

## Memorandum of Understanding

### 1) Purpose and Agreement:

The purpose of this agreement is to define the partnership between the Invermere-Panorama Destination Marketing Organization (referred to as the DMO) and the District of Invermere for the delivery of tourism marketing services on behalf of the District and participating Accommodation stakeholders.

### 2) Duration of Term of Memorandum and Termination process:

The term of agreement will be from February 1, 2014 until January 31, 2019. Renewal to be determined on or before October 31 2017 by District of Invermere and the DMO in conjunction with the Provincial renewal process.

## DMO Responsibilities:

### 3) Board of Directors, Executive Director, Governance and Meetings

- i) The DMO Executive Director will report to the appointed Board of Directors through its designated Chairperson. The Executive Director and Chairperson will provide periodic information updates to the District of Invermere and the RDEK Representative as is deemed useful by all parties. In addition, within 90 days of the end of each fiscal year, the Executive Director will provide a written Annual Report including Financial Statements and measures of performance to the District of Invermere Administrator.
- ii) The DMO Board will consist of an executive committee of a minimum three (3) up to not more than five (5) members representing the accommodation sector collecting the 2% MRDT hotel tax within the DMO jurisdiction.

#### Appointments to the Board:

- One Board member will be appointed by and will represent Panorama Resort Inc. (i.e.: Senior Sales and Marketing Executive)
- The remaining Board members will be Accommodation Stakeholders appointed by and representing the Accommodation Stakeholders under the terms and conditions of paragraph 5) Accommodation Stakeholder Interests and voting rights:
- The term of each Appointment to the Board will be for a period not to exceed five (5) years and will be reviewed as part of the DMO's five (5) year Renewal Process.
- A slate of Board members will be presented to the Accommodation Stakeholders for approval
- Board members will be selected on a skill matrix and sector representation basis. (i.e.: traditional hotel operation, property management condominium operation)

- iii) If there is a material change in the commercial status of any of the Accommodation Stakeholders, the Board reserves the right to review the appointment of individual Board members to ensure that the overall interests of the Accommodation Stakeholders and DMO are preserved.
- iv) The Executive Director of the DMO will be a member of the Board in an 'ex-officio' capacity
- v) While keeping the Board practical and functional, The Board reserves the right to appoint additional non-voting board members from other sectors of the tourism industry
- vi) The Board will be responsible for the approval of the DMO's Annual Business Plan, including the strategic direction, financial budget, tactical plan and overall marketing direction/objectives of the DMO. The Executive Director will be responsible and accountable to the Board for the implementation of the Business Plan
- vii) The DMO Board of Directors will meet no less than one (1) time each calendar year and will hold an Annual Meeting within ninety (90) days prior to the start of the new fiscal year. The purpose of the Annual Meeting is to inform the Board of Directors and voting Stakeholders of the current year's financial position, tactical plan and marketing activity, and to also submit a proposed financial budget and a forward-looking new cycle marketing tactical plan for their approval.
- viii) The DMO will operate in partnership and in a consistent manner that supports the marketing initiatives of Kootenay Rockies Tourism and Destination British Columbia (formerly Tourism BC)
- ix) The DMO will operate in a manner that recognizes, supports and embraces community values

#### 4) Financial Considerations:

- i) The DMO will operate annually on a pre-approved financial budget and marketing plan. The annual plan will recognize the need for flexibility in its implementation to enable the DMO to make adjustments to changes in MRDT tax revenue projections and changing market conditions.
- ii) Funding of all DMO operations will be generated by the collection of the 2% MRDT tax (Accommodation tax) and partnered/levered initiatives as well as other revenue income sources that may come available.

#### 5) Accommodation Stakeholder Interests and voting rights:

If in the event of a major change, significant opportunity or issue should arise, which the Board committee deems appropriate, they will undertake a vote by registered contributing stakeholders

the following equitable voting structure applies:

- Accommodation Stakeholders with under fifty (50) rooms under their management will receive one vote or proxy right.
- Accommodation Stakeholders operating fifty (50) rooms or more, will receive one vote or proxy

right or each multiple of fifty (50) rooms.

- An Accommodation Stakeholder is defined as a company or business with four (4) or more rooms under ownership or rental management within the jurisdiction of the District of Invermere or within the boundaries of Panorama Mt. Village, and that has collected the 2% hotel tax for not less than six (6) months and continues to collect and submit this tax to the province on an ongoing basis

**6) District of Invermere Responsibilities:**

The District of Invermere agrees to support the DMO in the following manner:

- i) Provide overall support within the community for DMO initiated tourism marketing initiatives and activities
  - ii) Collect the 2% MRDT hotel tax funding from the BC Government and ensure that the DMO receives the appropriate proceeds of that funding in a timely manner (quarterly) in order for the DMO to carry out its mandate
  - iii) Assist the DMO in applying for and obtaining federal/provincial/regional tourism grants that might be available from time to time
  - iv) Provide valued input and feedback to the DMO Board on behalf of the community
  - v) Provide other assistance as might be requested by the DMO Board
  - vi) Include the DMO in the planning process of MRI funded projects
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Signed on behalf of Invermere on the Lake-Panorama Mountain Village Destination Marketing Organization:

Signed on behalf of the District of Invermere:

Signature:.....

Signature:.....

Name:.....

Name:.....

Title:.....

Title:.....

Date:.....

Date:.....

