



Tourism Rossland ANNUAL REPORT 2016/2017

ROSSLAND
BC, Canada

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STRATEGIC HIGHLIGHTS

Strategic Highlights

The past year presented many opportunities for the organization, and we continue to work in a collaborative and strategic manner with our stakeholders.

Some of our highlights from this year include:

- Our organization turned 10 years old. Tourism Rossland have steadily grown and built great relationships with our stakeholders over these years.
- Last year marked a significant event in leadership as Deanne Steven stepped aside from her position of Executive Director towards the end of the year. The new ED, Andras Lukacs started in March, 2017.
- With support from the local industry, we have been successful in raising our MRDT hotel tax to 3% and started collecting the increased levy in November 2016. This larger revenue provides a tremendous benefit for the organization and our community.
- We continued our Lower Columbia Regional Tourism Program project. This contract has allowed us to broaden our marketing reach, develop our regional photo and video bank and work with stakeholders in the Lower Columbia region to promote the area as a tourism destination.
- Ryan Flett, our photographer, continued to develop our photo library and made this asset even more valuable for our partners. The photo bank is available for tourism stakeholders free of charge for marketing purposes.
- We continued to leverage our photo and video assets on social media. Our focus on digital marketing has helped us to significantly expand our digital reach.
- The second year of our Escape Guide was a huge success. It is an essential trip planning resource for our visitors and a revenue generator for our organization.
- We signed a multi-year service contract with the City of Rossland. This contract will strengthen the strategic relationship between our organization and the city and will provide us with the financial stability needed to work on growing visitation to Rossland.
- Having Kristi Calder on board helped us take on more projects and responsibilities. The first phase of the Lower Columbia Regional Tourism Program is sunsetting at the end of 2017; we hope to extend the contract for two additional years.

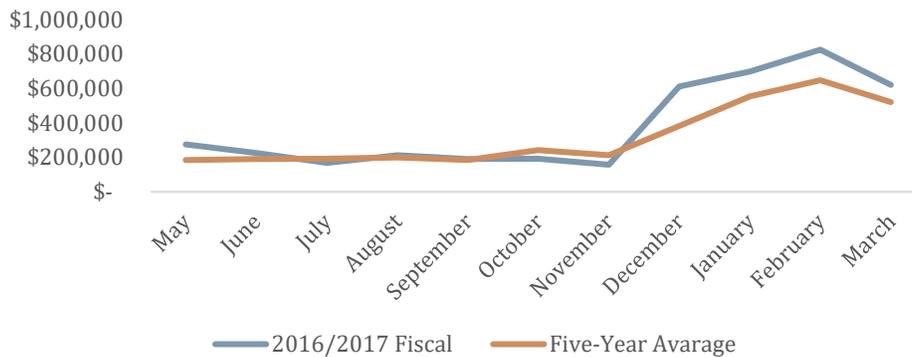
TOURISM INDICATORS

Tourism Indicators

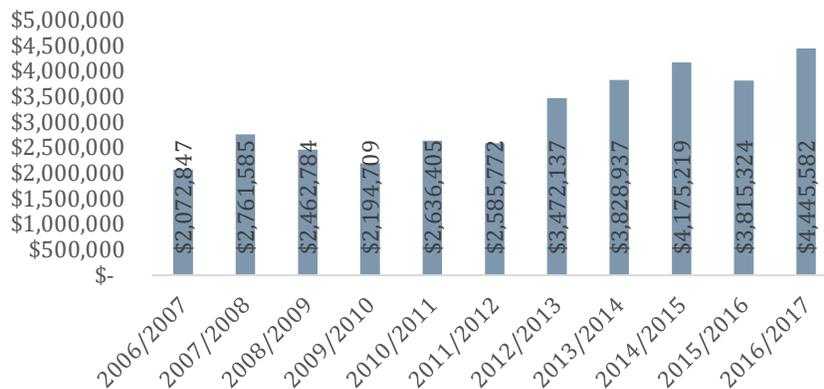
The 2016/2017 fiscal year based on accommodation revenue was the best on record for Tourism Rossland. Our shoulder and summer seasons were on par with the five-year average. At the same time, the excellent snowfall, the marketing activities of our tourism stakeholders and the favorable US exchange rate helped us to significantly increase our winter accommodation revenue. The total revenue for the reporting year was \$4.45 million dollars. Looking forward, we anticipate that the opening of The Josie hotel, continued investment in tourism infrastructure 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.

Monthly Rossland Hotel Accomodation Revenue



Annual Rossland Hotel Accomodation Revenue



FINANCIAL HIGHLIGHTS

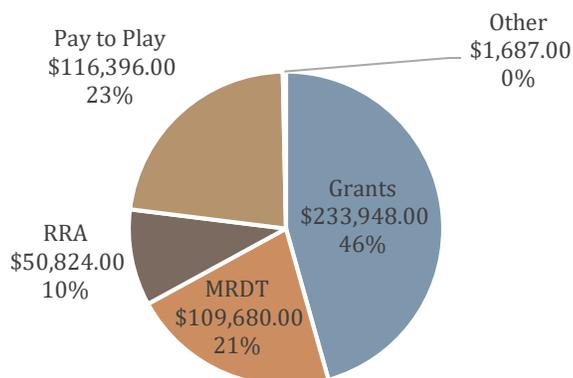
Financial Highlights

With the support of the local industry, we have been successful in raising the hotel tax to 3% in November 2016. Therefore, we could capitalize on the fantastic winter season and our MRDT revenue was up by 49%. This additional income will lay the foundation of the continued success of Tourism Rossland and ensures that we can increase our marketing.

Tourism Rossland continued to focus on grant income during the 2016/2017 fiscal year. Our grant income slightly decreased due to significantly lower RMI income. That being said, we were able to leverage the Lower Columbia initiative grant and increase our regional marketing efforts.

We created numerous Play to Play opportunities that allow our stakeholders to access new marketing channels and leverage their marketing budget to reach their target audiences. This results in a wider exposure for the whole community. As our funding increases, we will continue to create these opportunities for our stakeholders.

Income Breakdown 2016/2017

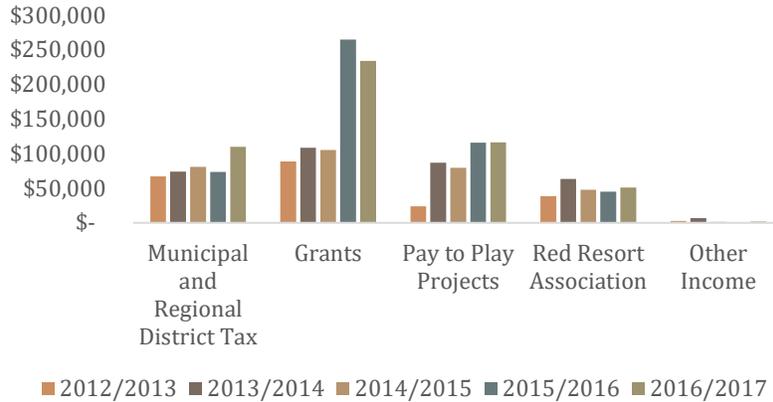


Income Breakdown Comparison: 2015/2016 - 2016/2017

	2015/2016	2016/2017	% Change
Grants	\$ 264,844.00	\$ 233,948.00	-11.67%
MRDT	\$ 73,610.00	\$ 109,680.00	49.00%
RRA	\$ 45,000.00	\$ 50,824.00	12.94%
Pay to Play	\$ 115,693.00	\$ 116,396.00	0.61%
Other	\$ 861.00	\$ 1,687.00	95.93%
Total	\$ 500,008.00	\$ 512,535.00	2.51%

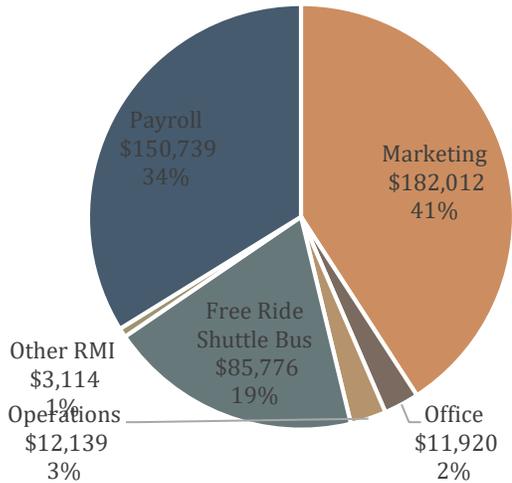
FINANCIAL HIGHLIGHTS

Income Breakdown Comparison: 2012/2013 - 2016/2017



We are still recovering from the slow 2015/2016 fiscal year and it has affected our ability to leverage funding. Therefore, our marketing budget decreased by 18% to \$180,000. The provincial funding stream is tied to annual industry performance. Therefore, the impact of a weak year based on accommodation revenue will influence our ability to market the following fiscal year. Given that we had a strong year in 2016/2017, we anticipate increased budgets going forward. If we are able continue the Lower Columbia Marketing Project, our marketing spending should grow significantly.

Expense Breakdown 2016/2017



FINANCIAL HIGHLIGHTS

It is also important to look at the various aspects of our budget as a percentage of the whole, as our goal is to keep overhead (i.e. HR, Office and Operational) costs as low as possible.

Expense Breakdown Comparison: 2015/2016 - 2016/2017

	2015/2016	2016/2017
Marketing	\$ 221,966 47.8%	\$ 182,012 40.8%
Office	\$ 10,931 2.4%	\$ 11,920 2.7%
Operations	\$ 11,068 2.4%	\$ 12,139 2.7%
Free Ride Shuttle Bus	\$ 84,501 18.2%	\$ 85,776 19.2%
Other RMI	\$ 23,336 5.0%	\$ 3,114 0.7%
Payroll	\$ 113,027 24.3%	\$ 150,739 33.8%
Total	\$ 464,829.00	\$ 445,700.00

Our organization was able to keep the proportion of Office and Operational cost stable. Since 2016/2017 was the first full fiscal year where Tourism Rossland could operate with two full-time staff members, the proportion of HR related expenses are higher than in previous years. Additionally, it includes costs associated with hiring Andras Lukacs to replace Deanne Steven as Executive Director of Tourism Rossland. It is also important to note that payroll expenses include a lot of marketing work on social media, marketing development, planning and coordination. Currently we are unable to separate these costs.

A final note on HR: these costs include all staff (Kristi Calder, Deanne Steven, Eric Gonzalez, Andras Lukacs) and costs associated with hiring the new Executive Director. Bohdan and Ryan work as contractors and costs related to their services are included under marketing.

LOWER COLUMBIA REGIONAL TOURISM PROJECT

Lower Columbia Regional Tourism Project

Marketing the Lower Columbia region through the Lower Columbia Regional Tourism Project in 2016/2017 was a huge success. We used a combination of funds from the Columbia Basin Trust (CBT) Community Directed Funds (CDF), Tourism Rossland, Destination BC (DBC) and partner cost-sharing contributions to execute a variety of programs. The goal of this initiative was to target existing tourists to our area and encourage them to stay longer and spend more. This was accomplished through a variety of projects:



Support large regional events: We supported a variety of large, annual, regional events including car shows, sporting events, festivals, arts and culture events are more. To do this, we captured high quality photos of the events to use for promotion, created promotional videos, boosted Facebook events, created Google ads, distributed posters and more.

Develop a regional photo bank: We have worked to create a photo bank full of high resolution photos of our various tourism assets in the region including restaurants, accommodation, attractions, retail, events and more. These photos have been used in print advertising, digital advertisements, sent to journalists to be included in stories, used by Cities for community banners and more.

Develop a video bank: We also worked to develop a video bank highlighting the various tourism businesses, activities and assets in our region. These videos have been used on various digital platforms (websites and social media).

Regional events calendar: We have worked with various event organizers to create a one-stop-shop events calendar of everything happening in the region. This calendar is a great resource for visitors, for event organizers when booking new events and for businesses when scheduling front-line staff (to anticipate peak periods).

Lower Columbia website: We created the www.visitlowercolumbia.com website. This serves mainly as a landing page to highlight each community in our region, and provides links to the existing websites and channels with more detailed information for potential visitors.

Kootenay Golf and Adventure Trail: The Kootenay Golf and Adventure Trail brings together seven golf courses in the Kootenays, including Redstone Resort and Birchbank Golf Club in the Lower Columbia region. The trail encourages visitors to view the Kootenays as a golf destination with scenic courses, high quality accommodation and a variety of “adventures” to participate in off the greens.

LOWER COLUMBIA REGIONAL TOURISM PROJECT

One-on-one Online Marketing: We worked directly with restaurants, hotels, attractions, retail locations and more to create online profiles with Google, Trip Advisor and other social channels. These profiles are the pillars of modern trip and activity planning for tourists.

2016/2017 PROJECT SUMMARY

2016/2017 Project Summary

One of our goals as an organization is to increase the tourism traffic during our shoulder seasons, and our marketing spend is reflective of that.

Brochure

Distribution: total cost - \$1,768. Our primary strategy to distribute our print collateral to

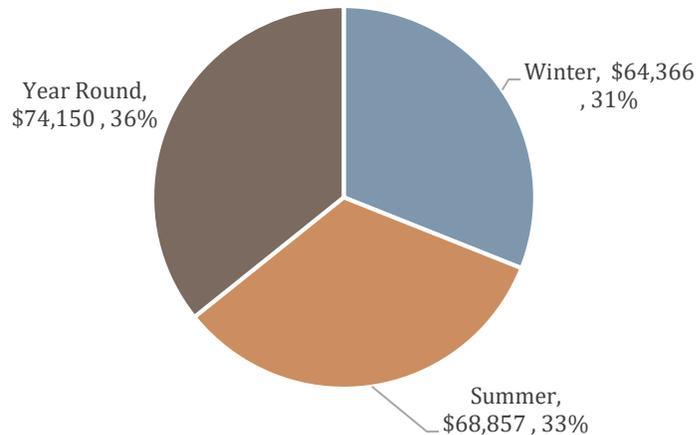
visitor centres and other key locations is through GoBrochures.com. However, we also distribute brochures via direct mail, therefore some of that cost is included in our operational budget.

Regional Events Marketing: total cost- \$33,784. Part of the LCCDTS initiative, we have been able to increase our marketing for regional events considerably. This project will continue until December of 2017. For more details, see the Lower Columbia Regional Tourism Project Update.

CWSAA Alpine Ski Marketing: total cost- \$29,416. The actual cost to Tourism Rossland for this was \$7,354 as we cost shared on this with Destination BC and RED Mountain Resort. This initiative included radio and television ads, online display advertising and YouTube pre-roll.

Photo, Video Development and Social Media Management: total cost - \$45,411. This funding stream pays for our regional video and photo development and our social media management. Part of this project is cost-shared with Destination BC and RED Mountain Resort. Additional funding is provided by the Canada Summer Jobs Grants.

Marketing Spend by Season



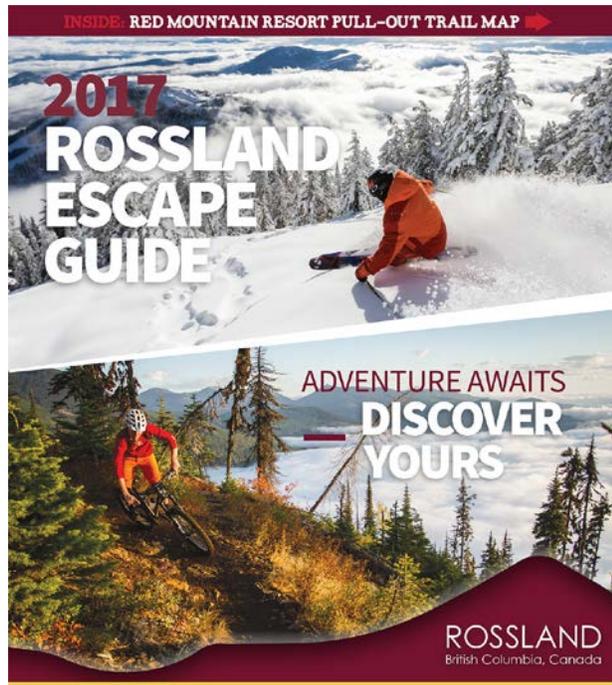
2016/2017 PROJECT SUMMARY

Rossland Escape Guide: total cost - \$15,247. The advertising sales income of this project was \$22,175. Therefore, it was a revenue generator for Tourism Rossland. Given the tremendous success of this project - both in terms of revenue and distribution - we will continue with this model in the future.

Trail Running Brochure: total cost - \$3,038. We designed and printed a new trail running brochure for distribution through visitor centres and other key contact points with visitors.

Heritage Plaques: total cost - \$1,167. We installed the final heritage plaques with the help of KCTS. This project was paid for by a grant from the Community Development Funds from the CBT and with RMI signage funds.

Visitor Centre Kiosk - Museum: total cost - \$273. Software renewal cost associated with the electronic kiosk at the Rossland Museum. The device provides a live feed from the Tourism Rossland website.



Kootenay Golf Trail: total cost - \$32,504. Tourism Rossland is holding the funds in trust for this consortium of seven golf courses. This funding is matched by Destination BC as part of a golf consortium application. We have been working on a new website, coupon book and attended golf shows. Birchbank and Redstone's annual membership fees for this consortium are paid via the grant from the LCCDT. Total income from various stakeholders: \$37,886.

Kootenay Mountain Culture: total cost - \$333. We paid for the design of an advertisement in this magazine. Our tourism stakeholders paid for their own ad in the issue, we were unable to offer a cooperative advertising opportunity this time.

Kootenay Rockies Touring Guide: total cost - \$717. We bought a 1/6 page ad in this publication promoting our existing brochures and print collateral.

2016/2017 PROJECT SUMMARY

Summer Trail Maps: total cost - \$5,125. We redesigned and printed our summer trail maps. This is one of our more popular brochures.

Retail Co-op Advertising: total cost - \$64. We partnered with retailers on the creation of coupons for distribution to in town conferences and sporting events.

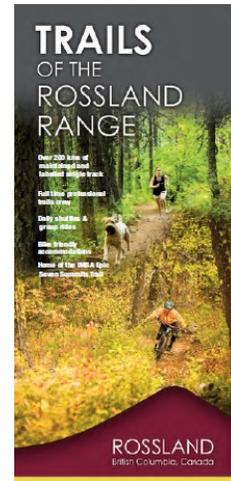
BC Mountain Bike Group Marketing: total cost - \$1,575. This is an annual membership with the organization. Member benefits include a listing on their website and inclusion in their marketing campaigns and trade shows. Cost shared with Destination BC, who pays half the real value of the membership. True value of membership is \$3,150.

Kooteany Dirt Camping: total cost - \$1,167. We funded the development and promotion of the kooteanydirt.com regional mountain biking website.

Nordic BC Membership: total cost - \$2,561. This is a cooperative marketing initiative cost shared with Destination BC. The true value of our membership is \$5,000 and it is used for digital and print advertisement.

Teton Gravity Research: total cost - \$6,659. We created a sweepstakes in the United States to promote Rossland as a mountain biking destination. We cost-shared the project with RED Mountain Resort.

Tourism Rossland Website: total cost: 14,207. We beautifully redesigned and updated our marketing website to provide the most relevant and up-to-date information for our visitors and drive traffic to the websites of our stakeholders. Cost includes video development specifically for the website.



Looking Ahead

In the coming year we have many things that we are excited about. The strategic aim of our organization is to continue to promote Rossland as an authentic, funky ski town with tremendous local flavor. At the same time, we would like to focus more efforts on our shoulder and summer seasons and position ourselves as a truly four-season destination. While we will focus on 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.

The completion of The Josie, a boutique hotel on the ski hill will change our tourism landscape significantly and will open new markets for our tourism products. The new hotel will also increase our marketing reach by expanding our MRDT income.

We are looking forward working with the City of Rossland in developing our small accommodator by-law that will govern how short-term rental businesses operate in our community. This is a key piece of legislation for us as we continue to grow our visitation and expand our tourism labor force.

We will also be very keen to find out about the future of the Resort Municipality Initiative funding as 2017 is the last year of this initiative. In the past, we used this funding for the Internal Shuttle Bus, Spokane Shuttle Bus, Rossland Museum and various signage projects. This funding has been critical to our success as a tourism based community and we are hopeful that the Provincial Government will choose to continue the program.

Since the future of the RMI funding is unknown, we will continue to explore additional revenue streams and business models to continue our internal winter shuttle. This project has been so important to our visitors and the local economy that it is critical that we determine another funding mechanism for it.

Finally, we will continue to work with our regional stakeholders in a collaborative manner. The first two-year phase of the Lower Columbia Regional Tourism Project is coming to an end in December 2017. This initiative allowed our organization to adopt a more regional perspective and promote the Lower Columbia region. We hope that we will be able to renew this contract and continue the project for two additional years.

About Us

Tourism Rossland is Rossland's Destination Management 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.

Managing 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 product to 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, 2017

Name	Organization	Position	Email
Cary Fisher	Redstone Golf	President	cary@redstoneresort.com
Vacant	Chamber of Commerce		
Vacant	MRDT Collectors		
Daniel D'Amour	MRDT Collectors		dandamour@gmail.com
Nicole Briggs	Red Mountain Resort	Secretary	nicole@redresort.com
Christine Andison	Red Resort Association (RRA)	Treasurer	christine@redresort.com
Mark Bell	RRA		mbell@thejosie.com
Vacant	RRA		
John Snelgrove (Alpine Grind)	Restaurants/Cafe/Bars		jsnelgrove@telus.net
Trish Dyer (Mountain Nugget Chocolates)	Retail		info@mountainnugget.com
Courtney Jewitt	Rossland Museum		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



ANDRAS LUKACS, EXECUTIVE DIRECTOR

Andras is new to Rossland and the role of Executive Director. 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 outdoor lifestyle with his wife, 2 young sons and his dog.



KRISTI CALDER MARKETING MANAGER

Kristi came to Rossland in 2004, armed with a Commerce Degree in Travel and Tourism, and several years marketing experience in corporate environments. In Rossland, she has gotten to know the community through her work with a number of start-up and not-for-profit organizations. In her free time, she enjoys exploring the surrounding mountains on her snowboard and mountain bike with her husband and 2 young daughters.

ABOUT US



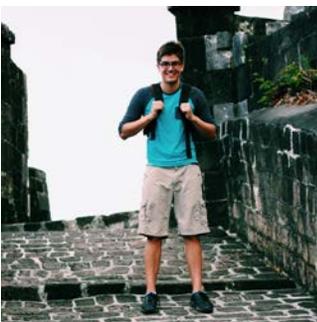
RYAN FLETT MEDIA CONTENT MANAGER

Ryan's love for the outdoors has led him to capture the beauty of the Kootenays through photography and over the years he has found his place in promoting tourism through content and social media. There is always another adventure.



BOHDAN DOVAL VIDEOGRAPHER

Bohdan Doval is a film maker located in the southern interior of British Columbia, Canada. He does all aspects of the film making process from idea development and planning to film production to editing and post production. He creates short films for the promotion of businesses, tourism organizations and sports.



ERIC GONZALEZ VIDEOGRAPHER

Eric is our fabulous summer student who has been working with us for 4 summers. During the rest of the year he is a student at the University of Calgary, but in the summer, he creates amazing videos which capture the true authentic nature of our communities.