

**Cannon Mountain Advisory Commission meeting  
December 1, 2008 (10 AM) @ Cannon Mountain / FNSP Headquarters**

Members present: Dennis Murphy, Chairman; Rep. Martha McLeod; Sen. John Gallus;  
Jay Polimeno; Kathy Taylor; Rich McLeod

DRED: John DeVivo / Cannon Mountain

Media: Robert Blechl / Caledonian Record

Introductions:

The meeting was called to order at 10:15 AM. Chairman Murphy asked those in attendance to introduce themselves. The list of members was passed around. Chairman Murphy amended his mailing address; Rep. McLeod amended her e-mail address. The attendees list was passed around and filled out by those in attendance.

Previous minutes:

Chairman Murphy asked for any discussion on the minutes of the previous (June 23) meeting; there was none. Chairman Murphy asked for a motion to approve said minutes. Rich McLeod made the motion, which was seconded by Chairman Murphy and approved unanimously.

Cannon Mountain Update:

John DeVivo gave a comprehensive update on activity at Cannon / July '07 – November '08, detailing FY '08 successes, Summer '08 activity, the '08/'09 Cannon Mountain marketing plan, plans for the next 12 – 18 months, capital and maintenance planning for 2009 – 2011, and ongoing (2008/'09) projects (*see attached document*). One notable exception was made verbally; season pass sales and revenue to date for the current season (March 1 – November 30, 2008 versus April 7 – November 30, 2007) are up forty (40) percent – the update had indicated a 100% increase, taken from information given on November 6<sup>th</sup>. The attached document has been amended to reflect the 40% increase year-over-year.

Chairman Murphy inquired as to the difference between the \$1.433M from the Cannon Mountain Capital Improvement Fund (requested and approved, and in use on current projects) and the \$1.893M figure recommended by the CMAC in June. Mr. DeVivo deferred the question to Commissioner Bald, noting that there was discussion between the Commissioner, Ken Plourde (DRED Business Manager) and State Treasurer Provencher based on the recommendation prior to the Commissioner's official request being made.

There was discussion by the CMAC members present regarding a motion that Chairman Murphy contact the Commissioner for an explanation as to the difference in the request and the decision that led to it. The CMAC members present discussed a reaffirmation of the committee's stance regarding the need for the entire amount (\$1.893M) to complete the projects underway. Mr. McLeod made a motion for the CMAC members present to reaffirm said need, and to officially recommend that the Commissioner both request the remaining \$460K and explain the variance in the original request to the CMAC. Mr. Polimeno seconded the motion, and it was passed unanimously by the CMAC members present.

Audit Response:

Mr. DeVivo detailed the September 10<sup>th</sup> audit hearing, the concurrences and discrepancies between the audit review document and the resulting media presentation, and the actuality of the occurrences and business model at Cannon & FNSP. Mr. DeVivo then detailed the second audit

review (November 12<sup>th</sup>) with the LBA Audit Division and the RR&D and ED&A committees, and stated that the tone of the second audit review was more conducive to addressing and correcting the issues outlined in the audit. Mr. DeVivo offered to submit a Cannon Mountain Winter Ops 5-year Business Plan and the 10-page Cannon Mountain & FNSP audit response document to the CMAC membership (see attached documents).

There was discussion regarding the variances between the numbers reported on-site by Cannon Mountain & FNSP and those reported by the NH Division of Parks & Recreation, the NH Department of Resources and Economic Development, the LBA Audit Division, and the state system, respectively.

#### 2009 – 2011 Capital Improvements:

Mr. DeVivo reiterated the ongoing project list for 2008/'09 and the need for the remaining \$460K in the Cannon Mountain Capital Improvement Fund, and discussed the capital request currently under review for the Mittersill Double Chair. There was discussion amongst the CMAC members present as to the CMAC's role in backing the request for the Mittersill Double Chair, which was widely received. Mr. Murphy read the statute, and such backing was widely regarded as appropriate. Action regarding the expected official CMAC recommendation of the project was tabled until the next CMAC meeting.

#### New Business:

Ms. Taylor requested that the next meeting be set after official appointments to the CMAC are made; Chairman Murphy agreed. It was suggested that Jane Carey research the timing on said appointments with the respective House and Senate leaders, and contact Mr. Murphy to arrange for the next meeting as soon as possible thereafter, with the request and approval timelines a definitive factor regarding ongoing and new projects at Cannon Mountain. Rep. McLeod requested that Sen. Gallus approach Sen. Larson regarding the Senate appointments.

Rep. McLeod requested that discussion regarding any new legislation relative to Cannon Mountain and/or FNSP be placed on the agenda for the next meeting.

Mr. McLeod requested that discussion of the Old Man Legacy Fund's LSR relative to the matching funds toward the construction of the Old Man Memorial Park/Site/Museum be placed on the agenda for the next meeting.

Chairman Murphy requested that the CMAC nominate and name a new Chairperson at the next meeting. Chairman Murphy then recapped the action items resulting from the current meeting, and the requests for agenda items for the next meeting. Chairman Murphy then requested a motion to adjourn.

Ms. Taylor made a motion to adjourn at 11:45 AM, which was seconded by Sen. Gallus, and the motion to adjourn passed unanimously.