



photo: Ryan Flett

TOURISM ROSSLAND ANNUAL REPORT 2018/2019

ROSSLAND
BC, Canada

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STRATEGIC HIGHLIGHTS

Strategic Highlights

The past year has presented many opportunities, new partnerships and some unique challenges for the organization as we continued to work in a collaborative and strategic manner with our stakeholders.

Some of the highlights from this year include:

- Our organization turned 12 years old. We continued to grow steadily and continued building excellent relationships with our local, regional and provincial stakeholders over these years.
- We had a record setting year based on accommodation revenue in 2018/2019. The total accommodation revenue for our community was \$6.6 million dollars, up by 40%.
- We had two consecutive months where our accommodation revenues were over one million dollars (January and February of 2019).
- Increased visitation and the introduction of Online Accommodation Provider (OAP) MRDT gave a huge financial boost to our organization. Our annual MRDT revenue was \$178,000, up by 39%.
- We submitted a joint application to the Rural Dividend Fund for \$100,000 with the Trail and District Chamber of Commerce. We learned towards the end of the fiscal year that our application was successful. This funding will enable our organization to continue the Lower Columbia Tourism Marketing Project.
- We continued to leverage our photo and video assets on social media. Our increased focus on digital marketing has helped us to significantly expand our digital reach. While our audience size has increased, it is also important to note that we have engaged and passionate followers which helped our growth.
- The fourth year of our Escape Guide was a huge success. We updated the content and used our new photo assets to create this essential trip planning resource for our visitors.
- Given our exceptional MRDT growth, we were able to hire Kylie Lakevold as our part-time marketing coordinator. Her expertise in marketing helped us to take on new projects and be more efficient with our projects.
- We hosted our first Jingle & Mingle Holiday stakeholder appreciation night at the Rossland Museum and Discovery Centre. The event was a huge success.

Tourism Indicators

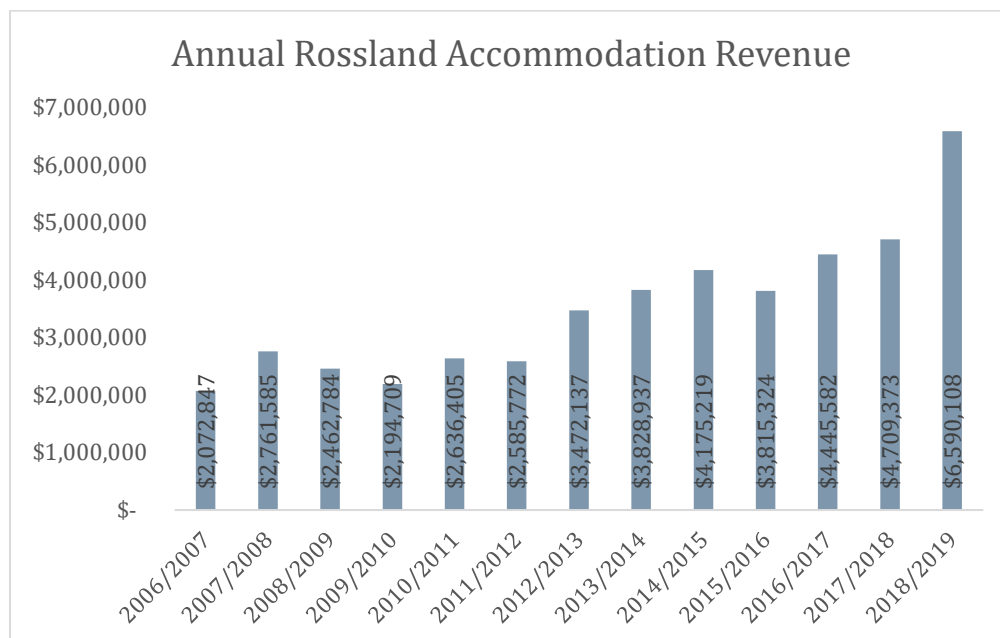
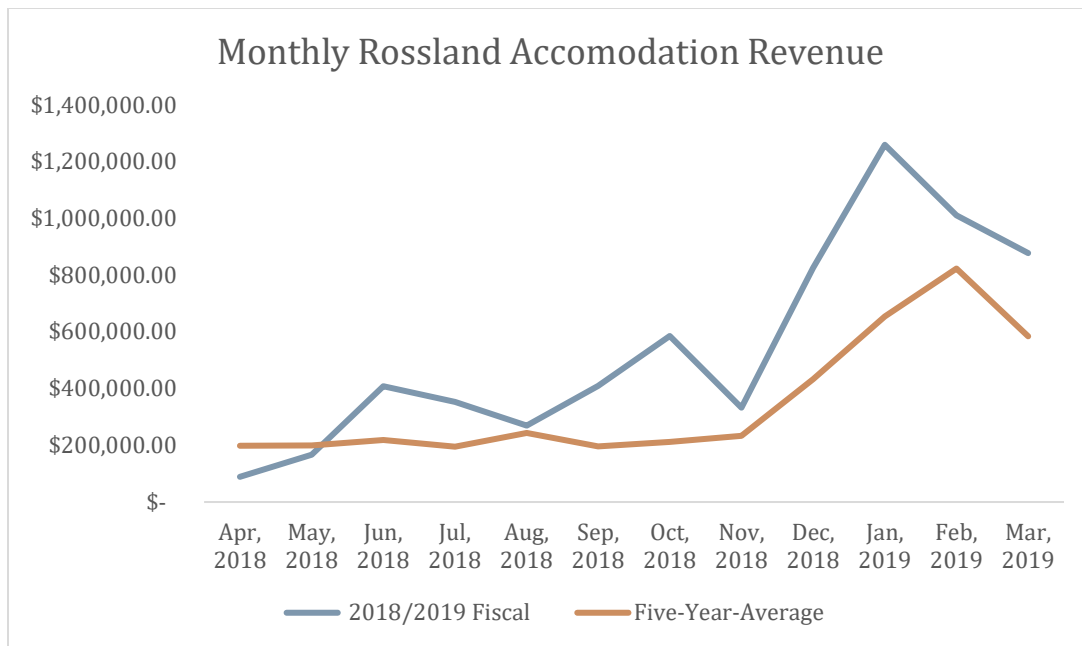
The 2018/2019 fiscal year based on accommodation revenue was a record setting year again for Tourism Rossland. The revenues were consistently higher than the five-year average, except for two shoulder season months (April and May). This shows a consistent pattern and our working hypothesis is that it is due to reporting and MRDT remittance inconsistencies. Additionally, the monthly accommodation revenue surpassed 1.25 million dollars for the first time in the organization's history in January 2019. We also had consecutive months above million-dollar accommodation revenues. Despite the forest fires across the province and our region, we had a great summer based on accommodation revenues. Satisfactory snow conditions, increased tourism marketing and the favorable US exchange rate helped us to significantly increase our winter accommodation revenue as well. We started receiving MRDT from Online Accommodation Providers (OAP) in December, 2018. Based on those numbers, OAP revenue was \$380,000 during the winter season.

The total revenue for the reporting year was \$6.6 million dollars. This represents a 57% increase over the five-year average and a 40% increase over our previous record year of 2017/2018.

Looking forward, Rossland is well-positioned to grow its accommodation revenue. The opening of The Josie Hotel and Nowhere Special Hostel at the base of Red diversified our room inventory. The continued investment in tourism infrastructure (Topping Chair expansion at RED, continued development of our trail system, downtown beautification project, etc.) and increased marketing will lead to further growth.

Data is based on the accommodation tax remitted monthly by accommodators. However, some accommodators remit on quarterly, or an annual basis. This could slightly skew the monthly reports and comparisons to historical data should be used with caution.

TOURISM INDICATORS



FINANCIAL HIGHLIGHTS

Financial Highlights

2018/2019 was a fantastic year from our Municipal and Regional District Tax (MRDT) revenue perspective. Increased hotel revenues and the introduction of Online Accommodation Provider (OAP) MRDT gave a huge financial boost to our organization. Our annual MRDT revenue was \$178,000, up by 39%.

In our budget, we anticipated 10% growth and increased our marketing spend accordingly. Tourism Rossland's marketing budget increased from \$126,000 to \$175,000 during the year, However, given the excellent winter performance of our accommodation sector, we still finished the year with a large surplus.

We worked diligently to secure funding to continue the Lower Columbia Regional Tourism Marketing Project. We partnered with the Trail and District Chamber of Commerce and secured a \$100,000 grant from the Rural Dividend Fund and further leveraged this money with a \$30,000 grant from the Columbia Basin Trust. While these funds were not available for us during the 2018/2019 fiscal year, the additional funding will be essential for us to continue our regional marketing efforts to better serve our stakeholders.

During the fiscal year, we restructured some programs and services to meet our organizational goal of delivering exceptional visitor experiences. One of the larger changes was that we are no longer providing administrative support for the Rossland Ski Bus. This means that stakeholders contributions towards this service are not longer part of our income and expenses. This change will influence our total budget as well.

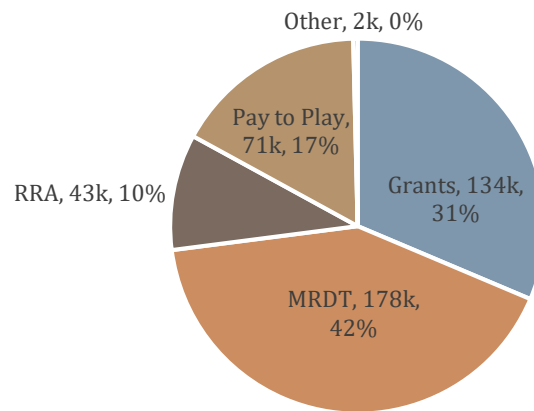
Our Red Resort Association income has increased slightly since 2017/2018. This stable and predictable income is essential for our organization. It gives us the opportunity to plan marketing programs ahead and give us funds to leverage with other grants and stakeholder resources.

We continued to create Pay to Play opportunities that allow our stakeholders to access new marketing channels and expand their marketing budget to reach their target audiences. This results in a wider exposure for the whole community. We try to administer the finances of these programs to show leveraged monies. However, sometimes this is not feasible. Therefore, the actual dollar value of Pay to Play opportunities are higher than reported in our financial statements.

Finally, we updated our bookkeeping and accounting practices. Our new system will help our organization to further promote fiscal responsibility, accountability and transparency.

FINANCIAL HIGHLIGHTS

Income Breakdown 2018/2019



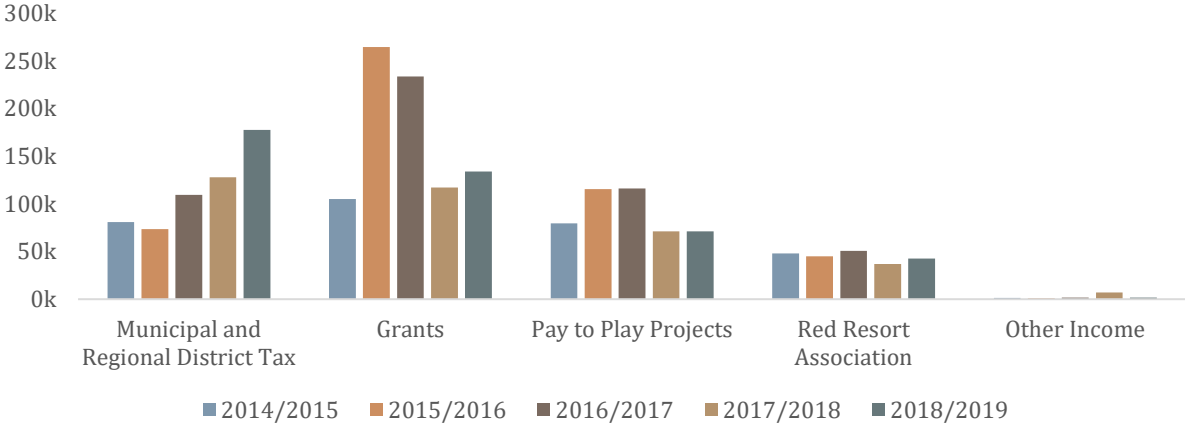
Income Breakdown Comparison: 2017/2018 – 2018/2019

	2017/2018	2018/2019	% Change
Grants	117k	134k	14%
MRDT	128k	178k	39%
RRA	37k	43k	16%
Pay to Play	66k	71k	8%
Other	7k	2k	-77%
Total	355k	428k	20%

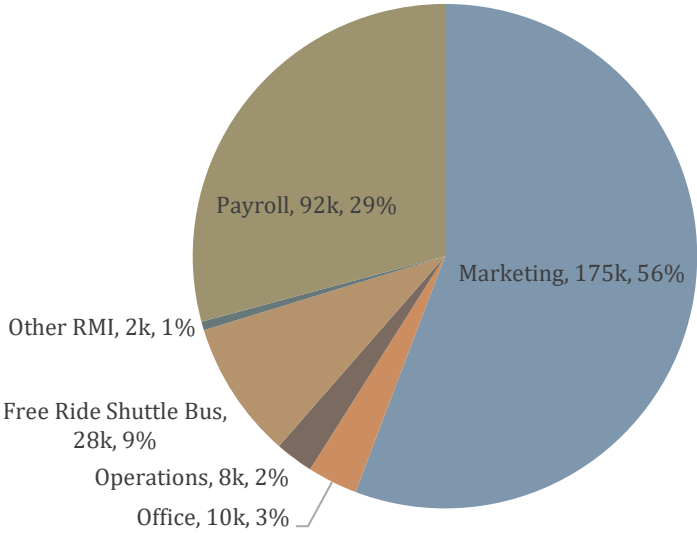
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FINANCIAL HIGHLIGHTS

Income Breakdown 2014/2015 - 2018/2019



Expense Breakdown 2018/2019



Our goal is to keep our operational costs as low as possible while increasing our marketing spend. During the 2018/2019 fiscal year, we were able to keep our office and operations spending at 5% of our total budget. Our HR expenses and the percentage of payroll of our

FINANCIAL HIGHLIGHTS

total expenses decreased as well. The HR costs reported include all staff that was on payroll for part of the 2018/2019 fiscal year (Andras Lukacs, Conner Jewitt and Kylie Lakevold).

Expense Breakdown Comparison: 2017/2018 – 2018/2019

	2017/2018	2018/2019
Marketing	126k 30%	175k 56%
Office	9k 2%	10k 3%
Operations	23k 5%	8k 2%
Rossland Ski Bus	79k 19%	28k 9%
Other RMI	58k 14%	2k 1%
Payroll	127k 30%	92k 29%
Total	422k	314k

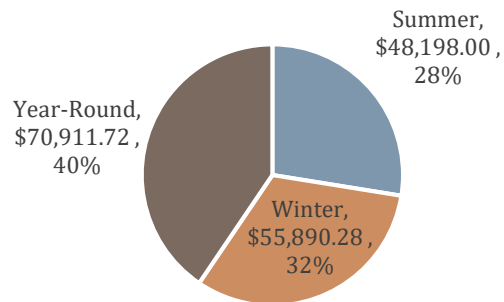
Our Resort Municipality Initiative (RMI spending) decreased significantly. Given the uncertainty with this funding source during 2018, and a need to establish a new resort development strategy for 2019-2021, we decided to only deliver our core programs and services (Rossland Ski Bus and Spokane Ski Shuttle). We also kept the rest of the money in-trust until our new plan is developed in partnership with the City of Rossland and our tourism partners.

MARKETING PROJECT HIGHLIGHTS

Marketing Project Highlights

One of our goals as an organization is to balance our marketing spending and try to encourage increased summer and winter visitation while exploring options for shoulder season activities. Our summer and winter marketing spending during the 2018/2019 fiscal year was 28% and 32% of our total marketing budget.

Marketing Spend by Season



Artfully Rossland: We ran a large sweepstakes with RED Resort and The Josie Hotel during November and December promoting our short documentary about the collaboration between Instinct Killer Ski Co. and Stephanie Gauvin. The film by Eric Gonzalez was nominated as a People's Choice Award at the Rossland Mountain Film Festival. Cost of this project is included under video production and social media marketing.

BC Mountain Bike Group Marketing: total cost - \$1,538. This is our annual membership with the organization. Member benefits include a listing on their website and inclusion in their marketing campaigns and trade shows. Costs were shared with Destination BC, who pays half the actual value of the membership. Actual value of membership is \$3,100.

Brochure Distribution: total cost - \$2,821. Our primary strategy to distribute our print collateral to visitor centres and other key locations is through GoBrochures.com. However, we also distribute brochures via direct mail, therefore some of that cost is included in our operational budget.

Colorado Ski Expo and Warren Miller Ski Show: total cost - \$1,319. We partnered with Big Red Cats, The Josie Hotel and RED Mountain Resort to attend these ski events. We cost shared the booth and our partners paid for travel and accommodation.

CWSAA Alpine Ski Marketing: total cost- \$18,250. The actual cost to Tourism Rossland for this was \$9,125 since we cost shared with RED Mountain Resort. Destination BC matched our contribution for the total campaign budget of \$36,500. We continued to promote our destination through this Destination BC campaign through digital channels.

MARKETING PROJECT HIGHLIGHTS

King Network and Rome Snowboards: total cost - \$10,375. We partnered with RED Mountain Resort to host Rome Snowboards, produce a destination video, as well as print and digital ads in the King Snowboard Magazine. Total cost to Tourism Rossland was \$5,125.

Kootenay Arts: total cost - \$1,538. We partnered with other Kootenay destination marketing organizations to develop a new regional art tourism resource (kootenayarts.com).

Kootenay Dirt Campaign: total cost - \$2,562.50. We continued our involvement with content development and promotion of the kootenaydirt.com regional mountain biking website.

Kootenay Golf Trail: total cost - \$2,006. We attended the Spokane Golf Show with our partners. Given the lack of resources, our consortium decided to cease further marketing activities. Tourism Rossland will continue to hold the remaining funds in trust for the consortium and maintain its website.

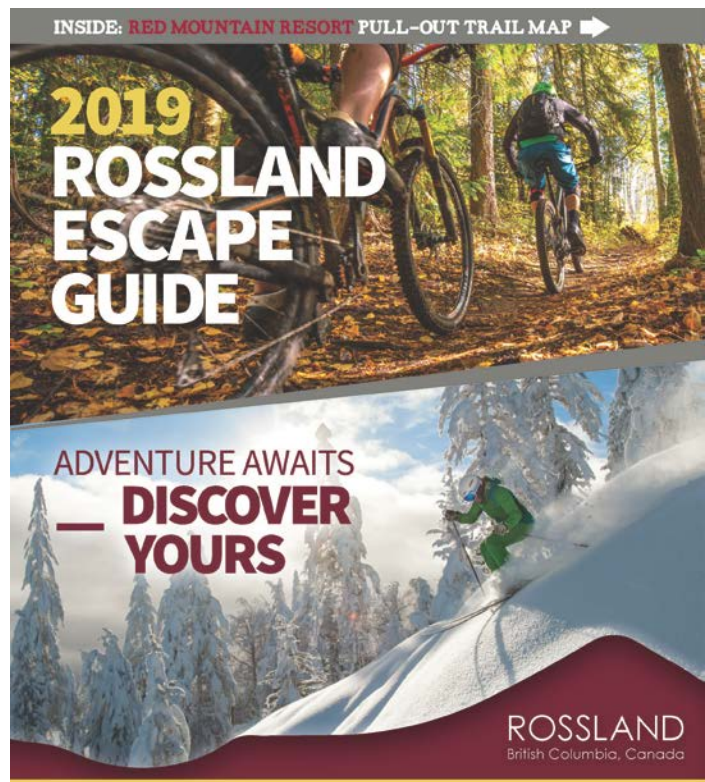
Kootenay Mountain Culture: total cost - \$9,892. We offered pay-to-play opportunities for our tourism stakeholders where they were able to be part of a double page destination spread in the winter and summer edition of the magazine. Our stakeholders covered \$5,100 of this cost.

Media and Influencer Hosting: total cost - \$4,134. We increased our budget for hosting media and influencers. Many of these media trips were organized by our stakeholders (RED Mountain Resort, The Josie Hotel) or regional and provincial partners (Kootenay Rockies Tourism and Destination BC).

Nordic BC Membership: total cost - \$1,025. We participated in this Kootenay XC regional cross-country skiing consortium on creating and promoting video content.

Photo and Video Development: total cost - \$24,617. We continued to develop and upgrade our amazing photo and video library during 2018/2019 using Eric Gonzalez, Ryan Flett, Altus Collective, Motofish/Troy Nebeker and Dave Heath as our primary contractors.

Rossland Escape Guide: total cost - \$17,915. We upgraded the text of the Escape Guide for 2019. Advertising sales income of this project was 25,570. Therefore, it continued as a



MARKETING PROJECT HIGHLIGHTS

revenue generator for Tourism Rossland. We printed 13,000 copies this year.

Snow Travel Expo Australia: total cost - \$1,557. We cost shared the registration fee for the trade show with Big Red Cats. Actual cost to Tourism Rossland was \$779.

Spokane Outdoor Show: total cost - \$661. We cost shared registration to this trade show with Kootenay Gateway, Revolution Cycles and The Josie Hotel.

Social Media Management: total cost - \$11,428. Liz Day continued to execute our social media strategy, manage our social media channels and engage with our growing audiences until November 2018. After November, Kylie Lakevold started to manage our social media channels, her salary includes social media management costs. Paid social media advertising also included in the above total.

Summer Golf Marketing Co-op: total cost - \$16,000 Since the Kooteany Golf Trail was not active during the summer of 2018, we partnered with Redstone Resort, Castlegar Golf Club and Christina Lake Golf Club to digitally promote Rossland based stay and play packages in the Spokane and Okanagan Markets. Our partners covered \$12,000 of the total cost.

Trail Visitor Guide: total cost - \$441. We placed a 1/4-page ad in this publication promoting Rossland.

Trails of the Rossland Range Map: total cost - \$6,776. We updated our trail network map, redesigned and reprinted it.



Looking Ahead

This is a very exciting time for our organization and town. We experienced unprecedented growth during 2018/2019. It appears that the various destination development projects and smart marketing investments by the local tourism industry are paying dividends. We plan to expand our marketing efforts during the next fiscal year and anticipate further visitation growth in the future. With our increased budget, we will be able to create more partnerships with our stakeholders, explore new markets and strengthen our position in our core markets.

The strategic aim of Tourism Rossland remains the same: to continue to promote Rossland as an authentic, funky ski town with tremendous local flavor. At the same time, we will continue our efforts to focus on the summer and shoulder seasons and position ourselves as a truly four-season destination. While we will emphasize promoting our core tourism products, we will strive to explore new markets and products to ensure that we are an interesting and vibrant destination that appeals to a variety of different travelers (arts and culture, heritage tourism, summer touring, etc).

The new infrastructure projects of our stakeholders (new chair lift at RED Mountain Resort, trail building efforts by the Kootenay Columbia Trail Society, etc.) and the proposed projects in our Resort Municipality Initiative Resort Development Strategy will further enhance the appeal of Rossland as a year-round destination. We have a fantastic relationship with the City of Rossland and looking forward to working collaboratively to execute the projects outlined in the new RMI strategy.

The recently secured Rural Dividend Fund and Columbia Basin Trust grants will allow us to hire a full-time marketing coordinator during 2019. This will help to expand our marketing reach and output tremendously. Additionally, it will allow us to participate in more joint digital marketing initiatives with regional and provincial partners.

The focus of our regional marketing efforts will be to increase online presence of tourism assets in the region, develop regional photo and video assets, develop a new regional brand, support regional events and consortiums and continue to build strong relationships with regional tourism stakeholders.

About Us

Tourism Rossland is Rossland's Destination Marketing Organization and works collaboratively with input from all Rossland tourism stakeholders. The organization is a registered non-profit society which was formed in 2007.

The mission of the organization is to work in a fair and unbiased manner to grow Rossland's year-round tourism economy within the context of the community's vision and values.

Tourism Rossland works collaboratively with funding leveraged through numerous partnerships with tourism industry stakeholders, including the City of Rossland, as well as through Kooteany Rockies Tourism, Destination BC and Destination Canada.

Managed by objectives, Tourism Rossland leads, directs and manages tourism development on behalf of Rossland by building on the existing strengths of local businesses and organizations, by being inclusive in nature, and developing strategic alliances.

The DMO supports local business and industry to improve products that meet changing market demands. By two-way communication, stakeholders will provide input into the process to achieve the objectives.

ABOUT US

DIRECTORS OF TOURISM ROSSLAND

As of September 1, 2019

Name	Organization	Position	Email
Cary Fisher	Redstone Golf	President	cary@redstoneresort.com
Doug Jones	Trail and District Chamber of Commerce		d-jones@telus.net
Jane Paterson	MRDT Collectors		jane.paterson@redresort.com
Daniel D'Amour	MRDT Collectors		manager@theflyingsteamshovel.com
Nicole Briggs	Red Mountain Resort	Secretary	nicole@redresort.com
Christine Andison	Red Resort Association (RRA)	Treasurer	christine@redresort.com
Jesse Crockett	RRA		jcrockett@thejosie.com
Vacant	RRA		
John Snelgrove	Restaurants/Cafe/Bars		jsnelgrove@telus.net
Dawn Manning	Retail		info@bearcountrykitchen.ca
Courtney Jewitt	Rossland Museum	Vice-President	courtney.jewitt@gmail.com
Laura Pettitt	Rossland Arts Council		Laura.bob3@gmail.com
Carol Cooper	Black Jack Ski Club		Cooper.carol19@gmail.com
Scott Forsyth	Kootenay Columbia Trails Society		scotfor@gmail.com

ABOUT US

OUR TEAM



m Rossland in 2017. Previously, he lived in Yellowknife, NT, where he worked in tourism management and planning for the Government of Northwest Territories. He has an extensive background in tourism development, programming and market research. Andras earned a Ph.D. and M.A. from Loyola University Chicago studying leisure networks and digital media. Originally from Hungary, Andras enjoys living an active outdoor lifestyle with his wife, two young sons and his dog.

ANDRAS LUKACS, EXECUTIVE DIRECTOR

Andras started working for
Touris



KYLIE LAKEVOLD MARKETING COORDINATOR

Ten years ago, Kylie packed up her Kootenay family and moved to Calgary, AB in search of new adventures in the digital media world. During her time in Calgary, she worked as a brand manager for one of the top technology companies in Calgary, the chief marketing officer for a digital communications software company and eventually built her own successful marketing consultancy and several software startups. She prides herself on her ability to get people talking about any project she is working on and is excited to be able to bring these skills, back home, to Tourism Rossland.

ABOUT US



CONNER JEWITT MARKETING INTERN

Conner was our summer marketing intern during the summer of 2018. He was finishing his Bachelor of Arts at McGill University and had previous experience in digital marketing and social media management. At Tourism Rossland, Conner was mostly responsible for coordinating our summer photo and video projects and helped plan our digital marketing