

Appendix 2.2 Annual Performance Report

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report back to the Province annually. As such, all designated recipients (or the designated recipient’s service provider), are required to complete the following Annual Performance Report as well as a Financial Report (refer to Appendix 2.1) **by April 30th of each year.**

All designated recipients are required to fill in the sections below.

Only those designated recipients that receive the three percent tax rate will be required to report out on additional metrics (as indicated below).

A description/instructions pertaining to each performance metric is provided in grey text as a guide only. Please delete the grey text and provide your response accordingly.

Designated Recipient: District of Tofino **Report Completed:** 01/04/2019

Designated Accommodation Area: District of Tofino **Reporting period:** Jan 1- Dec 31 – 2018

**or for first year of term, indicate accordingly*

1. Effective tourism marketing, programs and projects	
MRDT-funded tourism marketing, programs and projects maximize the potential for increased visitation and growth in tourism business activity, employment and incremental tourism revenue.	
Mandatory Metric	Designated Recipient Response
MRDT Revenue	2% = \$1,131,708 for Operations 0.8% = \$452,683 dedicated for new Visitor Centre capital project TOTAL MRDT = \$1,584,391
MRDT activities, tactics, investment efforts and outcomes (as per your One-Year Tactical Plan)	<ul style="list-style-type: none"> • See Appendix A and B
Key Learnings	<ul style="list-style-type: none"> • See Appendix A and B
2. Effective local-level stakeholder support and inter-community collaboration	
Designated recipients are responsible for engaging with key stakeholders, establishing local-level support, and seeking out efficiencies through collaborative activities to inform appropriate decision-making regarding investments.	
Mandatory Metric	Designated Recipient Response
Extent of Local-level Stakeholder Engagement	<ul style="list-style-type: none"> • Minimum 3 times/month notifications through ‘Industry News’ member blog • Member bulletins for time sensitive information • Extensive member engagement with visitor education/values-based branding process and media relations

	<ul style="list-style-type: none"> Annual General Meeting – held each March Public presentations to District of Tofino to review the annual plan and results
Stakeholder Satisfaction	<ul style="list-style-type: none"> Survey is being conducted from April 10 – 19, 2019, to assess the level of awareness of Tourism Tofino’s activities and to assess the level of satisfaction with the use of MRDT funds. Results will be provided by April 30, 2019. Destination BC reviewed our survey questions prior to issuing the 2018 survey. 2019 questions have not changed.
Community Collaboration	<p>Inter-Community collaboration:</p> <ul style="list-style-type: none"> Real West Coast open-pool DBC co-op: 2017-2018 campaign that promoted the route and attractions/activities between Port Alberni and Ucluelet, Pacific Rim National Reserve and Tofino. All of this campaign took place in 2017 except for our attendance at the 2018 Vancouver Outdoor Adventure Travel Show on March 3-4, 2018. Final remittances from DBC were made to Tourism Tofino in 2018. 2017 Share VI open-pool DBC co-op: This co-op wrapped up at the end of 2017 with final remittances from DBC made to Tourism Tofino in 2018. November 2018 Surf Season Contest collaboration with Tourism Ucluelet. Pacific Coastal launch campaign partnered with Tourism Tofino and Tourism Ucluelet. Member of the BC Visitor Services Network
Mandatory Metrics	Designated Recipient Response
Community Collaboration	<p>Stakeholder, Member and Community collaboration:</p> <ul style="list-style-type: none"> Member of the Tourism Master Plan working group for the District of Tofino Participant in the District of Tofino Events Strategy Participant on the Resort Development Strategy work group Participant on the Sustainable Tourism Advisory Group for the District of Tofino’s Multi-modal Transportation project Conducted a Tofino resident engagement process to gather resident insights and feedback used to inform a Visitor Education initiative and branding refresh Ran a robust social media program linked to most of our 200 tourism business members Planning aligns with the Tourism Master Plan, industry and community goals
<p>3. Marketing Efforts Are Coordinated and complementary to provincial marketing strategies and tactics: Designated recipients are responsible for ensuring their marketing efforts complement and do not duplicate those of Destination British Columbia to avoid overlap at the community level and dilution of BC’s marketing message in key domestic and international markets.</p>	
Mandatory Metric	Designated Recipient Response
Provincial Alignment	<ul style="list-style-type: none"> Utilize Destination British Columbia’s strategic plan and regional plans Participate on Tourism Vancouver Island’s marketing committee

	<ul style="list-style-type: none"> • Liaise with DBC staff about participation in programs, we have particular interest in the social media and content activities • Utilize DBC information to improve message and marketing alignment • Attend TVI and TIABC conferences and planning sessions • Tourism Tofino is a member of the British Columbia Destination Marketing Organization Association and regularly meets with DMOs from throughout BC • We actively share content and assets with TVI, DBC, DC and members • Participate with TVI, DBC, DC on media relations activities
Coordinated with Destination British Columbia on Travel Media and Travel Trade Activities	<ul style="list-style-type: none"> • Tourism Tofino works closely with both TVI and DBC on media relations and travel trade activities. We regularly partner on itinerary and hosting coordination. • We do not generate any of our own travel trade leads and so do not have any outcomes to report, however we support travel trade fairs. • Travel media outcomes and outputs are included in Appendix A and B.

4. Fiscal prudence and accountability

All designated recipients must be accountable, transparent, and make fiscally prudent investments in community tourism marketing.

Mandatory Metric	Designated Recipient Response
Effective Financial Management	<ul style="list-style-type: none"> • See Appendix 2.1 and our 2018 Audited Financial Statement
Streamlined Administrative Costs	<ul style="list-style-type: none"> • See Appendix 2.1 • Administration & overhead costs are slightly lower than was budgeted for 2018.
Leveraging of Other Marketing Funds	<ul style="list-style-type: none"> • Tourism Tofino completed 2 DBC 2017-2018 open-pool co-op programs but did not renew them in 2018. Funds normally used for these programs were used for a brand refresh and research as per Board of Directors approval. • Leveraged funds identified on Appendix 2.1

By signing this form, you certify the accuracy and completeness of the information provided above.

Designated Recipient's Authorized Signing Authority Name	Designated Recipient's Authorized Signing Authority Title
Date	Designated Recipient's Authorized Signing Authority Signature

Appendix 2.1 Financial Report

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report back to the Province annually in the form of a Financial Report **by April 30th of each year**.

The Financial Report must show how all of the money received from the tax was spent and certify that all of the money received from the tax was used solely for approved purposes. The Financial Report must show that spending of money received from the tax was consistent with the Five-Year Strategic Business Plan. The Financial Report must also show the amounts, sources, and uses of all other tourism revenues.

Designated Recipient	District of Tofino
Designated Accommodation Area	District of Tofino
Date Prepared	28-Mar-19
MRDT Repeal Date (if applicable)	31-May-22
Total MRDT Funds Received	\$1,584,391
Year Ending	31-Dec-18

Section 1: Actual Spending by Market

Geographic Market	MRDT \$ by Market	Other \$ by Market	Total (gross) \$ by Market	% of Total \$ by Market
BC	221,742			60.00%
Alberta	110,871			30.00%
Ontario				
Other Canada				
Washington	36,957			10.00%
California				
Other USA				
Japan				
Other International (<i>Please specify</i>)				
Total	369,570			100.00%

Section 1: MRDT Budget Variance Report

Revenues	Jan 1, 2018 - Dec 31, 2018			Notes
	Budget \$	Actual \$	Variance	
Carry forward from previous calendar year	0	0		
MRDT - 2%	942,857	1,131,708	188,851	revenue monitored throughout year and expenditures adjusted
MRDT - 0.8% (new visitor centre capital project deferred revenue)	377,143	452,683	75,540	
MRDT Subtotal	1,320,000	1,584,391	264,391	
Local government contribution	0	0	0	
Grants – Federal	7,500	14,382	6,882	Summer Student Jobs
Grants – Provincial	25,000	25,000	0	DBC Visitor Centre operating grant
Grants – Provincial	90,000	37,500	-52,500	open-pool programs for 2018/19 not renewed; 2017/18 final RWC, ShareVI contributions received
Grants/Fee for Service - Municipal	20,000	0	-20,000	District of Tofino-TLBCC transfer discontinued
Retail Sales	12,000	22,431	10,431	increased retail effort
Interest	500	469	-31	
Other Revenue	28,500	18,518	-9,982	includes office rental revenue
Total Revenues	1,503,500	1,702,692	199,192	
Expenses	Budget \$	Actual \$	Variance	
Marketing				
Marketing Staff - wages and benefits	160,000	157,730	-2,270	
Advertising and production	354,857	369,570	14,713	website, advertising, travel media, consumer shows, creative productin
Collateral production and distribution	35,000	13,935	-21,065	
Travel trade	2,500	1,895	-605	
Sales events/marketplaces/trade shows	15,000	12,680	-2,320	
Other	10,000	5,079	-4,921	
Subtotal	577,357	560,890	-16,467	
Destination & Visitor Experience Management				
Destination and product experiendce management staff - wages and benefits	60,000	33,916	-26,084	lower % of ED time allocated than originally budgeted
Industry development and training	0	1,800	1,800	
Product experience enhancement and training	19,000	20,145	1,145	Tofino Ambassador Program
Research and evaluation	55,000	83,402	28,402	research bolstered for 2018
Other	0	8,500	8,500	
Subtotal	134,000	147,763	13,763	
Visitor Services				
Visitor Services activities	40,000	53,620	13,620	extensive van repairs required
Visitor Services - wages and benefits	140,000	155,851	15,851	
Retail Purchases	8,000	12,362	4,362	
Other	5,000	8,975	3,975	supplies
New Visitor Centre Project (MRDT 0.8% deferred capital reneue)	377,143	452,683	75,540	
Subtotal	570,143	683,492	113,349	
Meetings and Conventions				
Meetings, conventions, conferences, and events	0	0	0	
Subtotal	0	0	0	
Administration				
Management and staff unrelated to program implementation - wages and benefits	91,000	110,967	19,967	
Board of Directors	6,000	5,406	-594	
Professional fees	20,000	22,562	2,562	legal, accounting/audit
Information technology	35,000	35,055	55	computers, telephone, support
Office lease/rent	30,000	35,605	5,605	includes utilities
General office expenses	25,000	20,649	-4,351	bank/CC charges, insurance, payroll fees, R&M
Industry conferences, meetings, events	15,000	16,237	1,237	
Subtotal	222,000	246,481	24,481	
Other				
All other wages and benefits not included above	0	0	0	
Other activities not included above	0	22,144		amortization
Subtotal	0	22,144	22,144	
Total Expenses	1,503,500	1,660,770	157,270	
Net Profit/Loss	0	41,921	41,921	

Appendix A - MRDT activities, tactics, outcomes, key learnings

1. Effective tourism marketing, programs and projects - MRDT-funded tourism marketing, programs and projects maximize the potential for increased visitation and growth in tourism business activity, employment and incremental tourism revenue.

2018 One-Year Tactical Plan Report						
Major Category	Tactics	Outcomes	Tactical Details	Key Learnings		
Governance & Corporate Responsibility	1	Ensure effective governance, conduct annual review, update strategic planning, complete required reporting	Society bylaws updated, Board Policy Manual created and approved, Strategic Plan updated, financial systems implemented, required reporting completed on time.		Tourism Tofino documentation, financial administration and planning is now current and fulfills all transparency requirements by District of Tofino and the BC Registrar.	
	2	Engage in DBC co-op programs	We completed our involvement in open-pool programs in spring of 2018. Funds normally spent on these programs were applied to acquiring much needed research and a brand refresh.		We did not have the data and insights required to inform our strategy development. In 2018 we gathered this data and are using it in our 2019 decision-making. We have also shared this with members and our municipality.	
	3	Succession planning for DMO staff	no further work completed on this item		no further learnings	
	4	Professional development	Budget is now set aside annually for each employee to pursue professional development that will expand and improve their skill development as it relates to their position.		Staff seek out applicable courses/workshops and in doing so grow their own network of contacts	
Marketing/Promotional Activities	1	Utilize most effective and efficient methods for reaching key markets and audiences as determined by research and strategy	No print, radio or TV advertising was conducted by Tourism Tofino in 2018, although we partnered with companies/organizations that co-ordinated digital campaigns. Social media marketing and media relations were our primary promotional activities. 2018 was an anomaly because we experienced unexpected critical issues with our website that had to be repaired at the expense of approximately \$50,000. We also used funds that would normally be spend on advertising for research including a Visitor Intercept Survey, Tourism Sentiment Index, Economic Impact and NPS study through Tourism Vancouver Island. Additionally we updated our branding. Specific promotional tactics were as follows. Please see Appendix B for performance metrics.		We learned that we required foundational elements such as research and a branding refresh before we could fully understand the opportunities for tourism and create a tactical promotional strategy. We required a better understanding of our community's values and vision for tourism in order to identify our preferred visitor and how and where to reach them. These needs resulted in the decision to reduce our advertising investment in order to gather these insights.	
			<i>Paid & organic Instagram/Facebook ads and contesting co-ordinated in-house</i>	Timing: year-round; Market: BC		
			<i>Paid content & print travel guide with Tourism Vancouver Island in their "Find Your Element" campaign: vancouverisland.travel; findyourelement.ca; TVI digital ads driving traffic to website</i>	Timing: year-round; Market: BC/AB		
			<i>GoVI open-pool co-op program (administered by Tourism Parksville Qualicum): Paid content program driven by programmatic ads/AdWords</i>	Timing: Jan - Apr 2018; Market: BC/AB		
			<i>Wedding Fair Instagram/Facebook ads</i>	Timing: Jan - Feb 2018; Market: BC		
			<i>Pacific Coastal Expedia digital campaign - in partnership with Tourism Ucluelet</i>	Timing: Feb - Apr 2018; Market: BC		
			<i>Vancouver Outdoor Adventure Show</i>	Timing: Mar 2018; Market: Lower Mainland		
			<i>Surf Season Instagram/Facebook Contest - in partnership with Tourism Ucluelet</i>	Timing: Sept - Oct 2018; Market: BC		
			<i>Travel Media Relations</i>	Timing: year-round; Market: BC/AB/WA with some international and other US as per partnerships with Destination BC, Destination Canada and Tourism Vancouver Island		

Major Category	Tactics	Outcomes	Tactical Details	Key Learnings
	2 Create network of influencers to elevate engagement	Initiated paid influencer program and recruited local experts with audiences to share their Tofino stories and elevate engagement.	Timing: Sept - Dec 2018; Market: BC with some outreach through audiences to AB and WA	Difficult to find and vet influencers aligned with our destination brand so this took more time than expected. Program is being further developed in 2019.
	3 enhance tourismtofino.com	In late 2017 we launched a new website only to find in February that it had been very poorly constructed and resulted in us being penalized by search engines. We initiated repairs which took several months. As a result we were unexpectedly focused on having a basic site that could be found and worked, rather than enhancements.	Timing: Feb - Mar - analysis of repairs required. Timing: Apr - Aug - major repairs completed. Site was operational throughout however SEO had been severely compromised.	When building a site be sure to hire developers that are very experienced in building DMO sites.
	4 Further the 'Made in Tofino' program and feature products on website	As per above we were unable to move to an on-line store		Same as above
	5 Monitor travel trade opportunities as they become available	We did not track the number of Travel Trade related activities that we participated in with TVI and/or DBC in 2018, however we support their work when needed.		Providing support to our TVI and DBC partners rather than investing in Travel Trade sales initiatives ourselves makes sense for Tofino
	6 Collaborate with Ucluelet, Port Alberni Chamber and Parks Canada	Collaborated on the Vancouver Outdoor Adventure trade show with Tourism Ucluelet and Parks Canada; Ran a 'Surf Season' Social Media contest with Tourism Ucluelet; participated with Tourism Ucluelet in a Pacific Coastal launch campaign with Expedia. Did not run any programs with Port Alberni Chamber in 2018	see above for details on partnered promotional activities	We have strong relationships with our neighbours including Tourism Ucluelet and Pacific Rim National Park Reserve. We collaborate, amplify and partner regularly. The 'Surf Season' contest resulted in 7,000 new followers for Tourism Ucluelet and 5,000 for Tourism Tofino. Collaboration doesn't have to be onerous to get results.
Visitor Services	1 Oversee/develop visitor centre capital project	Building permit issued, land lease confirmed and construction started November 2018		Bring in the necessary expertise not available in-house
	2 Maintain existing visitor centre, programming and staff	Visitor Services staff have managed to work around construction and maintain high levels of service to visitors. Visitor levels remained at the same level as 2017.		Flexibility and initiative required to deal with disruption of construction
	3 Enhance retail sales program	Retail sales doubled in 2018 over 2017		retail skill set added to staff
	4 Financially support the TLBCC's delivery of the Tourism Ambassador Program	Tourism Tofino provided \$20,000 to the Tofino-Long Beach Chamber for the delivery of this seasonal staff training and orientation program		250 seasonal staff trained about the history, ecology, and first nations culture so they can better connect with visitors
	5 Monitor new, innovative visitor servicing opportunities as they become available	No new opportunities identified and activated		Too much on our plate with the planning and construction of a new visitor centre to consider new initiatives.
	6 Deploy ChesterVan (mobile visitor centre & mascot)	Our mobile visitor centre combined with our seasonal Village Kiosk served 4,876 people during the summer of 2018		Although our van is loved wherever he travels we suspect that the cost to operate is high when compared to the number of visitors served - this requires further analysis.
Collaboration & Strategic Alliances	1 Engage directly with stakeholders (members) to increase stakeholder participation in programs	This tactic was adjusted when the decision was made by the Board to invest in research over open-pool co-op programs.		For Tofino, it was more important to gather the needed data than to invest in marketing at the same level as prior years.
	2 Conduct stakeholder survey to measure satisfaction ratings of Tourism Tofino and garner feedback	67% of members satisfied or extremely satisfied with how MRDT is invested, as per April 2018 member survey. 85% agree that Tourism Tofino is a valuable organization for Tofino's tourism		Direct communication with members about our work and its value still requires improvement.
	3 Conduct Economic Impact of Tourism research to demonstrate value of tourism to residents, industry and officials	Completed Economic Impact Study - results communicated to members, municipal staff and officials, and to the greater community through the local newspaper		Valid data is critical to understanding our tourism industry and planning for the management of it. This study myth-busted many widely communicated but unsourced statistics which were not accurate.

Major Category	Tactics	Outcomes	Tactical Details	Key Learnings
	4 Membership communication / presentations / information sharing	Strong open rates on Industry News posts, strong member attendance at AGM		In 2018 we improved and increased our communication to members to inform them, in a more timely manner, about our work, statistics and programs. This is still a work in progress but feedback indicates this effort has been positive.
Destination & Product Experience Management	1 Support provincial tourism advocacy efforts	We work closely with our Chamber of Commerce to ensure advocacy issues that affect tourism businesses are analyzed and supported where they apply to Tofino. The Chamber of Commerce leads these initiatives. Tourism Tofino will activate its members on broad provincial and national issues i.e. visas, air access.		In our small community where organizations are closely linked, we have endeavored to identify roles and not duplicate. For Tofino, the Chamber of Commerce takes the lead on most advocacy initiatives. Tourism Tofino supports where needed and requested.
	2 Participate on Tourism Master Plan Task Force	Community collaboration		Master Plan is nearing the end of its time-frame and requires an update.
	3 Measure Net Promoter Score and identify areas that detract from visitor experience	NPS was Measured 3 times in 2018, in 3 different surveys:		NPS scores are subject to the methodology and vary greatly. The score itself does not provide the information needed to analyze detractor reasons and plan programs to reduce them. NPS surveys that do not provide this level of analysis are not of value. The Tourism Sentiment Index study did provide some analysis and allowed us to understand the items that created detractors.
		1. Summer Visitor Intercept Survey = 45.2		
		2. Tourism Sentiment Index = 30		
3. Tourism Vancouver Island Research = 65.2 for BC; 70.1 for AB				
4 Maintain Festival & Events Services Assistant position (a District staff position co-funded by Tourism Tofino)	Tourism Tofino continued its partnership with the District of Tofino to co-fund this important position.		This role works closely with Festivals and Events to assist them with approvals and event planning logistics. This eases the load on the event organizer and creates a very positive culture of "how can we help you succeed".	
5 Continue to advocate, promote and research Tofino transportation options	Tourism Tofino participated in the Sustainable Tourism Advisory Group to provide input into Tofino's Multi-Modal Transportation Plan, a project that the District of Tofino is undertaking.		Collaboration around issues that affect the quality of life of residents, and our environment is required to enact positive change.	

Appendix B: MRDT Outputs

Tourism Tofino 2018 Performance Output Measures	
	2018 Year-end
Earned Media	
1. Journalists hosted: TT generated	21
2. Journalists hosted: partner-generated, TT supported	43
Total Placements	76
Advertising & Promotion	
Advertising impressions (in-house, RWC, Share VI)	14,517,886
Website	
Users	393,345
Sessions (visits)	517,253
Number page views	1,691,524
Average session duration	21:36
% Organic search	66.83%
% Paid search	11.70%
% Other	
Direct	12.34
Referral	5.62
Social	3.45
Display	0.03
Other	0.03
Engagement	
Instagram followers	61,649
Instagram engagement (likes, comments)	314,594
Twitter followers	11,797
Facebook fans	30,191
Visitor Centre Interactions	
Cox Bay	36,966
Chestervan & Village Kiosk	4,876
MRDT Revenue	
MRDT Revenue - 2%	1,131,708
MRDT Revenue - 0.8% (Deferred for new Visitor Centre)	\$ 452,683
Total MRDT	\$ 1,584,391