that they are meeting with Ken Boshcoff tomorrow and will find out more then. Harald said they should have more info by Friday. Jerry said that this meeting in Ottawa is with the Outdoor Caucus as well as the Border Caucus.

Passports: Harald said that in the Thunder Bay paper if traveling by car you wouldn't need a passport until 2008. On the Homeland web site it says mid 2008. Harald said that Jerry went to Washington DC representing the KDCA/NWOTA Partnership to a meeting regarding passport issues. Harald said that we've been very active in this issue and that it makes sense from a lobbying point of view and we should continue with it. Harald said that Jerry was appointed President of NWOTA at their last meeting.

Small Vessel Monitoring: Harald said that there are changes coming so we will have to investigate and get info back to our membership. Jerry said they've tried to find information but that nobody knows what's happening. Mal said that he talked to Doug Reynolds-apparently changes will happen for safety reasons. Mal said that they are pushing for all our boats to be categorized as commercial and his concern is that this is just the tip of the iceberg and that down the road we'll have to pay so much per boat. Mal said that if NOTO can't defeat this then they are a useless organization. Steve said that this is a federal initiative. Harald said we have to be proactive not reactive as this raises more issues again...we should be concerned about this.

OTMPC Marketing Plan: meeting in Sudbury in November, 2007 with a follow up meeting May 31st. Harald said that all these consultations hurt us. OTMPC is trying to identify a unique initiative to promote Northern and Northwestern Ontario as a destination. There would be a 3 year commitment. At the Oct.31st meeting we need a report as to the progress. Harald said that if we don't get a go ahead until December where will marketing dollars be spent...how, how much and where? The Oct.31st meeting will be at the Best Western in Dryden. Mal will try to attend this meeting. Mal said he spoke to Jim Grayston around the end of August and he didn't know what they were going to do. Mal said that we are all beating up on Jim Grayston because he's not delivering. Mal said that the timing seems to be all off on this...we're all winding down and will soon be gone. Harald said he doesn't know what's happening and he's even on the committee. Mal said that we all have our own individual marketing plans in place for next year already. Harald said that we operate on a different schedule than they do and to try to synchronize efforts is very difficult...you have to sing loud and long. He said that he's not bad mouthing what they're doing- we just have to keep an open mind. Harald said that being in his second term as President of KDCA it's the people that make the difference. In any organization he said that 7% of the people do all the work so members have to get involved to help make a difference. He said that for him personally it's been very satisfying...our hearts are in tourism and it's been a privilege to serve as KDCA President for two years.

3. MINUTES OF FALL MEETING Minutes from the 2007 Spring KDCA meeting were previously circulated. Karla Clark moved to accept the minutes as presented. Mal Tygesson seconded. Carried.

4. TREASURER'S REPORT Steve Hartle

Steve reported that it was a bad half year with bond growth. He suggested that some monies be put into another money market fund and suggested KDCA should get Fred van Vogt, Investors to attend the Spring meeting to review investments and make recommendations as KDCA's portfolio is currently very conservative. A one page summary report from May 2, 2007 to Oct.2, 2007 was distributed to members. Total deposits for that period were \$15,797.15 with total expenses being \$8,044.65 used mostly on Border Issues, Legal/Professional fees and KDCA/NWOTA Partnership Account. Currently KDCA has \$11,903.95 in a checking account and \$71,014.58 with Investors Group. Gary Beardsley moved that the Treasurers Report be accepted. Seconded by Jerry Fisher. Carried.

5. SERVICE CONTRACT - northwest design + communications: Judy Alexander proposed the office services contract be continued on the same basis as in previous years. Copies of the proposal were distributed to attending members. Mal Tygesson moved to accept the contract as proposed for another year. Steve Hartle seconded. Carried.

6. EXECUTIVE DIRECTOR FOR KDCA? Harald asked the membership if KDCA is in a position to consider this position. Gary Beardsley said that we want to thank Harald for the job he's done. He said this executive director position would entail looking after mondain day-to-day business. There are hardly any camps here today and wondered if there would be enough for a quorum. He said that we need to put some strength into our efforts...we should consider it. Harald said that a motion would have to be put forth to pursue this. He said that if we did engage and explore this issue we would need a few people to look into it. Harald said that maybe it's time we looked at it. Mal said good idea- we could use a service contract for the position. We should put a committee together to look into it. Harald works hours and hours each week on KDCA business and he still has to run his own business. Jerry Fisher said he agreed with Mal 100% KDCA/NWOTA has moved the yardstick...an executive director...how do we sustain it /pay for it. We need somebody doing this...we're constantly battling issues. He will also talk to NWOTA about this. Harald said that if we are serious about investigating this we would need a formal issue so Jerry can take this back to the NWOTA meeting tomorrow. Mal Tygesson moved that KDCA explore the position of Executive Director individually or in conjunction with NWOTA. Gary Beardsley seconded. Carried.

7. NOTO: Gary Beardsley commented that NOTO's board structure is so biased as to Northwestern Ontario. He said that Doug Reynolds has to take the bull by the horns or changes have to happen. NOTO is down to 300 members. Gary said that KDCA has done more on issues than NOTO. How can NOTO support 12 directors he asked. Harald said that KDCA/NWOTA has concerns in the north...we're not looking to NOTO for leadership...we are looking after ourselves. Harald said that after Jerry meets with NWOTA...if passed we will set up a working group. Jerry said that the financial part might be an issue. He said that Harald and himself have spent a lot of time with NOTO-they just don't want to listen to our issues. Jacqui Haukeness said that if this was going to NWOTA she had a concern that they meet monthly and KDCA does not. Harald said that he and Jerry talk almost daily...the executive will be on top of it. Mal said that once a motion is made the executive can move on with it.

10:30 A.M. - COFFEE BREAK- SPONSORED BY KABEELO LODGE

10:55 A.M.- MEETING RESUMED

PRESENTATION: DESTINATION MARKETING Harald Lohn and Jerry Fisher

Harald reminded everyone that the DMF is legally incorporated with Harald being the Chair, Jerry being a Board Member along with 4 others. He said the web site is up and running and that they have been meeting every other week lately. Eleven camps have signed up and monies being collected are being sent to an accounting firm. At the Kenora meeting there were 30 people in attendance where strategic planning was done...a report should be out in a month. The goal is to create Northwestern Ontario as a world class destination. He said they have approximately \$20,000 raised to date. At the 2007 Spring KDCA meeting the DMF approached KDCA for \$5,000 in seed money. The membership voted 7/7. Because of the tie vote the request was tabled to today's meeting. Mal asked if there has been any thought as to how the marketing dollars will be used. Harald said that the final report from the consultant will be posted on the web site (www.nwodestinations.com) by the end of October. Jerry commented that according to the Economic impact study done in 2001-we spend 11.3 million dollars collectively as individual businesses to market our area. Mal said that we're all down 20-30% but the marketing dollars being spent hasn't changed. Gary asked if the bridge loan requested last spring was still required. Harald said yes it was and that if the membership approved the loan it would be paid back. At the spring meeting it was said that KDCA is not a bank. Harald asked if we should make it a loan or a grant. Jerry said he planned to bring the same request to NWOTA for a grant not a loan. It was agreed that a committee be set up to review this request as there wasn't a voting quorum at today's meeting. The committee will consist of Dan Denzler, Mal Tygesson, Steve Hartle, John Fahlgren and Earla Haukeness. Jerry said that NWOTA will bring this to a vote tomorrow. Peter Burns said that he was an allied member with no vote on the issue but suggested that the voting membership consider making a loan today and at the spring meeting vote to change it to a grant. Mal said he didn't think they had enough information to make a decision. Harald asked what the time frame would be to pay back a loan...24 months...36 months? Mal said that a reasonable time line would

be 2 years. Jerry said 2 years sounded good. Gord asked if the committee would be making it a recommendation in the spring to make it a grant. Harald said that the committee will have to review and vote in the spring. Mal said that KDCA has the money so we should approve the loan.

Mal moved that KDCA loan \$5,000 to NODMA repayable within 24 months and that the request for funds be sent to the Donations Committee to present at the spring meeting for vote as to whether it remain as a loan or be changed to a grant. Seconded by Gord. Carried.

Steve asked if the cheque should be made today. Harald said that he and Anne signed up on May 20th and started collecting money from their guests. He said only two people over the course of the season asked what the DMF was all about. He said it averaged about \$5.00 per person. Jerry said that an Economic Impact study in 2002 showed Wisconsin Dells with 2 million dollars in Marketing...now they're at 7 million dollars. Harald said that there is full accountability in the DMF and thanked the membership for the loan.

PRESENTATION: WHITE-TAIL DEER -Jacqui Haukeness

Jacqui said that there hasn't been a lot happening with the committee other than a few conference calls in the spring. Nobody seems to have time to input into the committee. She said that they need to hear from members on issues and deer hunt concerns. Randy only heard from one member all summer and that was me. The committee consists of Randy, Pete, Jim, Tom and Jacqui. Harald said that there seems to be a concern among outfitters as to what to do about this issue. Gary questioned whether nonresident hunting of white-tail deer be handled by a hunting committee. He said he has made complaints to the the biologist at the Red Lake MNR. He said the issue is brain worm in white-tail deer which also affects Moose and Caribou. He said the MNR is doing very little about it. It's going to affect Moose Hunting in the future. He said a hunting committee could also work on bear issues as well. Karla said that the biggest problem is pirating (tailgating) deer hunts...hunting under the table. She said that most of the camps are at a capacity with deer hunts

but in the future she could see this being a real problem. Jacqui said that tailgaters outnumber tourist operators. Karla said that tailgaters shouldn't be supported, period...they are doing things illegally. She said she knows of someone that paid \$2,000 in Canadian funds for a hunt which was run out of a garage and none of this money goes to Canada. She said she fears that we will lose guests to these tailgaters in the future. Gary wondered why Revenue Canada wasn't interested in this. Jacqui said they have stands out for deer on crown land and that the MNR does not have the staff to patrol this. She said that these people are not visible to the MNR. Silver said that his camp shot the largest deer in Ontario this year...he said the hunter was just lodging at his camp and that a tailgater showed up on his property. He said he didn't know if he was doing the guiding. He said he didn't know if it was an illegal kill or not, but Ontario lost publicity over this. He wondered why the largest deer killed in Ontario got out of the country and said that hunters are always looking for the cheapest places to hunt. Harald asked Jacqui what could be done...do we write letters...do we go to Ottawa to present this issue? Jacqui said that we need a meeting with the MNR to get their attention. Mal said that the MNR is not going to address this issue. He said they will wait for us and unfortunately it's too late...it's happened. He said that MNR license sales are a cash cow...if we have a terrible winter they will shut it down. Gary said that we need to build on the hunting committee and we need to go to the MNR Region Office in Thunder Bay because Peterborough won't do anything about it. Harald said that these issues can be brought forward with the support of NWOTA. Jerry asked if funds would help to have expertise to be part of it. Jacqui said yes that would help because we don't have the expertise to get the MNR to move on it. We can't seem to be able to get anything done. Harald asked whether this is the kind of issue KDCA needs to address....are you saying that this is a very critical issue? Jacqui said she thought it was. Harald said that we'll move this to our working case agenda. Anne said that we need an anonymous site where they can report a pirate as they are not paying any tax money. Harald said he agreed that they need to get the public and government informed about this. Mal said that the government said at one time that they were going to crack down on this. It's been allowed to fester and the MNR doesn't care because they are making money off licenses. Silver said that these tailgaters are only making \$250 to \$300 per client. Karla said not now...they are making big dollars. Media press releases were suggested on this issue.

12:00 NOON- LUNCH SPONSORED BY PEG & BOB PALUCH, TEMPLE BAY LODGE AND PAT & MAL TYGESSON, EVERGREEN LODGE

12:45 P.M. MEETING RESUMED

DISCUSSION

Mal said that Pat will need some help in getting donations and prices for the Spring Social and Dance. Karla said that a committee should be put together with a list of volunteers. Karla put her name forward. The committee will be Eavy, Cyndi, Marilyn and Karla.

ELECTION OF OFFICERS: Gary Beardsley, Nomination Committee

Gary said he made a lot of phone calls to get people interested in running but the response was very disappointing. He said that Harald has agreed to remain for 1 more year as President as no one else came forward. Gord Bastable will let his name stand for Vice-President and Steve has agreed to remain as Treasurer. Gary said that these are the nominees we have at this time. Gary said that Harald has developed the shoes that nobody wants to fill...and that he's done an excellent job. Harald said that he'll agree to take it for one more year as there are things he'd like to continue working on.

Gary moved that Harald Lohn be voted in as President; Gord Bastable for Vice-President; and, Steve Hartle as Treasurer. Seconded by Jerry Fisher. Carried

Gary said that they also need Board of Directors. He said we mostly have husband and wife teams. The new Directors will be Patty Beardsley, Karla Clark, Jim Buhlam, John Fahlgren, Jerry Fisher, Don Moore, Bob Paluch, Mal Tygesson, Jacqui Haukeness and Rob Wisneski. Pat Tygesson will be the Chair of the Fundraising Committee.

The transition of offices and officers is complete.

WRAP UP: Harald said that he would not be able to attend the NOTO Convention in North Bay on Nov. 12, 13, 14, 2007. He said that whoever goes will have to take notes and report to the membership via the KDCA newsletter. Mal said he could possibly go as long as Pat's health was ok. Harald said that the last thing is to set the date for the Spring Meeting. It will be May 2nd at the Waldhof Hall. Mal said that the hall has already been booked. He also mentioned that the Waldhof Hall was going to be doing some fundraising in order to pay for their \$150.00/year insurance bill. It was suggested that KDCA discuss a contribution to the Waldhof Hall at the Spring Meeting.

ADJOURNMENT: Gary Beardsley moved to adjourn the meeting. Karla seconded. Carried