

This Operating and Funding Agreement made as of the _____ day of _____, 2026.

B E T W E E N:

THE CORPORATION OF THE TOWN OF COLLINGWOOD

(hereinafter the “**Town**”)

- and -

TOURISM COLLINGWOOD

(hereinafter the “**TC**”)

WHEREAS the Town is a municipal corporation duly incorporated under the *Municipal Act, 2001* (the “*Municipal Act*”);

AND WHEREAS TC is a municipal services corporation incorporated pursuant to section 203 of the *Municipal Act*, and in accordance with Ontario Regulation 599/06;

AND WHEREAS the Town established TC as the Town’s Eligible Tourism Entity for purposes of section 400.1 of the *Municipal Act*, through By-law 2025-031;

AND WHEREAS the Town is TC’s sole Member and whole owner;

AND WHEREAS the Town and TC seek to work towards promoting and developing sustainable tourism in the Town of Collingwood, including marketing Collingwood as a leading destination for tourism, overnight tourism, leisure and business travel;

AND WHEREAS the Town and TC seek to establish a framework governing certain aspects of their relationship in addition to the requirements of the *Municipal Act* and the Regulation, with an intention that TC act with operational independence subject to the provisions herein and applicable law;

AND WHEREAS Ontario Regulation 435/17 requires a municipality and Eligible Tourism Entity to enter into an agreement respecting financial accountability;

NOW THEREFORE, in consideration of the mutual covenants herein, the parties agree as follows:

1.0 DEFINITIONS

1.1 In this Agreement,

- (a) “**Agreement**” means this Operating and Funding Agreement and all schedules hereto;
- (b) “**By-law 2026-1**” means the corporate by-law attached hereto as Schedule “A”, as amended or replaced periodically;
- (c) “**Council**” means the Town’s Mayor and members of Council of the Town of Collingwood;
- (d) “**Council Resolution**” means a resolution of Council reached pursuant to the Town’s Procedural By-law;

- (e) **"Funds"** means the net MAT revenue portion that the Town provides to TC;
- (f) **"Mandate"** means the undertaking of promoting and developing tourism for the Town of Collingwood by TC as documented in the Business Case (Schedule "B") approved by Council by Resolution RES-180-2025 and Town By-law 2025-031 (Schedule "C") or as may be updated periodically;
- (g) **"MAT"** means the municipal accommodation tax implemented by the Town pursuant to section 400.1 of the *Municipal Act*, and in accordance with *Ontario Regulation 435/17* and Town By-law 2024-085;
- (h) **"TC"** means Tourism Collingwood;
- (i) **"TC Board"** means the board of directors of TC;
- (j) **"Regulation"** means Ontario Regulation 599/06, under the *Municipal Act*;
- (k) **"Town"** means The Corporation of the Town of Collingwood;
- (l) **"Town Clerk"** means the duly appointed Clerk of the Town or their designate; and
- (m) **"Town Treasurer"** means the duly appointed Director of Finance/Treasurer of the Town or their designate.

2.0 REPRESENTATIONS, WARRANTIES AND COVENANTS

2.1 TC represents and warrants that it is in compliance with all applicable Federal, Provincial and Municipal laws and regulations, by-laws, and any other orders and rules, including (without limitation) the *Municipal Act* and the Regulation ("**Applicable Law**").

2.2 TC covenants as follows:

- (a) TC is and will maintain itself during the Agreement term as a distinct legal entity with the ability to fulfill its contractual obligations.
- (b) TC will ensure that it has the experience and expertise necessary to carry out the Mandate for the period of this Agreement, including providing a sufficient number of competent board members, directors, officers, staff, advisors, contractors, committee members and/or volunteers (where required) to properly organize, manage, promote and conduct the Mandate.
- (c) TC will provide adequate facilities, either physical or virtual, suitable to carry out the Mandate. Any physical facility must be located within Collingwood, with preference to co-locating with other Town services at the Business Development Centre or other Town facility, pending available TC budget.
- (d) TC shall abide by all provisions of this Agreement.

3.0 TOURISM COLLINGWOOD (TC)

Compliance with Applicable Law and Policies

- 3.1 TC agrees to comply with all applicable law, including all statutes and regulations of Canada and Ontario and in particular (without limitation) the *Not-for-Profit Corporations Act, 2010*, the *Municipal Act*, and the *Municipal Freedom of Information and Protection of Privacy Act*, and all applicable Town by-laws and policies.

TC Corporate By-Law

- 3.2 TC shall pass By-law 2026-1 in the form attached hereto as Schedule “A” and shall operate and govern itself according to such By-Law, as amended or replaced from periodically.
- 3.3 By-law 2026-1 may only be amended or revoked in whole or in part with the express written consent of Council.

TC Corporate Governance Framework, Organization and Operations

- 3.4 Without limiting the foregoing, TC agrees to abide by and implement any applicable policies and/or governance framework adopted by the Town for decision-making, strategic planning, budget and business plans, and corporate policies. TC shall advise and provide justification to the Town if it passes policies, by-laws or other operational documents that are out of compliance with the Town’s policies and/or governance framework.
- 3.5 TC shall promptly prepare and regularly update a manual setting out the formal organizational structure and operating procedures of TC.
- 3.6 A copy of TC’s organizational structure, policies and operating procedures manual shall be circulated to all of TC’s board members, staff, directors, officers, advisors, contractors, committee members, volunteers, and to the Town as required by the Town.

Governance

- 3.7 TC shall prepare and approve corporate policies and procedures covering all areas of its operation, or confirm in writing the adoption of the Town’s policies and procedures in such areas. All TC policies, procedures, and strategic goals shall align with the Town’s goals and objectives for tourism and good governance, including as set out in its Tourism Master Plan, endorsed by the Town, as amended or replaced from time to time. TC shall maintain a log of such documents and make them available to the TC Board, to TC staff, to the Town, and to the public upon request.
- 3.8 TC represents, warrants and covenants that it has, and will maintain as demonstrated in writing upon request, for the period during which this Agreement is in effect, the following at or exceeding the standards that would apply to the Town:
- (a) A code of conduct and ethical responsibilities for all persons at all levels of TC’s organization.
 - (b) Procedures to ensure the ongoing effective and transparent functioning of TC.
 - (c) Decision-making mechanisms for TC.
 - (d) Procedures to enable TC to manage Funds prudently and effectively.

- (e) Procedures to enable TC to complete the Mandate successfully.
- (f) Procedures to enable TC, in a timely manner, to identify risks to the fulfilment of the Mandate, and strategies to address the identified risks.
- (g) Procedures to enable TC to deal with such other matters as TC considers necessary to ensure that TC carries out its obligations under this Agreement.
- (h) Any other governance documents, procedures, or policies required as part of the Operating Agreement between TC and the Town.

4.0 PURSUING TC'S MANDATE

4.1 TC shall pursue the following objectives throughout its operations, with the core priority and overriding objective being the implementation of the recommendations applicable to TC from the Tourism Master Plan endorsed by the Town, as amended or replaced periodically:

- (a) to develop and implement marketing and promotional strategies to attract visitors to and/or increase the economic impact of tourism-related expenditures in the Town of Collingwood;
- (b) to support and promote local attractions, events, festivals, and cultural initiatives;
- (c) to enhance the visitor experience by collaborating with visitor facing businesses, local communities, and stakeholders;
- (d) to develop, manage, and oversee tourism-related projects, initiatives, and research that support the sustainable growth of the tourism industry;
- (e) to foster partnerships and collaboration with local, regional, provincial, and national tourism organizations as appropriate; and
- (f) to undertake tourism development initiatives and tourism investment attraction to further enhance and improve the sustainability of the local tourism sector

4.2 TC shall seek to optimize and achieve the following outcomes over the long term:

- (a) demonstrate progress on Tourism Master Plan initiatives where TC is identified as having a lead, co-lead or supporting role;
- (b) increase sustainable visitation and visitor spending in the Town;
- (c) enhance the Town's local, regional, and national profile as a tourism destination;
- (d) support tourism product development and sustainable tourism industry growth in the Town;
- (e) support events, experiences, and/or product development that attract tourists to and/or increase tourism expenditures in the Town;
- (f) improve capacity and position in relation to other comparable municipalities in Ontario and Canada from tourism perspective; and
- (g) increase shoulder season tourism and offerings (collectively, the “**outcomes**”).

- 4.3 TC shall develop a strategic operations plan within the initial two (2) year period of its existence or within one (1) year of appointment of the operating board, whichever is greater, to achieve the above noted mandate, objectives and outcomes in coordination with all relevant Town plans and strategies. The strategic operations plan is intended to be multi-year and overarching, implemented through annual business plans as outlined in Section 7 of this Agreement.
- 4.4 In the annual business plan required in Section 7 of this Agreement, TC will identify measures and targets for the coming year and report on indicators (i.e. results) from the past year (other than the first year), considering the need for multi-year consistency in any evolution of the measures and targets.

5.0 RECORD MAINTENANCE

- 5.1 TC will keep and maintain all financial and non-financial operating records relating to Town-provided funds or otherwise relating to the Mandate for a period of no less than seven (7) years.
- 5.2 Upon written request from the Town, TC shall provide the Town, without expense to the Town, any information which is available to TC with respect to its annual budget, corporate finance documents (including, without limitation, financial statements), or non-financial operating and governance records.

6.0 CONFLICT OF INTEREST

- 6.1 TC will carry out the Mandate and use all funds received without a direct, indirect, imputed, actual, potential or perceived conflicts of interest in accordance with this Agreement, corporate by-laws or other agreements between TC and the Town, including (without limitation) any and all funding agreements.
- 6.2 For the purposes of this Agreement, a conflict of interest includes any circumstances where TC or any person with a duty or assignment to support the Mandate and/or TC's activities has outside commitments, relationships or financial interests that would be likely to interfere or be seen to interfere with TC's interests and objectives (including, without limitation, in the use of funds), the Mandate, or any combination of these. For greater certainty, these provisions do not automatically disqualify persons with tourism businesses or interests from being elected to the Board of TC or otherwise involved with TC.
- 6.3 TC will disclose to the Member's representative, without delay, any situation that a reasonable person would interpret as an actual, potential or perceived conflict of interest where there is an unresolved contravention of TCs conflict of interest policies and procedures. Where issues persist, the Member may require TC to comply with any terms and conditions that the Member may prescribe as a result of the disclosure.

7.0 FUNDING AND FINANCIAL MATTERS

Funds to be Provided

- 7.1 For each full or partial fiscal year that the MAT is in effect, the Town will pay to TC a percentage of the net MAT revenue of not less than 50% as determined by Council and per Ontario Regulation 435/17 (the "**Funds**"), calculated using the following formula:

A - B In which,

“A” is the revenue from the MAT received by the municipality in respect of the fiscal year, and

“B” is the municipality’s reasonable costs of collecting and administering the tax that are attributable to the fiscal year

- 7.2 The Funds will be collected and remitted by the Town or a third party agency contracted by the Town.
- 7.3 The amount of Funds available to TC, or a reasonable estimate, for each fiscal year will be confirmed by the Town Treasurer as soon as the information becomes available, but no later than January 31st.
- 7.4 The Funds will be transferred to TC in accordance with the applicable Regulation(s). Funds being accrued before TC becomes operational shall be held in reserve by the Town.
- 7.5 The Parties acknowledge that the Town incurred legal and other costs related to the start-up and incorporation of TC and the Town shall be reimbursed for all such costs from the first and if required, subsequent payment(s) of Funds designated for TC.
- 7.6 All Funds disbursed by the Town to TC shall be deposited into an account administered by the Town and controlled by TC, and any use and distribution of Funds from the account shall be in accordance with this Agreement.

TC Bank Account

- 7.7 The Town Treasurer shall open and administer a corporate bank account(s) for TC, including making deposits, authorizing electronic fund transfers and issuing cheques as required and as directed by TC.
- 7.8 The Town Treasurer and/or such other persons identified by the TC Board and approved by the Town periodically shall be signing officers of TC with respect to banking matters.

Use of Funds

- 7.9 TC will use the Funds only for the purpose of carrying out the Mandate in accordance with the terms and conditions of this Agreement.
- 7.10 All activities and initiatives undertaken by TC to achieve the Mandate shall be in accordance with the Town’s Tourism Master Plan as updated periodically and/or this Agreement.
- 7.11 TC will spend the Funds only in accordance with TC business plan approved annually by Council within the following parameters:
 - a. TC may allocate a portion of the Funds for operating/overhead costs as articulated in Schedule D to be further refined, defined, reported and reasonably determined through the annual business plan.
 - b. TC must utilize a minimum of 60% of the Funds on Collingwood-specific promotion including its tourism assets, operators and events; and

- c. TC must allocate a minimum of 10% and maximum of 25% of the Funds to collaborate on promotion of the surrounding region's (i.e. Southern Georgian Bay Region) tourism assets, operators and events which would have a demonstrated direct or indirect impact on Collingwood. Exceeding the 10% minimum will be contingent on matching contributions by one or more neighbouring municipalities of the South Georgian Bay, the Counties of Simcoe or Grey and/or Eligible Tourism Entities representing those municipalities and/or Provincial/Federal funding intended to support regional tourism promotion.
 - d. TC shall spend the Funds in accordance with Schedule D – Eligible and Ineligible Costs and in alignment with the latest version of the Town's Tourism Master Plan and with the Operating Agreement, and as further articulated in TC policy documents and/or the annual business plan.
- 7.12 TC must spend all Funds within the fiscal year they were generated or transfer remaining funds into reserve to cover fluctuations in revenues to a maximum cumulative balance of no more than 12 months of overhead/operating expenses.
- 7.13 Should TC wish to carry forward Funds for expenditure in the next fiscal year rather than transferring Funds into reserve, it must present a request to Council for approval with a reasonable explanation, through a written notice, at least 60 days before the fiscal year ends.
- 7.14 TC may, at its sole discretion, form an advisory group or committee to provide guidance on how Funds are to be spent.

TC Budget/Annual Business Plan

- 7.15 The preparation and management of an annual business plan, including the TC yearly operating budget, will be the responsibility of the TC and will be subject to Council approval.
- 7.16 The annual business plan shall be submitted for consideration and approval by Council in accordance with the TC Reporting to the Town provisions in Section 9 of this Agreement, for consideration and approval by Council.
- 7.17 Once approved by Council, TC shall not spend Funds unless said expenditures are articulated in the annual business plan. Substantial revisions to the annual business plan of TC resulting in more than 10% variation from the amounts articulated in Section 7.11 of this Agreement may only proceed with the express consent of Council. Minor amendments to the annual business plan resulting in less than 10% variation from the amounts articulated in Section 7.11 of this Agreement and/or that do not alter the purpose, intent or effect of the plan may proceed without Council approval.

Distribution of Funds to Tourism Partners and Others

- 7.18 It is expected that TC will establish relationships with tourism related businesses, organizations or others to achieve the Mandate. TC may enter agreements and make grants to any person, group or body in accordance with this Agreement.
- 7.19 Funds transferred to TC by the Town shall not be distributed as grants to other tourism related partners or third-party entities except as outlined in this Agreement.
- 7.20 For any grants where Funds transferred by the Town are to be distributed, TC will implement an open and transparent application, evaluation and monitoring process,

enabling eligible tourism partners and other stakeholders to access funding assistance for projects or programs that promote and develop sustainable tourism within the Town and can be demonstrated as supporting the Mandate.

- 7.21 As part of its evaluation of applications for funding assistance as outlined in this Section, TC must consider and be satisfied that the associated funding recipient will have a reasonable likelihood of success in the promotion and development of tourism in the Town to achieve the Mandate.
- 7.22 Where funding assistance is approved in accordance with this Section, TC shall enter into an agreement with the tourism partners or others based upon key performance indicators, in order to ensure reasonable financial accountability and contribution to the Mandate.

Audits

- 7.23 Where possible and in consultation with TC, the external auditor for the Town shall be appointed as the external auditor or person to conduct a review engagement for TC, and shall have all of the rights and powers of an auditor provided under the *Municipal Act*. For greater clarity it is the intent to provide TC sufficient flexibility to have input into the selection of an appropriate external auditor or person to conduct a review engagement considering such matters as cost, conflict of interest, expediency, and consistency.
- 7.24 TC shall be subject to audit by the Town, at the cost of TC, for any purpose including to ensure that amounts paid to TC by the Town are used for the exclusive purpose of its Mandate.
- 7.25 Subject to compliance with all applicable law, TC may also generate revenue from other sources including the following:
- (a) corporate sponsorship;
 - (b) donations;
 - (c) project-based or general marketing relationships with other organizations;
 - (d) government grants and loans
 - (e) revenue generating projects;
 - (f) investment income; and
 - (g) joint ventures or partnerships.

TC Debt

- 7.26 TC shall not incur indebtedness without Council approval. Any minor and temporary overdraft will be subject to approval by the Town Treasurer.

TC Purchasing and Town Support

- 7.27 If TC acquires goods, services, or both with the Funds, it will do so through a process that promotes the best value for money to the extent possible and transparency of process

either under the Town's procurement policies, procedures and by-laws or otherwise meeting or exceeding the standards that would apply to the Town..

- 7.28 Without limitation, assistance by the Town to TC may be provided at or below market value, including in-kind support, provided that such assistance shall comply with the *Municipal Act, 2001* and the Regulation and pursuant to one or more service agreements entered into between the Town and TC. For clarity, this Section may cover material assets owned by the Town but procured for use of TC.

Fiscal Year of TC

- 7.29 The fiscal year of TC shall terminate on the 31st day of December in each year.

Return or Withholding of Funds

- 7.30 If the Town, during its inspection or review of third-party audit of any documents, contracts, records, claims and accounts determines that any Funds or portions thereof transferred by the Town to TC has been used by TC for any purpose other than specified in this Agreement, TC shall immediately, upon request from the Town, remit the amounts requested back to the Town and the Town has the right to withhold any future transfer of Funds to TC until such time as the concerns of the Town have been addressed.

Financial Considerations Upon Dissolution of TC

- 7.31 In the event of the dissolution of TC after payment of all debts and liabilities and less legally binding commitments, its any unspent Funds including and without limitation any:
- (a) monies in TC's bank account or reserve;
 - (b) Town-owned material assets, and/or
 - (c) remaining property;

shall be distributed and disposed of by the Town, as TC's sole Member and whole owner, subject to the requirements of the *Ontario Not-for-Profit Corporations Act, 2010*.

8.0 INTELLECTUAL PROPERTY (IP) ASSETS

- 8.1 Subject to Section 8.2, trademarks, copyrights and other IP rights related to TC may be registered, by the Town or its authorized agent, with the Canadian Intellectual Property Office (CIPO) pursuant to the *Trademarks Act, Copyright Act*, and other applicable legislation.
- 8.2 The Town will own any official marks related to TC and may consent to the use of these marks by TC through a licensing agreement or other similar document. TC shall sign such documents and take such steps as are reasonably required to protect and preserve the Town's interest in such official marks.

Brand Identity

- 8.3 TC must adhere to any of the Town's applicable visual identity and branding guidelines, unless otherwise agreed to by the Town, and requirements under the Accessibility for Ontarians with Disabilities Act. For added clarity, TC will develop its own brand identity to be aligned with applicable Town guidelines and legislative accessibility requirements.

- 8.4 All marketing materials and the content developed using the Funds, such as photographs or video, are to be the shared property of the Town and TC.

9.0 PUBLIC ACCOUNTABILITY AND REPORTING

TC Reporting to Town

- 9.1 TC shall provide two reports to the Town annually, which outline the strategy/business plan, outcomes and results of delivering the Mandate and the use of the Funds, as follows:
- (a) The first report will be the annual business plan as required in Section 7 of this Agreement, to be submitted following the Town's annual budget approval process by no later than March 31st of the fiscal year, unless otherwise specified by the Town, and it will summarize the previous fiscal year's performance and provide an update on operational and budgetary plans for the current fiscal year.
 - (b) The second report will be submitted to the Town to coincide with the Town's annual budget preparation process by no later than October 1st of the fiscal year, unless otherwise specified by the Town, and will include any requests relating to the Town's annual budget and will provide an update to the current year's TC business plan and results.
- 9.2 The two reports will cover results of operations including information regarding major activities and accomplishments, with reference to the objectives and outcomes outlined in Sections 4.1 and 4.2 respectively of this Agreement as applicable.
- 9.3 The two reports will include financial statements prepared in a form acceptable to the Town Treasurer, upon Town request.
- 9.4 Beyond the two annual reports, TC shall make available all corporate finance-related documents, information, and electronic files to the Town Treasurer upon request. In accordance with Section 3.6 of this Agreement, TC's organizational structure, policies and operating procedurals manual shall also be made available to the Town upon request.

Meetings

- 9.5 The TC Board shall conduct regular meetings, including an Annual General Meeting, pursuant to By-law 2026-1. An annual calendar of meeting dates of the TC Board and any committees may be posted on the Town's website but posting is not required.

Third Parties

- 9.6 TC shall not indicate to third parties that it represents the interest, positions, resolutions or perspectives of Council or the Town, except to the extent expressly authorized in writing by the Town to do so.
- 9.7 This Agreement does not create a partnership or joint venture between the Town and TC.
- 9.8 In the event TC seeks to formally communicate with any order of government or regulatory body with respect to a matter that may impact the Town, TC shall provide the Town with advance notice of such communication and will not preclude the Town from communicating its position or participating in any related meetings with other orders of government. The Town shall receive a copy of any formal communication under this Section. For further clarity, formal communication shall generally be in the form of written

correspondence, presentations at events for TC Board-endorsed advocacy efforts and shall not generally include informal meetings, information gathering or seeking of advice.

- 9.9 TC shall identify proposed financial partners in its annual business plan and/or semi-annual report.

10.0 REMEDIES ON DEFAULT

- 10.1 The following constitute events of default under the terms of this Agreement:

- (a) the party has knowingly submitted false or misleading information to the non-defaulting party; or
- (b) the party is in breach of the performance of, or compliance with any term, condition or obligation on its part to be observed or performed under this Agreement.

- 10.2 If an event of default occurs and is not remedied within thirty (30) business days after receipt by either party of notice of default, or if a plan satisfactory to the non-defaulting party acting reasonably to remedy such event of default is not implemented within such period and fully and diligently carried out, the non-defaulting party may:

- (a) cease any further transfer of Funds under this Agreement; and
- (b) require TC to repay the portion of the Funds at issue forthwith to the Town and/or return any material assets owned by the Town.

11.0 TERM AND TERMINATION

- 11.1 This Agreement is effective from the date of execution.

- 11.2 This Agreement shall be reviewed by the parties in two (2) years from the date of execution, and every two (2) years on an ongoing basis, unless all parties agree to waive or extend the review requirement.

- 11.3 This agreement shall terminate on the occurrence of any of the following:

- (a) notice of termination is given for the failure to remedy an event of default in accordance with this Agreement;
- (b) an order is made or resolution or by-law passed for the winding up of TC or its cessation as a Municipal Services Corporation;
- (c) the enabling statutory authority for the MAT is repealed or rescinded so as to deprive the Town of the ability to collect the MAT;
- (d) the Town and TC mutually agree in writing at any time to the termination of this Agreement; or
- (e) the Town gives TC one hundred and eighty (180) days' notice to the Chair of the TC Board of its intention to terminate this Agreement at the sole discretion of the Town.

- 11.4 Where the Town terminates the Agreement under this clause the Town shall work with TC to ensure that financial commitments made by TC pursuant to the annual business plan approved by Council are properly addressed.
- 11.5 The Town may terminate this Agreement by Council Resolution, upon providing notice to TC of a material breach by TC of the obligations, terms or conditions of this Agreement, and upon the failure of TC to remedy such breach after the Town allows TC 30 days (or such reasonable time in relation to the type of breach) to correct such breach.
- 11.6 Upon termination of this Agreement, the balance of any unspent Funds, less legal and binding commitments and including without limitation any monies in TC's bank account or reserve, shall be immediately due and payable in full to the Town. The unspent Funds, any remaining property, and any other Town assets shall also be returned to the Town and shall be distributed and disposed of to the Town, as TC's sole Member and whole owner, subject to the requirements of the *Ontario Not-for-Profit Corporations Act, 2010*.

12.0 GENERAL PROVISIONS

- 12.1 The applicable laws of Canada and of the Province of Ontario shall govern the validity and interpretation of this Agreement.
- 12.2 In implementing this Agreement, the Parties will comply with all Applicable Law.
- 12.3 In the event any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions of the Agreement will not be affected and shall continue in full force and effect.
- 12.4 TC shall not assign this Agreement in whole or in part without the express written consent of the Town.
- 12.5 Any schedules to this Agreement shall have the same force and effect as if the information contained therein was in the body of the Agreement.

Amendments

- 12.6 This Agreement shall not be varied, altered, amended or supplemented except as agreed upon by the parties in writing or as otherwise set out in this Agreement.
- 12.7 No waiver of a breach by a party under this Agreement shall constitute an amendment or consent to or waiver of any other different or subsequent breach.

Notice

- 12.8 Any notice, invoice or other communication required or permitted to be given by this Agreement shall be in writing and shall be effectively given if (i) delivered personally; or (ii) sent by prepaid courier services; or (iii) sent by email to the Chair of the TC Board in the case of notice to TC, or to the Town Clerk in the case of notice to the Town.
- 12.9 For the purpose of notification, contact particulars are:

Sonya Skinner,
Interim Chair, Tourism Collingwood
97 Hurontario Street, PO Box 157
Collingwood, ON L9Y 3Z5

e: sskinner@collingwood.ca

Sara Almas
Director of Legislative Services / Clerk
THE CORPORATION OF THE TOWN OF COLLINGWOOD
97 Hurontario Street, PO Box 157
Collingwood, ON L9Y 3Z5
e: clerk@collingwood.ca

Insurance and Indemnification

- 12.10 TC shall obtain directors and officers liability insurance for all directors and officers, including Town Council Directors, unless the Town waives this requirement where insurance coverage is already provided for, as required by By-law 2026-1.
- 12.11 TC shall obtain Crime Insurance for all staff of TC, unless the Town waives this requirement where insurance coverage is already provided for.
- 12.12 TC shall indemnify each director or officer or former director or officer of TC against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other action or proceeding in which the individual is involved because of that association with TC or with such other entity, provided that TC shall not indemnify any such individual unless:
- (a) the individual acted honestly and in good faith with a view to TC's best interests or other entity for which the individual acts or acted at TC's request as a director or officer, or in a similar capacity, as the case may be; and
 - (b) if the matter is a criminal or administrative proceeding that is enforceable by a monetary penalty, the individual had reasonable grounds for believing that their conduct was lawful.
- 12.13 TC agrees that it shall, during the period of this Agreement, indemnify and save harmless the Town, its employees, servants or agents, from any and all claims, demands, actions, suits, and liability or other proceedings arising out of loss, damage, injury to any persons attributable to the Mandate, except to the extent that such loss, damage or injury arises from Town negligence.

Dispute Resolution

- 12.14 If there is any difference of opinion with respect to the interpretation, application, administration, alleged breach, requirements, procedures, rights or responsibilities with respect to this Agreement, the parties shall use their best efforts to resolve, mediate and settle the same through consultation and negotiation in good faith prior to commencing legal action. Where the parties consent to do so, they may elect to engage in formal arbitration.

[Signature page follows]

In witness whereof the parties have shown their agreement by affixing hereto the signatures of their duly authorized signing officers.

TOURISM COLLINGWOOD

Name: Sonya Skinner

Position: Interim Chair, Tourism Collingwood

Name:

Position:

We have the authority to bind the Corporation

THE CORPORATION OF THE TOWN OF COLLINGWOOD

Name:

Position:

Name:

Position:

We have the authority to bind the Corporation

Schedule A

TOURISM COLLINGWOOD

BY-LAW NO. 2026-1

TABLE OF CONTENTS

	page #
1. INTERPRETATION	3
1.01 Meaning of Words	3
2. BUSINESS OF THE CORPORATION	4
2.01 Registered Office	4
3. DIRECTORS	4
3.01 Initial Board	4
3.02 Board	5
3.03 Minimum Qualifications Under the Act	5
3.04 Election and Term of Office	5
3.05 Re-Election	5
3.06 Nominations	6
3.07 Resignation of Directors	6
3.08 Vacancies	6
3.09 Removal of Directors	6
3.10 Remuneration of Directors	6
3.11 Protection of Directors, Officers and Others	6
3.12 Liability Exclusion	7
3.13 Indemnification of Directors, Officers and Others	7
3.14 Board Policies	8
4. COMMITTEES AND ADVISORS	8
4.01 Committees	8
4.02 Advisors	8
5. MEMBERSHIP	8
5.01 Sole Member	8
5.02 Member's Rights	9
5.03 Appointment of Authorized Representative	9
5.04 Rights of Authorized Representative	9
5.05 Termination of Membership	9
6. MEETINGS OF THE CORPORATION	9
6.01 Meetings of Directors	9
6.02 Meetings of Members	10
7. OFFICERS	12
7.01 Officers	12
7.02 Term of Office of Officers	12
7.03 Chair of the Board	12
7.04 Executive Director	12
7.05 Secretary	13
7.06 Treasurer	13
7.07 Delegation of Duties	13
7.08 Board Appoint Other Officers	13
7.09 Holding More Than One Office	13
7.10 Removal from Office	13
7.11 Remuneration of Officers or Employees	14

8.	CONFLICT OF INTEREST	14
8.01	Conflict of Interest	14
9.	AUDITOR	14
9.01	Annual Appointment	14
9.02	External Auditor	14
9.03	Removal of Auditor	14
9.04	Remuneration of Auditor	14
10.	EXECUTION OF DOCUMENTS	14
10.01	Execution of Documents	14
11.	BORROWING BY THE CORPORATION	14
11.01	General Borrowing Authority	14
12.	FINANCIAL YEAR	15
12.01	Financial Year Determined	15
13.	NOTICE	15
13.01	When Notice Deemed Given	15
13.02	Address for Notice	15
13.03	Declaration of Notice	15
13.04	Computation of Time	16
13.05	Omissions and Errors	16
13.06	Waiver	16
14.	BY-LAWS AND EFFECTIVE DATE	16
14.01	Effective Date of this By-Law	16
14.02	Amendments requiring Special Resolution	16
14.03	By-Laws and Effective Date	16

TOURISM COLLINGWOOD

BY-LAW NO. 2026-1

1. INTERPRETATION

1.01 Meaning of Words

In this By-Law and all other By-Laws and resolutions of the Corporation, unless otherwise defined:

- (a) “Act” means the *Not-for-Profit Corporations Act, 2010*, S.O. 2010, c.15 and any statute or regulations that may be substituted, as amended from time to time;
- (b) “Annual Business” shall include: consideration of the financial statements; consideration of the audit or review engagement report, if any; an Extraordinary Resolution to have a review engagement instead of an audit or to not have an audit or a review engagement; election of Directors; and reappointment of the incumbent Auditor or person appointed to conduct a review engagement;
- (c) “Annual Meeting” means an annual meeting of the Member, as provided in section 6;
- (d) “Articles” means any document or instrument that incorporates the Corporation or modifies its incorporating document or instrument, including articles of incorporation, restated articles of incorporation, articles of amendment, articles of amalgamation, articles of arrangement, articles of continuance, articles of dissolution, articles of reorganization, articles of revival, letters patent, supplementary letters patent or a Special Act;
- (e) “Auditor” means the Auditor of the Corporation appointed pursuant to Article 9;
- (f) “Authorized Representative” means a person named to act as an authorized representative of a Member pursuant to section 5.03;
- (g) “Board” means the Directors of the Corporation as elected by the Member periodically;
- (h) “Board Policies” means any policy passed by the Board in accordance with section 3.14;
- (i) “By-Law” means this by-law and any other by-law of the Corporation that may be in force;
- (j) “Corporation” means ***Tourism Collingwood***;
- (k) “Director” means a member of the Board;
- (l) “Extraordinary Resolution” as defined by the Act;
- (m) “Government Regulations” means the regulations made under the Act as amended, restated or in effect from time to time;
- (n) “Member” means a member of the Corporation in accordance with section 5.01;
- (o) “Officer” means an officer elected or appointed pursuant to Article 7 or by Board Regulation, such as Policies or Resolutions;

- (p) “Ordinary Resolution” means a resolution submitted to a meeting of the Member and passed at the meeting, with or without amendment, by at least a majority of the votes cast, or consented to by a Written Resolution of the Member;
- (q) “Protected Person” means each person acting or having previously acted in the capacity of a Director, Officer or any other capacity at the request of or on behalf of the Corporation, and includes the respective heirs, executors and administrators, estate, successors and assigns of a person, who:
 - (i) is a Director of the Corporation;
 - (ii) is an Officer of the Corporation;
 - (iii) is a member of a committee of the Corporation; or
 - (iv) has undertaken, or, with the direction of the Corporation is about to undertake, any liability on behalf of the Corporation or any body corporate controlled by the Corporation, whether in the person’s personal capacity or as a Director, Officer, employee or volunteer of the Corporation or such body corporate;
- (r) “Special Business” includes all business transacted at a Special Meeting of the Corporation and all business transacted at an Annual Meeting, other than Annual Business;
- (s) “Special Meeting” means a meeting of the Member that is not an Annual Meeting;
- (t) “Special Resolution” as defined by the Act;
- (u) “Telephonic or Electronic Means” means any means that use the telephone, videoconferencing or any other electronic or other technological means to transmit information or data, including telephone calls, virtual meetings, voice mail, fax, email, an automated touch-tone telephone system, computer, or computer networks;
- (v) “Town” means The Corporation of the Town of Collingwood, a municipal corporation governed by the *Municipal Act, 2001*; and
- (w) “Written Resolution” means a resolution in writing signed by all the Directors or Member entitled to vote on that resolution at a meeting of the Board or the Member, as the case may be, and which is valid as if it had been passed at a meeting of the Board or Member.

2. **BUSINESS OF THE CORPORATION**

2.01 Registered Office

The registered office of the Corporation shall be in the Town of Collingwood, in the Province of Ontario, and at such place therein as the Directors may from time to time determine.

3. **DIRECTORS**

3.01 Initial Board

The initial, interim number of Directors shall be fixed at seven (7), consisting of:

- (a) The Mayor of the Town;
- (b) The Chief Administrative Officer of the Town;

- (c) Two (2) representatives from the staff members of the Town; and
- (d) Three (3) representatives from the local tourism industry.

Prior to the end of the first 18 months of operation, beginning as of the date of incorporation, the Member will elect Directors to replace the interim, initial Board of Directors in accordance with section 3.08 below.

3.02 Board

The Board shall consist of the number of Directors specified in the Articles. If the Articles provide for a minimum and maximum number of Directors, the Board shall be comprised of the fixed number of Directors as determined from time to time by the Directors by majority vote. In accordance with the Town of Collingwood By-law 2025-031, at no time shall the number of Directors be less than seven (7).

3.03 Minimum Qualifications Under the Act

Each Director shall:

- (a) be an individual who is at least eighteen (18) years of age;
- (b) not have the status of bankrupt;
- (c) not be a person who has been found under the *Substitute Decisions Act, 1992* or under the *Mental Health Act*, or any similar statute of another jurisdiction, to be incapable of managing property;
- (d) not be a person who has been declared incapable by any court in Canada or elsewhere; and
- (e) consent in writing to hold office as a Director within ten (10) days after his or her election or appointment, provided that where a Director consents in writing more than ten (10) days after election or appointment, it shall not invalidate his or her election or appointment as a Director should the vacancy still exist.

If a person ceases to be qualified as provided in this section 3.03, the person thereupon ceases to be a Director and the vacancy so created may be filled in the manner prescribed by section 3.08. Nothing in this By-law prevents the Corporation from establishing additional qualifications for Directors in policy.

3.04 Election and Term of Office

Subject to the provisions of the Act and the Articles, Directors shall be elected by the Member. Subject to the Act, Directors shall hold office for a term of three (3) years.

Directors may, from time to time, be elected to different or staggered term lengths, not to exceed four (4) years, in order to maintain a desired Board rotation. The rotation of Directors will be maintained with any increase in the number of Directors on the Board.

3.05 Re-Election

Each Director is eligible for election for two (2) consecutive full terms, and afterwards is not eligible for re-election until a period of eleven (11) months has elapsed from the date such person ceases to be a Director.

3.06 Nominations

Candidates for the office of Director shall comprise the slate of candidates for office proposed in accordance with the Board's Nominations Policy, as amended periodically. There shall be no nominations from the floor of the meeting at which Directors are elected.

The Board may prescribe the form of nomination paper and the form of ballot.

3.07 Resignation of Directors

A Director may resign as a Director of the Corporation by submitting a formal written resignation to the Board Chair and Secretary or Secretary-Treasurer and provide a 90 day notice.

3.08 Vacancies

Any vacancy occurring in the Directors may be filled for the remainder of the term of such Director by the Member.

3.09 Removal of Directors

The Member may by Ordinary Resolution remove a Director from office at a Special Meeting called for that purpose before the expiration of the Director's term of office and may elect a person to replace the removed Director for the remainder of the term of office.

3.10 Remuneration of Directors

The Directors of the Corporation shall serve without remuneration, and no Director shall directly or indirectly receive any profit from the position as such, provided that a Director may be reimbursed for reasonable expenses incurred in performing their duties. A Director shall not be prohibited from receiving compensation for services provided to the Corporation in another capacity, provided that the Corporation's conflict of interest policies and provisions are addressed.

3.11 Protection of Directors, Officers and Others

- (a) The Corporation shall purchase and maintain appropriate liability insurance for the benefit of the Corporation and each Protected Person. The insurance shall address coverage limits in amounts per occurrence with an aggregate maximum limit as deemed appropriate by the Board and shall include:
 - (i) property and public liability insurance;
 - (ii) Directors' and Officers' insurance; and
 - (iii) may include such other insurance as the Board sees fit.
- (b) The Corporation shall ensure that each Protected Person is included as an insured person in any policy of Directors' and Officers' insurance maintained by the Corporation.
- (c) No coverage shall be provided for any liability relating to a failure to act honestly and in good faith with a view to the best interests of the Corporation.
- (d) It shall be the obligation of any person seeking insurance coverage or indemnity from the Corporation to co-operate fully with the Corporation in the defence of any demand, claim or suit made against such person, and to make no admission of responsibility or liability to any third party without the prior agreement of the Corporation.

- (e) Where the Corporation has purchased or maintained insurance for any Protected Person, such insurance shall not be discontinued or altered except upon approval of the Member or former Member.

3.12 Liability Exclusion

Absent the failure to act honestly and in good faith in the performance of the duties of office, and save as may be otherwise provided in any legislation or law, no Protected Person shall be personally liable for any loss or damage or expense to the Corporation arising out of the acts (including wilful, negligent or accidental conduct), receipts, neglects, omissions or defaults of such Protected Person or of any other Protected Person arising from any of the following:

- (a) insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation;
- (b) insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested;
- (c) loss or damage arising from the bankruptcy or insolvency of any person, firm or corporation including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited;
- (d) loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with monies, securities or other assets belonging to the Corporation;
- (e) loss, damage or misfortune whatever which may occur in the execution of the duties of the Protected Person's respective office or trust or in relation thereto; and
- (f) loss or damage arising from any wilful act, assault, act of negligence, breach of fiduciary or other duty or failure to render aid of any sort.

3.13 Indemnification of Directors, Officers and Others

- (a) Every Protected Person shall be indemnified and saved harmless, including the right to receive the first dollar payout, and without deduction or any co-payment requirement to a maximum limit per claim made as established by the Board from and against all costs, charges and expenses which such protected person sustains or incurs during or after their status as a Protected Person:
 - (i) in or in relation to any demand, action, suit or proceeding which is brought, commenced or prosecuted against such person in respect of any act, deed, matter or thing whatsoever, made, done or permitted or not permitted by such person, in or in relation to the execution of the duties of such office or in respect of any such liability; or
 - (ii) in relation to the affairs of the Corporation generally;

save and except such costs, charges or expenses as are occasioned by the failure of such person to act honestly and in good faith in the performance of the duties of office.
- (b) Such indemnity will only be effective:
 - (i) upon the exhaustion of all available and collectible insurance provided to the Protected Person by the Corporation inclusive of whatever valid and collectible insurance has been collected; and
 - (ii) provided that the Protected Person has carried out all duties assigned to such person which are subject of the claim in complete good faith so as to comply with the conditions of the insurance policy concerning entitlement to coverage.

- (c) The Corporation shall also indemnify any Protected Person, firm or corporation in such circumstances designated by law, upon approval by the Board.
- (d) Nothing in this section 3.13 shall limit the legal right of any person, firm or corporation entitled to indemnity to claim indemnity apart from the provisions of this section 3.13.

3.14 Board Policies

The Board may make any policies with regard to any matter not inconsistent with the Act or the By-Laws, provided such policy conforms to any agreement between the Corporation and the Member.

4. COMMITTEES AND ADVISORS

4.01 Committees

- (a) There may be such Standing Committees and Ad Hoc Committees for such purposes as the Board may determine by resolution.
- (b) No committee has authority to:
 - (i) submit to the Member any question or matter requiring approval of the Member;
 - (ii) fill a vacancy among the Directors or in the office of Auditor or of a person appointed to conduct a review engagement of the Corporation;
 - (iii) appoint additional Directors;
 - (iv) issue debt obligations except as authorized by the Board;
 - (v) approve any financial statements;
 - (vi) adopt, amend or repeal any By-Law; or
 - (vii) establish contributions to be made, or dues to be paid, by the Corporation or the Member.
- (c) The chair and members of any committee shall be appointed by, and hold office at the pleasure of, the Board. Subject to the Act, members of committees need not be members of the Board.
- (d) The chair of any committee shall submit to the Board such reports as the Board may, from time to time, request, but in any event, each chair shall submit an annual report to the Board as such time as the Board may, from time to time, determine.

4.02 Advisors

The Board or the Member may from time to time appoint advisors to advise the Corporation in such positions other than Officers, with such titles and with such powers and duties and for such terms of service as the Board or the Member deems advisable.

5. MEMBERSHIP

5.01 Sole Member

Subject to the Articles, there shall be one (1) class of Members in the Corporation, consisting of the Town. Should the Town be entirely dissolved, be entirely amalgamated with or joined to another

municipality, or otherwise cease to be a Member, the Directors at that time shall automatically and without further formality become the Members of the Corporation.

5.02 Member's Rights

The Member shall be entitled to receive notice of, attend, speak at and vote at all meetings of the Member of the Corporation.

The rights of the Member shall be limited to those rights conferred under the Act and under law.

5.03 Appointment of Authorized Representative

The Member shall, from time to time, in writing:

- (a) appoint a person who shall be its Authorized Representative; and
- (b) remove and/or replace a person as its Authorized Representative.

The Member shall provide the details and contact information of the Authorized Representative to be appointed, removed or replaced from time to time to the Chair of the Board and the Secretary/Secretary-Treasurer, either of whom shall immediately update the Corporation's records for the purposes of providing notice of all meetings at which the Authorized Representative is entitled to exercise the rights provided in section 5.04.

For clarity, the Authorized Representative shall make decisions on behalf of the Town in line with the Town Council's delegation of authority, either generally or for specific decisions as determined by the Town periodically. To the extent possible such decisions will be resolved via written resolution.

5.04 Rights of Authorized Representative

Unless the Corporation receives written notification from the Member that an Authorized Representative has been removed or shall not otherwise attend, act or vote on behalf of the Member in respect of a particular meeting or matter brought before the Member, the Authorized Representative shall be entitled to:

- (a) receive notice of any meeting the Member is entitled to receive;
- (b) attend, speak at, and vote at a meeting at which the Member is entitled to vote; and
- (c) execute a Written Resolution on behalf of the Member.

5.05 Termination of Membership

Membership in the Corporation automatically terminates upon the occurrence of any of the following events:

- (a) the insolvency or dissolution of the Member; or
- (b) the liquidation or dissolution of the Corporation under the Act.

6. MEETINGS OF THE CORPORATION

6.01 Meetings of Directors

- (a) Meetings of the Board of Directors may be held at the registered office of the Corporation, at any other place in Ontario, or by Telephonic or Electronic Means. An annual calendar of meeting dates of the Board of Directors shall be posted on the Corporation's website.

- (b) In addition to scheduled meetings, meetings of the Board may be called by the Chair of the Board, the Vice-Chair of the Board, or any two (2) Directors and shall be held at the place specified in the notice in accordance with section 6.01(a) and (d).
- (c) The Board shall hold a meeting as soon as reasonably possible following the Annual Meeting of the Corporation for the purpose of organization, the election and appointment of Officers and the transaction of any other business, and no notice shall be required for this meeting
- (d) Unless otherwise specified in the By-Laws, notice of the time, place and date of any meeting of the Directors and the nature of the business to be conducted shall be given to each Director by courier, personal delivery, or Telephonic or Electronic means at least six (6) days before the meeting is to take place, excluding the date on which notice is given.
- (e) No error or omission in giving such notice for a meeting of Directors shall invalidate such meeting or invalidate or make void any proceedings taken or had at such meeting and any Director may at any time waive personal notice of any such meeting and any Director may ratify and approve of any or all proceedings taken or had thereat.
- (f) By invitation of the Board of Directors, if an Executive Director has been appointed to serve the Corporation, that individual may attend meetings of the Board of Directors of the Corporation, but shall not be entitled to vote.
- (g) Any meeting of Directors may be adjourned by the Chair or the majority of Directors to any time. Any business that might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting if the time and place to resume the adjourned meeting is announced at the original meeting.
- (h) Staff of the Town are entitled to attend and to speak at meetings of the Board, but shall not be entitled to vote nor count towards quorum. Such staff of the Town shall be required to keep certain matters discussed confidential, if requested to do by the Board.
- (i) A quorum for the transaction of business at meetings of the Board shall be at least a majority of the Directors. If no quorum exists for the purpose of voting on a resolution only because certain Directors are not permitted to be present due to a conflict in accordance with section 8, the remaining Directors are deemed to constitute a quorum for the purpose of voting on the resolution.
- (j) The method of voting at any meeting of the Board shall be determined by the chair of the meeting prior to any vote being taken. Unless this By-Law states otherwise, each Director shall have one (1) vote on each question raised at any meeting of the Board, and all questions shall be determined by a majority of the votes cast. In the case of an equality of votes, the vote shall be deemed to have been lost.
- (k) A Written Resolution, signed by all the Directors entitled to vote on that resolution at a meeting of Directors, is valid as if it had been passed at a meeting of Directors. Such written resolutions may be passed in lieu of holding a meeting of Directors.

6.02 Meetings of Members

- (a) To the extent possible, decisions of the Member shall be resolved via Written Resolution. A Written Resolution signed by all those entitled to vote on that resolution at a meeting of the Members being the Authorized Representative of the Member,

including an Annual Meeting, is valid as if it had been passed at a meeting of the Members. Such Written Resolutions may be passed in lieu of holding a Meeting of the Members, including the Annual Meeting. For clarity, the Authorized Representative shall make decisions on behalf of the Town in line with the Town Council's delegation of authority, either generally or for specific decisions as determined by the Town periodically, provided that the following matters are not be dealt with by Written Resolution:

- (i) the resignation, removal or replacement of a Director, where a written statement has been submitted by the Director giving reasons for resigning or opposing his or her removal or replacement; and
 - (ii) the resignation, removal or replacement of an Auditor, where a written statement has been submitted by the Auditor giving reasons for resigning or opposing his or her removal or replacement.
- (b) Subject to subsection 6.02(a), an Annual Meeting shall be held as the registered office of the Corporation, any other location in Ontario, or by Telephonic or Electronic Means, for the purpose of conducting the Annual Business and any Special Business. The first Annual Meeting shall be held within eighteen (18) months of incorporation, and subsequently not later than fifteen (15) months after holding the preceding Annual Meeting.
- (c) The Board may at any time call a Special Meeting for the transaction of any business specified in the notice calling the meeting. A Special Meeting may be held separately from or together with an Annual Meeting.
- (d) Subject to section 13.06, notice of the time, place and date of any Annual Meeting or Special Meeting and sufficient information for a Member to make a reasoned judgment on any Special Business to be considered, including information on any Special Resolution to be submitted to the meeting, shall be given to the Member entitled to vote at the meeting, to each Director and to the Auditor or the person appointed to conduct a review engagement of the Corporation not less than ten (10) days and not more than fifty (50) days before the day on which the meeting is to be held by:
- (i) prepaid mail, courier or personal delivery; or
 - (ii) telephone, fax, e-mail or other electronic means.
- (e) The only persons entitled to be present at a meeting of the Members shall be:
- (i) The Member, as represented by the Authorized Representative;
 - (ii) the Directors and the Auditor or the person appointed to conduct a review engagement of the Corporation;
 - (iii) The Officer of the Corporation;
 - (iv) Staff of the Town; and
 - (v) such other persons who are entitled or required under any provision of the Act, the Articles or By-Laws of the Corporation to be present at the meeting.
- (f) Any other person may be admitted only on the invitation of the Chair of the Board or by Ordinary Resolution of the Member.

- (g) At any meeting of the Members, the Member constitutes a quorum for the transaction of business.
- (h) The Member shall be entitled to the one (1) and only vote on each question arising at any Meeting of the Members.
- (i) Any meeting of the Members may be adjourned to any time by the chair of the meeting. Any business that might have been transacted at the original meeting from which the adjournment took place may be transacted upon the resumption of the adjourned meeting. No notice is required for the resumption of any adjourned meeting occurs less than thirty (30) days from the date of the original meeting and if the time and place to resume the adjourned meeting is announced at the original meeting.

7. **OFFICERS**

7.01 Officers

- (a) The Directors may elect or appoint, as applicable, the following Officers, each of whom, unless otherwise provided in the By-Laws, shall be elected or appointed at the first meeting of the Board following an Annual Meeting.
 - (i) a Chair of the Board and a Vice-Chair of the Board elected from among the Directors;
 - (ii) an Executive Director as applicable; and
 - (iii) a Secretary and a Treasurer, or Secretary-Treasurer at the discretion of the Board, each of whom may, but are not required to be a Director.

There may be such other Officers appointed by the Board in accordance with section 7.08.

7.02 Term of Office of Officers

Each Officer shall hold office at the pleasure of the Board, or as set out Board Policy. Any Officer who is an employee shall hold office at the pleasure of the Board, or pursuant to terms of employment.

7.03 Chair of the Board

The Chair of the Board shall supervise and control the operations of the Corporation if there shall be no Executive Director in office. The Chair of the Board shall, when present, preside at all meetings of the Corporation. The Chair of the Board shall sign all documents requiring the signature of that office, and have the other powers and duties prescribed by the Board. Vice-Chair of the Board shall also perform the other duties prescribed by the Board or incident to the office.

The duties and powers of the Chair of the Board may be exercised by the Vice-Chair of the Board when the Chair is absent or unable to act. If the Vice-Chair of the Board exercises any of those duties or powers, the Chair's absence or inability to act shall be referenced in the minutes. The Vice-Chair of the Board shall also perform the other duties prescribed by the Board or incident to the office.

7.04 Executive Director

The Executive Director, if any, shall, subject to the direction of the Board and/or the Chair of the Board, supervise and control the operations of the Corporation. The Executive Director shall have the right to receive notice of, to attend and to speak at but not to vote at all meetings of the Board, any committee of the Board, and any meeting of the Members, except those meetings where the terms of employment, compensation or performance of the Executive Director are discussed.

7.05 Secretary

The Secretary shall:

- (a) act as secretary of each meeting of the Corporation and the Board;
- (b) attend all meetings of the Corporation and the Board to record all facts and minutes of those proceedings in the books kept for that purpose;
- (c) give all notices required to be given to the Member and to the Directors as well as any other individuals entitled to notice;
- (d) be the custodian of all books, papers, records, correspondence and documents belonging to the Corporation; and
- (e) perform the other duties prescribed by the Board.

7.06 Treasurer

The Treasurer shall:

- (a) keep or cause to be kept full and accurate accounts of all receipts and disbursements of the Corporation in proper books of account;
- (b) deposit all moneys or other valuable effects in the name and to the credit of the Corporation in the bank or banks from time to time designated by the Board;
- (c) disburse the funds of the Corporation under the direction of the Board;
- (d) render to the Board, whenever required, an account of all transactions as Treasurer and of the financial position of the Corporation;
- (e) co-operate with the Auditors of the Corporation during any audit of the accounts of the Corporation; and
- (f) perform the other duties prescribed by the Board.

7.07 Delegation of Duties

Subject to approval by the Board, any Officer may delegate the duties of the office to another person, provided that the delegating Officer remains responsible for ensuring that such duties are carried out, except when otherwise required by law.

7.08 Board Appoint Other Officers

The Board may from time to time appoint such other Officers as it considers expedient, to hold office at the pleasure of the Board, the duties and remuneration of whom shall be such as the terms of their engagement call for or the Board prescribes.

7.09 Holding More Than One Office

Except for holding the office of Chair of the Board, a person may be nominated or selected for, elected or appointed to, and hold, more than one office.

7.10 Removal from Office

Any Officer may be removed by resolution of the Board at a meeting of which notice of intention to present such resolution has been given to all Directors.

7.11 Remuneration of Officers or Employees

Any Officer who is a Director, shall not be entitled to remuneration for acting as such, but shall be entitled to reimbursement for reasonable expenses incurred in carrying out their duties. The Board shall fix the remuneration of the Executive Director, if any. The Board shall fix the remuneration of any other Officers or employees, or may delegate such responsibility to the Executive Director.

8. CONFLICT OF INTEREST

8.01 Conflict of Interest

In accordance with the Act or any Board policies, Directors and Officers shall disclose any conflicts of interests, whether direct, indirect, imputed, actual, potential or perceived, in any matter as required by the Act and comply with all other requirements in the Act in respect of such conflict of interest.

9. AUDITOR

9.01 Annual Appointment

Subject to the Act, the Member of the Corporation at each Annual Meeting shall appoint the Auditor or a person to conduct a review engagement of the Corporation, who shall hold office until the close of the next Annual Meeting.

9.02 External Auditor

Where possible and in consultation with the Corporation, the external auditor for the Town shall be appointed by the Member as the external Auditor or person to conduct a review engagement for the Corporation, and shall have all of the rights and powers of an auditor provided under the *Municipal Act*.

9.03 Removal of Auditor

Subject to the Act, the Member may by Ordinary Resolution at a Special Meeting, remove the Auditor or a person appointed to conduct a review engagement before the expiration of the term of office in accordance with the Act and may elect a replacement to fill such vacancy. Where the Member does not fill the vacancy, the Directors may do so. The Auditor shall not have the right to give a statement opposing the removal.

9.04 Remuneration of Auditor

The remuneration of an Auditor shall be fixed by the Member by Ordinary Resolution and is at the cost of the Corporation.

10. EXECUTION OF DOCUMENTS

10.01 Execution of Documents

Documents requiring execution by the Corporation may be signed by any two (2) Officers of the Corporation. The Board may appoint any Officer or any person on behalf of the Corporation, either to sign documents generally or to sign specific documents.

11. BORROWING BY THE CORPORATION

11.01 General Borrowing Authority

The Directors may, if authorized by the Member:

- (a) borrow money on the credit of the Corporation;

- (b) issue, reissue, sell or pledge debt obligations of the Corporation;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and
- (d) mortgage, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation.

The Directors may not delegate these powers.

12. **FINANCIAL YEAR**

12.01 Financial Year Determined

The financial year of the Corporation shall terminate on the last day of December in each year or on such other date as the Board may determine.

13. **NOTICE**

13.01 When Notice Deemed Given

When notice is given under this By-Law by the following means, that notice is deemed to have been given at the following time:

- (a) if given by e-mail, notice is deemed given when sent;
- (b) if given by telephone, notice is deemed given at the time of the telephone call;
- (c) if given by electronic means, other than in accordance with 13.01(a) or 13.01(b), notice is deemed given when transmitted;
- (d) if given in writing by prepaid mail, notice is deemed given on the fifth (5th) day after mailing; and
- (e) if given in writing by courier or personal delivery, notice is deemed given when delivered.

13.02 Address for Notice

A notice or other document required or permitted by the Act, the Government Regulations, the Articles or the By-Laws to be given to a Member or Director may be given to:

- (a) a Member at the Member's latest address as shown in the records of the Corporation; or
- (b) a Director at his or her latest residential address as shown in the records of the Corporation or on the most recent notice or return filed pursuant to the *Corporations Information Act*, whichever is the more current.

13.03 Declaration of Notice

At any meeting, the declaration of the secretary or chair of the meeting that notice has been given pursuant to this By-Law shall be sufficient and conclusive evidence of the giving of such notice. No formal notice of a meeting is necessary if all those entitled to notice are present or if those absent have signified their consent to the meeting being held without notice and in their absence.

13.04 Computation of Time

In computing the date when notice must be given under any provision in the By-Laws requiring a specified number of days' notice of any meeting or other event, a period of days is deemed to commence on the day following the event that began the period and is deemed to terminate at midnight of the last day of the period, except that if the last day of the period falls on a holiday, the period terminates at midnight of the next day that is not a holiday.

13.05 Omissions and Errors

- (a) Any resolution passed or proceeding taken at a meeting of the Board, a committee of the Board or the Member shall not be invalidated, unless otherwise challenged, by:
 - (i) an error in notice that does not affect its substance;
 - (ii) the accidental omission to give notice; or
 - (iii) the accidental non-receipt of notice by any Director, Member or Auditor.
- (b) Any Director, Member or Auditor may at any time waive notice of, and thereby ratify and approve, any proceeding taken at any meeting.

13.06 Waiver

Where a notice or document is required to be sent pursuant to the By-Laws or the Act, the person entitled to receive the notice or document may consent in writing to waive either the sending of the notice or document or the time within which the notice or document must be sent.

14. BY-LAWS AND EFFECTIVE DATE

14.01 Effective Date of this By-Law

This By-Law shall come into force when enacted by the Board in accordance with the Act.

14.02 Amendments requiring Special Resolution

If the Member amends the Articles by Special Resolution, this By-Law shall be deemed to be amended as necessary to conform to the Articles.

14.03 By-Laws and Effective Date

- (a) Subject to the Act and the Articles, the Board of Directors may make, amend or repeal any By-Law that regulates the activities or affairs of the Corporation. Subject to section 14.02, any such By-Law, amendment or repeal shall be effective from the date of the resolution of Directors until the next meeting of the Member where it may be confirmed, rejected or amended by Ordinary Resolution of the Member.
- (b) If the By-Law amendment or repeal is confirmed or confirmed as amended by the Member, it remains effective in the form in which it was confirmed. The By-Law amendment or repeal ceases to have effect if it is not submitted to the Member at the next meeting of the Member or if it is rejected by the Member at the meeting.

ENACTED by the Directors as a By-Law of **TOURISM COLLINGWOOD** on _____.

Name: Sonya Skinner
Position: Interim Chair, Tourism
Collingwood

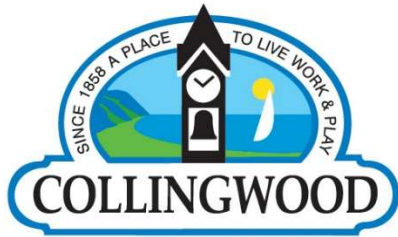
Name:
Position:

CONFIRMED by the Member in accordance with the *Not-for-Profit Corporations Act, 2010* on _____.

Name:
Position:

Name:
Position:

We have the authority to bind the corporation



Schedule B

Business Case

Subject: Business Case to Establish an Eligible Tourism Entity in the Town of Collingwood

Date: February 24, 2025, amended on April 14, 2025 by Council Resolution RES-180-2025

Section 1. Background

The Province of Ontario developed the Municipal Accommodation Tax (the “MAT”) as a funding source to support tourism in communities and allow growth in the sector so that tourism continues to contribute to economic growth and development across Ontario. Under the applicable provisions of Ontario Regulation 435/17 (Transient Accommodation Tax), The Corporation of the Town of Collingwood (the “Town”) must share a minimum of 50% of net MAT revenues with a designated Eligible Tourism Entity (the “ETE”). ETE is defined as a non-profit entity whose mandate includes the promotion of tourism in Ontario or in a municipality.

For greater certainty:

- The expression "promotion of tourism" includes the development of tourism products;
- "Transient Accommodation" will mean accommodation for a continuous period stay of 29 nights or less; this continuous period is not disrupted by the purchase of different rooms, suites, beds or lodging in the same licensed establishment such as a hotel, motel or bed and breakfast.

Report [P2024-32 Tourism Master Plan and Municipal Accommodation Tax](#) was approved by Council on December 2, 2024. It provided staff with direction to bring forward a by-law to establish a not-for-profit corporation designated as the legislatively required “eligible tourism entity” that will receive the tourism-related portion of the MAT (60%), including establishment of an interim board of directors, representative of key tourism industry stakeholders. For clarity, Council approved the MAT to apply to stays of 28 days or less to account for the month of February.

As of 2025, Collingwood does not have a dedicated ETE to meet the requirements in Ontario Regulation 435/17. There are regional organizations that Council considered for the promotional portion of the MAT but it was determined that an ETE with a mandate specific to Collingwood was preferable. Therefore, Council gave direction to establish a dedicated ETE for the purposes of achieving the promotional goals of the Tourism Master Plan. To do this, the *Municipal Act, 2001* requires the Town to establish the ETE as a tourism Municipal Service Corporation.

Ontario Regulation 599/06 (Municipal Services Corporations) requires the Town to prepare a Business Case Study for the proposed tourism Municipal Service Corporation and obtain approval of the Business Case by Council Resolution. The Business Case Study presented herein fulfills the requirements of Regulation 599/06.

Section 2. Purpose

The Town proposes the incorporation of a non-profit, non-share capital Corporation under the Ontario *Not-for-Profit Corporations Act, 2010* (the “ONCA”) to be named “Collingwood Tourism ” (the “Corporation”), if such name is available at the time of incorporation, with the Town as sole voting member.

This document provides information on the benefits of establishing the Corporation and a governance framework for the proposed Corporation. Specifically, this document:

- a. Sets out the objectives of the Corporation, its mandate, guiding principles, governance structure, funding sources, accountability and reporting; and

- b. Constitutes the statutorily required Business Case for the proposed Corporation, prepared according to Section 6 of Ontario Regulation 599/06 (Municipal Services Corporations) as per section 203(4) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended.

Section 3. Mandate

In 2024, Town Council endorsed the 2024 Tourism Master Plan (“TMP”) which provides recommendations that guide the Town’s actions on Tourism in order to develop the industry in a sustainable manner, enhancing the experience of both visitors and residents, creating jobs and increasing local revenue. The 2024 Community Based Strategic Plan further supports the implementation of the Tourism Master Plan.

The mandate of the Corporation (serving as the ETE in Collingwood) will be the promotion of tourism, including the development of tourism products, in alignment with the Town’s TMP. With the implementation of the MAT on March 1, 2025, funding will be available to support the implementation of the TMP and related tourism initiatives moving forward, both by the ETE (60% of net MAT revenues) and the Town (40% of net MAT revenues).

Section 4. Benefits of a Collingwood Tourism Development Corporation

The advantages of the Town of establishing the Corporation include:

- a. Satisfying the Province’s requirement for a non-profit tourism organization to serve as a destination marketing organization that makes use of a minimum of 50% of the MAT revenues;
- b. Adopting a Municipal Services Corporation model which provides accountability, Corporate responsibility, and reasonable controls through the role of the sole voting member (Town); and
- c. Ensuring Town Council, as sole voting member, will be responsible for selecting and electing the Board of Directors (which will include a Council representative) that establish the governance framework for business plans, expenditures, and Corporate policies.

In the absence of a dedicated ETE, the Town would have to remit 50% of the annual MAT revenues and responsibility for marketing Collingwood as a tourism destination to an external organization that does not have a mandate to exclusively promote tourism in Collingwood, over which the Town would have no direct control (e.g. Tourism Simcoe County, RTO 7, South Georgian Bay Tourism). As no ETE currently exists in the local market that focuses only on the geography of Collingwood, the Town is best positioned to advance the work through the Municipal Services Corporation model to create a dedicated ETE.

Section 5. Guiding Principles

The following principles shall guide the Corporation. They function as guideposts in decision making throughout the Corporation's lifecycle irrespective of changes in leadership, goals, strategies and activities.

- a. The Corporation will engage in tourism promotion and tourism product development in Collingwood; and
- b. The Corporation will undertake its work based on objective decision-making processes that are accountable and transparent, resulting in Town-wide benefits.

Section 6. Governance Structure and Incorporation

To proceed with the establishment of the Corporation, the Town must make an application to the Province to incorporate a non-share capital Corporation as per the ONCA. Accordingly, the Corporation will be created by applying for incorporation by way of letters patent to be drafted by the Town's Legal Counsel. The application will seek to allow for the following:

- a. Name of the Corporation: Collingwood Tourism (if such name is available on the date of incorporation)
- b. Address of the Head Office: Town of Collingwood, 97 Hurontario St, Collingwood, ON L9Y 2L8
- c. Interim Directors of the Board of Directors

~~Staff propose~~ The following positions ~~are~~ to be the incorporators who will act as the first interim Directors of the Municipal Services Corporation (MSC):

As amended
by Council
Resolution
RES-180-
2025 on
April 14,
2025

- ~~The Mayor as the~~ One (1) Member of Council ~~as appointed by the Mayor~~
- Chief Administrative Officer (CAO)
- 2 additional Town of Collingwood staff, as appointed by the CAO
- 3 representatives of the local tourism industry, appointed by ~~the Mayor~~
Council

The Interim Directors will have oversight and critical decision-making roles concerning the operation of the MSC. Pending Council direction, staff will proceed with the establishment of the new Board of Directors, their composition, Corporate By-laws, operating and asset transfer agreements, budget, and other details to bring the MSC to a complete stage of operation. Staff also propose that, once the new Board of Directors is established, the above-noted staff positions may act as Officers of the Corporation, who will not be voting members but act in an advisory capacity.

One member of staff from the Town of Collingwood and/or a third-party entity such as Tourism Simcoe County or Regional Tourism Organization 7 support the Board of Directors, as required, until a long-term staffing structure is established.

The letters, patent and the By-laws of the Corporation will set out the powers of the Corporation, its membership structure, and the process for making changes to the Corporation's By-laws.

d. Objects of the Corporation include the delivery of, and support for, tourism promotion and development in Collingwood

e. Special Provisions:

- The Corporation is limited to providing tourism promotion and tourism development services in place of the Town providing those services.
- Directors shall serve without remuneration, and no Director shall directly or indirectly receive any profit from their position as such, provided that a

Director may be reimbursed for reasonable expenses incurred in performing their duties. A Director shall not be prohibited from receiving compensation for services provided to the Corporation in another capacity.

- Upon the dissolution of the Corporation and after payment of all debts and liabilities, the Corporation's remaining property shall be distributed, or disposed of, to the Town, subject to the requirements of the *ONCA*.

Section 7. Funding and Budget

7.1. Financial Impact of MAT

It is anticipated that the MAT, which is proposed to be imposed at 4%, will generate approximately \$1,280,000 to \$2,400,000 in annual new revenue to the Town. Sixty percent of the net revenue will be allocated to the ETE, with 40% being retained by the Town. This revenue may grow in the long-term if the projected new hotels become operational and may decrease should there be unfavourable external market conditions.

7.2 Town of Collingwood MAT reserve fund

With the implementation of the MAT, Council approved the establishment of a reserve fund to receive the Town's portion of the MAT revenue.

7.3 Corporation annual and multi-year operating budget

The Corporation will be funded from a minimum of 50% of the proceeds of the MAT revenues. It is acknowledged that at this time, Council has approved an allocation of 60% to the ETE but that this may be adjusted overtime. As is the case with the Town, the Corporation will develop a discretionary reserve fund. The creation and management of an annual operating budget and multiyear operating budget will be the responsibility of the Corporation's Board of Directors.

The budget for operating costs may include general administration and office costs of accounting services, audit services, phone, computer software, internet, and other

contractual and professional services (e.g. consulting, municipal tourism staff services, etc.). The Corporation will report audited financial statements at its annual meeting.

7.4 Loan from the Town for startup costs

The nominal cost to establish the Corporation, such as incorporation fee, purchase of accounting software, and staff/third party costs to perform financial and/or administrative duties of the Corporation, will be funded by the Town through a loan to be repaid by the Corporation.

7.5 Agreement

The Corporation will enter into an agreement with the Town respecting reasonable financial accountability matters to ensure that amounts paid to the Corporation are used for the sole purposes of promoting tourism and developing or enhancing tourism products. In addition, the agreement may provide for other matters.

Section 8. Consultation

Staff met with accommodation providers individually and in group settings on multiple occasions to discuss implementation of a MAT including objectives, timelines, applicability, governance, and strategic considerations. The June 2023 and February 2024 Mayor's Roundtables on Economic Development focused on bringing together the tourism industry to discuss a MAT and a public survey was conducted in November 2023, which received 294 responses. The survey results were mixed with a slightly higher rate of respondents being supportive of a MAT. The full survey report can be provided upon request.

Resourcing the TMP was also included as part of the discussion at the TMP Open House hosted on September 10, 2024 where 80% of respondents indicated that visitors should be required to contribute to the management, development and marketing of Collingwood as a destination.

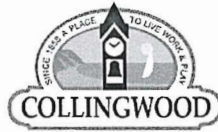
Tourism organizations including the Tourism Industry Association of Ontario, Ontario Ministry of Tourism Culture and Gaming, Tourism Simcoe County, Regional Tourism Organization 7 and South Georgian Bay Tourism have also been consulted.

Staff researched municipalities across Ontario, including internet research and multiple virtual interviews with tourism staff that have implemented a MAT to understand how those municipalities have approached it, as well as the successes and challenges that they faced.

Section 9. Conclusion

The Business Case Study for a new municipal services corporation that is mandated to promote tourism in Collingwood, in alignment with the TMP and the Community Based Strategic Plan, is established based on Ontario Regulation 599/06 and Ontario Regulation 435/17. The Corporation will allow the Town to enhance its leadership role in further developing Collingwood as a tourism destination.

**BY-LAW No. 2025-031
OF THE
CORPORATION OF THE TOWN OF COLLINGWOOD**



**BEING A BY-LAW DIRECTING ESTABLISHMENT OF
A MUNICIPAL SERVICES CORPORATION**

WHEREAS section 203 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, authorizes municipalities to establish corporations for the provision of municipal services;

AND WHEREAS the The Corporation of the Town of Collingwood (the “Town”) recognizes the importance of promoting tourism as a vital sector to the local economy and community well-being;

AND WHEREAS the Town seeks to establish a Municipal Services Corporation for the purpose of enhancing the promotion of tourism, supporting the development and management of tourism initiatives, and improving the tourism experience within the municipality;

NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF COLLINGWOOD ENACTS AS FOLLOWS:

1. Establishment of Municipal Services Corporation

- 1.1. Council adopts the Business Case Study, dated February 24, 2025, proposing establishment of a municipal services corporation with the purpose of promoting tourism in the Town of Collingwood and carrying out related tourism initiatives (the “Corporation”).
- 1.2. Council authorizes and directs the Director of Growth and Development (the “Director”) in consultation with the Town Solicitor, to prepare and file articles of incorporation for the Corporation.
- 1.3. The Corporation shall be named Tourism Collingwood, or such other name as may be determined by the Corporation’s Board of Directors, subject to the approval of the Director.
- 1.4. Council directs the Clerk to proceed with appointment of the following directors to the interim board of the Corporation in accordance with the applicable policies and procedures of the Town:
 - a) the Chief Administration Officer (CAO) of the Town;
 - b) up to two additional Town staff members as appointed by the CAO;
 - c) a minimum of one member of the Council of the Town; and
 - d) up to three members of the local tourism industry.
- 1.5. Council directs the Director in consultation with the Town Solicitor to prepare the following documents relating to the Corporation:
 - a) one or more initial By-laws for the Corporation, including at minimum the requirements set out in Schedule “A”;
 - b) an Operating/Funding Agreement between the Town and the Corporation, including at minimum the requirements set out in Schedule “B”; and

- c) any related ancillary agreements or incorporation documents that Director and Town Solicitor deem reasonably required for the creation or operation of the Corporation, with the advice of the Town Solicitor.
- 1.6. Council further directs the Director in consultation with the Town Solicitor to undertake the following:
- a) delegation of authority to execute the necessary incorporation documents and undertake associated incorporation processes, as an alternative to further Council review; and
 - b) repeal of any specific conflicting by-laws.
- 1.7. If any section, clause, or provision of this by-law is found to be invalid by a court of competent jurisdiction, it shall not affect the validity of the remaining sections, clauses, or provisions of this by-law.
- 1.8. This by-law shall come into force and effect on the date it is passed by the Council of the Town.

ENACTED AND PASSED this 14th day of April, 2025



MAYOR



CLERK

Schedule "A"

Corporate By-law Requirements

1. The governance of the Corporation shall be vested in a Board of Directors (the "Board") consisting of not fewer than seven (7) members, to be appointed initially by the Town in an interim capacity.
2. The members of the Board shall serve for terms of 3 years, to be staggered for continuity, and may be reappointed. The composition of the Board shall aim to reflect a diversity of experience and knowledge relevant to tourism, business, marketing, and community development. The interim Board shall serve for a maximum term of 18 months and a minimum term until the first meeting of the interim Board is held after incorporation.
3. The Board shall have the authority to set policies, procedures, and strategic goals for the Corporation, provided that such policies and strategies align with the Town's overall goals and objectives for tourism.

Schedule "B"

Operating Agreement Requirements

1. **Purpose and Objectives** The purpose of the Corporation is to promote tourism within the Town of Collingwood, with the following objectives:
 - a) To develop and implement marketing and promotional strategies to attract tourists to the Town of Collingwood.
 - b) To support and promote local attractions, events, festivals, and cultural initiatives.
 - c) To enhance the visitor experience by collaborating with tourism-related businesses, local communities, and stakeholders.
 - d) To develop, manage, and oversee tourism-related projects and initiatives that support the sustainable growth of the tourism industry.
 - e) To foster partnerships and collaboration with regional, provincial, and national tourism organizations as appropriate.
2. **Powers and Authorities:** The Corporation shall have the power to undertake the following, with actions outlined in sub-sections b) through f) being in accordance with any applicable contracts or agreements referred to in sub-section a):
 - a) Enter into contracts, agreements, and partnerships for the purpose of advancing tourism within the Town of Collingwood.
 - b) Manage funds and resources allocated by the Town, as well as any other funds raised by the Corporation through sponsorships, donations, or other revenue-generating activities.
 - c) Establish and implement marketing campaigns and promotional initiatives to enhance tourism.
 - d) Hire and retain staff, consultants, and contractors as necessary to carry out its activities.
 - e) Apply for grants, funding, or other financial assistance to support tourism initiatives.
 - f) Carry out any other activities or initiatives that are consistent with the purpose and objectives of the Corporation.
3. **Reporting and Accountability:** The Corporation shall provide an annual report to the Town that includes at minimum the following in accordance with any applicable contract or agreement:
 - a) A summary of the Corporation's activities, achievements, and financial status.
 - b) Recommendations for future tourism development.
 - c) An audited financial statement for the previous fiscal year.
4. The Corporation shall comply with all applicable Town policies in accordance with section 203 of the *Municipal Act, 2001*, including but not limited to, transparency and procurement policies.
5. **Funding and Financial Contributions:**
 - 3.2. The Town will provide a minimum of 50% of the proceeds of the Town's Municipal Accommodation Tax revenues to the Corporation to support its tourism promotion efforts, subject to budgetary approval by the Town.

- 3.3. The Corporation shall manage any municipal funds or grants in accordance with the Town's applicable policies, procedures, contracts, and/or agreements.
- 3.4. The Corporation may also seek other funding sources, including sponsorships, grants, donations, and revenues from tourism-related activities, in order to further its mandate.
- 3.5. The Town shall work with the Board to ensure the orderly transition of tourism-related responsibilities and functions to the Corporation.
- 3.6. The Corporation may request such further support and resources as are reasonable and necessary for the Corporation to effectively carry out its mandate and achieve its objectives. For greater clarity, the Corporation will retain an ability to hire and retain staff, consultants, and contractors as necessary to carry out its activities in accordance with section 2 of this Schedule.

Schedule D

ELIGIBLE AND INELIGIBLE COSTS

The use of Funds for the purpose of the Mandate shall be demonstrated as eligible costs in accordance with the following and as further articulated in TC policy documents and/or annual business plans:

Eligible Costs	Examples (Not an exhaustive list)
Advertising	Print, television, radio, digital, etc._
Targeted Marketing	Business to Business Marketing Behavioural Targeting Geo-Fencing/Event Targeting Other in-trend marketing opportunities
Tourism development	Costs associated with tourism development and investment attraction, including experiential tourism, to increase the Town's strength as a tourist destination.
Tourism Packages	Costs associated with the creation of tourism packages promoting the Town as a tourist destination.
Operating Expenses	Other costs reasonably associated with programs, services, deliverables and operations that exist within the scope of the Mandate. Operating expenditures, that are supplemental to core functions of TC but are needed to achieve the Mandate (i.e. staffing, consultants, materials and supplies).
Grants	Grants for third party entities that are delivering programs, services, events,

	and/or tourism development activities or infrastructure that contribute to the Mandate, including Funds used to leverage additional dollars available through other grant programs (i.e. grant stacking).
Operating/Overhead	Costs associated with organizational expenditures such as rent, phone, computers, insurance, bookkeeping, auditing, office space or other items that are an expected organization expense directly related to the delivery of the Mandate.

Ineligible Costs	Examples
Tourism promotion, development, advertising or marketing outside of the Region	Expenditures related to any product, event or tourism asset/development that is located outside of the Southern Georgian Bay Region geographical footprint (e.g. Muskoka, Greater Toronto Area, etc.).
Staffing, Operating, or Overhead Expenses Outside of the Eligible Expenditures	Costs associated with any product, event or tourism asset/development that are not being used for the sole purpose of the Mandate, including subsidizing current Town staff salaries.
Undefined Sponsorship	Sponsorship expenditures without any measurable return on investment.
Capital Expenses	Any capital purchases that are not directly related to the Mandate such as vehicles, and any other significant purchases.