

# 2021 ANNUAL REPORT



DESTINATION GREATER  
VICTORIA



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## Message From The Chair



**Darlene Hollstein**  
Chair, Board of Directors

It is an absolute honour to serve as Destination Greater Victoria's Board Chair and present Destination Greater Victoria's 2021 Annual Report. I would like to acknowledge that Destination Greater Victoria is based on the traditional territory of the Lekwungen-speaking peoples – the Songhees Nation and the Esquimalt Nation, whose historical relationships with the land continue to this day.

I would like to recognize our Past Chair Kimberley Hughes for her leadership during the past two years. Kimberley led with such grace during a very tumultuous and ever-changing time, while also overseeing her own organization as well as stakeholders' needs. We truly appreciate Kimberley's sacrifices and steadfast leadership throughout those uncertain times.

As with all great leaders, it is easiest to lead during the good times whereas a great leader rises to the top as they roll-up their sleeves and make the difficult decisions. This is what our CEO Paul Nursey and his team did over the past two years. We are in great shape going into 2022 because of the work our CEO put into place. On behalf of the Board of Directors I acknowledge the stellar leadership and personal sacrifices of Paul and his team during the past two years.

As we know, in 2020 the COVID-19 pandemic altered Greater Victoria's visitor economy dramatically. Hotels, restaurants, attractions and transportation providers faced significant challenges and fought to survive. These efforts continued in 2021 and as the visitor economy gradually re-opened there were positive signs for many Destination Greater Victoria members. Business results did not resemble the lofty numbers of 2018 or 2019, but Greater Victoria fared well relative to other destinations in British Columbia. Results for hotels in Greater Victoria were significantly higher in 2021 than for 2020; occupancy was 49.9 percent compared to 36.4 percent, average daily room rate was \$186.70 versus \$149.10, and revenue per available room (RevPAR) was \$93.17 compared to \$54.25.

Destination Greater Victoria's successes in 2021 were more than marketing and driving visitors to the destination. In February, Destination Greater Victoria achieved a "Carbon Neutral" designation from a leading climate advisory services company. In April, the Victoria Conference Centre followed suit and achieved its own "Carbon Neutral" designation. In June, Destination Greater Victoria and community partners supported struggling restaurant members with the "Picnics and Patios" promotional initiative. In late summer and fall, Destination Greater Victoria supported two hotel developers with their submissions to the City of Victoria. Both proposals passed and, as a result of these efforts, our destination will see new hotel investment for the first time in 30 years.

The most notable organizational achievement in 2021 was approval of the 2022-2026 Municipal and Regional District Tax (MRDT) agreement. This built on the highly successful 2017-2021 MRDT agreement. Made possible by a robust 2022-2026 Strategic Plan that reflects the community's priorities, more than 70 letters of support from community organizations were received and submitted as part of the application, along with accommodation sector support representing 92 percent of available rooms. This led to unanimous support from the City of Victoria as well as Provincial Cabinet approval. The 2022-2026 MRDT agreement provides financial stability to Destination Greater Victoria and allows management to focus on rebuilding the visitor economy well into the future.

The difficulties of the past two years are likely behind us. It is easy to reflect and see a period of disappointment. Rebuilding the visitor economy will take time, but the obstacles and setbacks of the past will only create a more resilient industry. Furthermore, the foundations laid in 2021 will serve both the organization and community well. The future is bright for Greater Victoria's visitor economy. Let's get to work!

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Hollstein', written over a light blue horizontal line.

Darlene Hollstein, Chair, Board of Directors



**Paul Nursey**  
CEO, Destination Greater Victoria

## Message From The CEO

Preparing an Annual Report is an important duty of the management team of a Destination Marketing Organization. It is within this document that the previous year's business results, analysis, achievements and financial reporting are set out. The document also presents a record, as a moment in time, of the health and performance of vital community organizations such as Destination Greater Victoria.

2021 was an incredibly challenging but ultimately rewarding year. For much of the first half of the year the visitor economy was essentially forced closed under the provincial "circuit breaker" health orders, including surreal scenes of law enforcement checking vehicles to ensure people were not travelling between provincial regional health zones. Only several months later, record average daily rate was being achieved in August and September due to high demand for visitation in late summer and early fall. Then late in the year the Omicron wave brought another round of cancellations of meetings and business, causing further frustration and despair across a weary industry.

However, throughout all these ups and downs, Destination Greater Victoria stood by its members and delivered. In the first half of the year and into summer, DGV continued to advocate fiercely for the visitor economy and was one of the loudest, most research-based and logical voices calling for a predictable, reliable framework for re-opening as the population became vaccinated. Then as the United States' borders with Canada re-opened and the injustice of the marine border being overlooked came to light, Destination Greater Victoria advocated even more loudly. DGV rallied partners and media coverage to rectify this situation, which was prejudicial to Vancouver Island until resolved.

Within its core area of marketing and sales, Destination Greater Victoria worked with the Victoria Hotel Destination Marketing Association on the Reconnect 2.0 campaign with very successful timing and creative, generating a strong call to action about activities to see and do in Greater Victoria. Reservations built quickly during June and July, and the momentum continued well into summer and fall. Learning from 2020, when we were perhaps too timid, in 2021 we understood the evolving situation and delivered a strong, integrated campaign. Alongside the Reconnect 2.0 campaign, work was also done on agritourism initiatives as well as airline and consortia partnerships, while meetings and conferences continued to be booked and rebooked. All this focused work paid dividends, with Greater Victoria achieving the highest Average Daily Rate among BC's urban destinations in 2021.

Other important work was also undertaken in 2021, including a brand refresh to ensure communications aligned with post-COVID customer sensibilities as well as work on our data platforms and customer personas. Destination Greater Victoria also secured renewal of its MRDT mandate for a further five years through to 2026, embraced a new lean business model, secured a fresh and more affordable office lease suitable for hybrid working, completed an equity, diversity and inclusion audit for the organization, and worked to ensure staff were supported effectively.

Despite intense challenges, 2021 will be remembered as a year of tremendous accomplishments for Destination Greater Victoria and a year that laid the foundation for a strong recovery in 2022. I am grateful to all our members, our partners, our Board and Committees, and our team members who rode the ups and downs with us to deliver success despite the often harsh headwinds.

Sincerely,

A handwritten signature in black ink that reads "Paul Nursey". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

**Paul Nursey**  
CEO

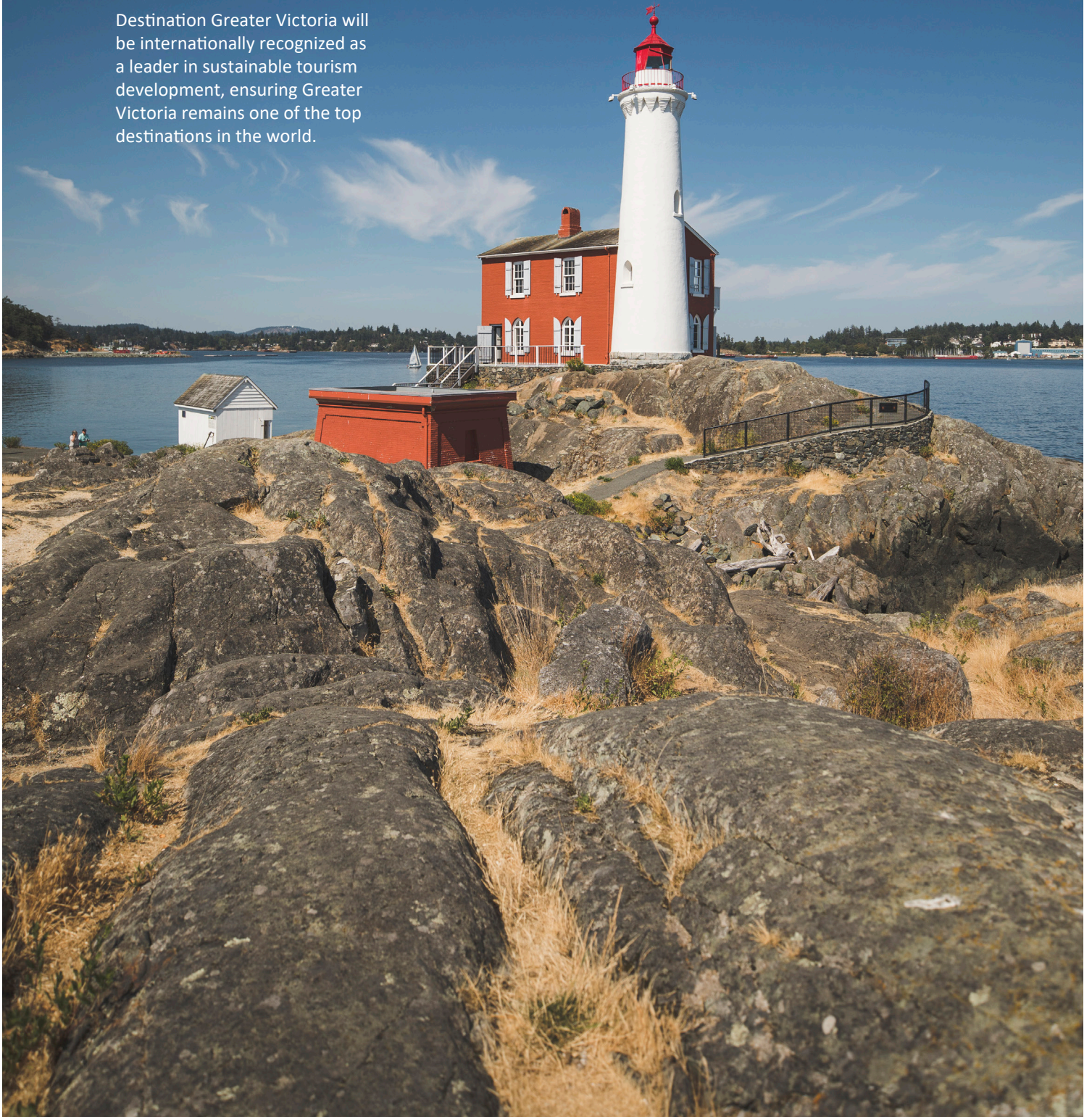


# Our Mission

We inspire the world to experience our destination.

# Our Vision

Destination Greater Victoria will be internationally recognized as a leader in sustainable tourism development, ensuring Greater Victoria remains one of the top destinations in the world.





# Giving Back To The Community

As a community organization, Destination Greater Victoria partners with other organizations that align with its core values or contribute to the Greater Victoria visitor economy. Due to impacts on business and revenues, the COVID-19 pandemic has led to a reduction in Destination Greater Victoria's community partnerships relative to pre-pandemic years. However, where an initiative is considered especially important Destination Greater Victoria has prioritized creating or maintaining a formal partnership. Below are some main community partnerships for 2021:

## **Camosun College Foundation – Sponsorship for Awards and Scholarships**

Award presented to the graduating student who has achieved the highest marks in Camosun College's Hospitality Management program, with a focus on a career in the Greater Victoria tourism industry.

## **BC Hospitality Foundation (BCHF)**

The BCHF is the official charitable partner of Destination Greater Victoria. The BC Hospitality Foundation raises funds to support those working within the hospitality industry who are facing financial crisis due to a health condition. Funds are raised for BCHF through a raffle at the annual Destination Greater Victoria Christmas Luncheon. Destination Greater Victoria also helps organize the annual BCHF Victoria charity golf tournament.

## **Tourism Industry Association of Canada – 2021 Tourism Congress**

Sponsorship of the Tourism Industry Association of Canada's major conference. This took place from November 30 to December 1, 2021. This was an opportunity to showcase the Destination Greater Victoria brand, and connect with in-person and virtual delegates from across Canada.

## **Southern Vancouver Island Anglers' Coalition**

Destination Greater Victoria provided continued funding support for the Sooke Net Pen Project. This project is designed to strategically increase the number of large adult Chinook salmon in the Juan de Fuca Strait during the months of July, August, and September each year.

## **Wear2Start**

Wear2Start is the official charitable partner of Business Events Victoria. It is a non-profit society that builds confidence by providing clothing and services to empower self-identified women as they take their next steps. Business Events Victoria promotes Wear2Start through its communications channels, including websites, social media, newsletters, and conference planning information sheets.



The Camosun College Foundation





# Business Discussion And Analysis

When reporting back on the activities and results of 2021 through a Business Discussion and Analysis there are two principal overarching themes:

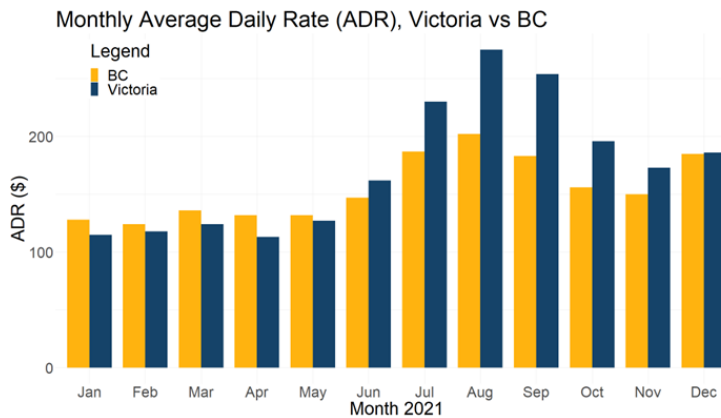
1. Continuing the response to impacts of the COVID-19 pandemic.
2. Building the foundation and preparing for sustained, wide and deep recovery.

2021 was a year of incredible ups and downs, both in society and the visitor economy. Although COVID-19 vaccines were starting to be approved in late 2020 and rolled out during 2021, Canada was initially slightly behind other countries and the tourism sector was unable to have a full 2021 summer season. Later in the spring, British Columbia's 'circuit breaker' measures were introduced to combat the Delta variant wave, prohibiting travel between communities and health regions.

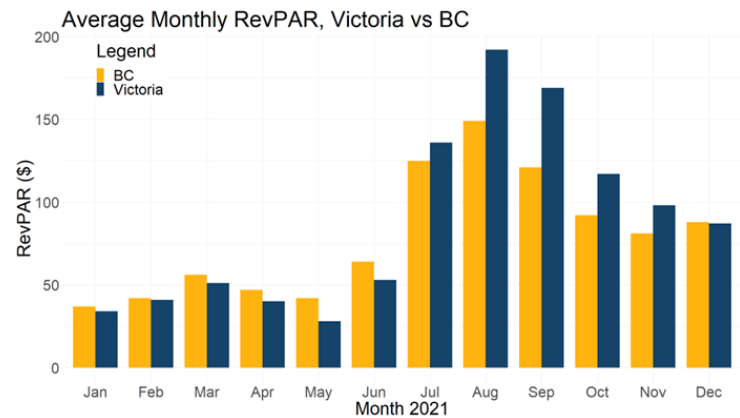
Travel within BC was only allowed more openly from June 15, 2021, and from July 1, 2021 within Canada. In early August the United States border opened for non-essential land and air travel, leading to significant optimism. However, hopes were largely dashed by the dual caveats that the marine border was not included in reopening (at least initially) and PCR testing

requirements, including associated costs and disruption, would remain in place. Jointly these caveats effectively eliminated all demand from the United States. As the year progressed, strong demand in fall was transitioning to strong pace for the Christmas season; however, new restrictions related to the Omicron variant wave washed that business off the books, as a further reminder that the many disruptions and challenges of 2021 would continue.

In the face of all these ups and downs, throughout 2021 Destination Greater Victoria, its members and industry and government partners persevered, kept in touch, collaborated, adapted to the situation on ground, made the best of opportunities presented, and performed exceptionally well in the face of adversity. Greater Victoria emerged from 2021 with one of the highest ADRs and strongest RevPARs of urban destinations in BC, and above the average for BC (see charts below, sourced from Destination BC STR data). Now into 2022, Greater Victoria continues to be among the top-performing and fastest-recovering urban destinations in Canada; STR data for March 2022 compared to March 2019 show that RevPAR increased by 28% in Victoria versus 20% in Banff, 16% in Quebec North, 14% in Kelowna, and 10% in Hamilton/Burlington (source: STR data cited by C Russell, HVS, April 2022).



2021 Average Daily Room Rate (ADR): Victoria compared to average for BC urban centres.



2021 Revenue per Available Room (RevPAR): Victoria compared to average for BC urban centres.



# 1. Continuing the Response to Impacts of the COVID-19 Pandemic

## Extreme Fiscal Discipline and Business Focus

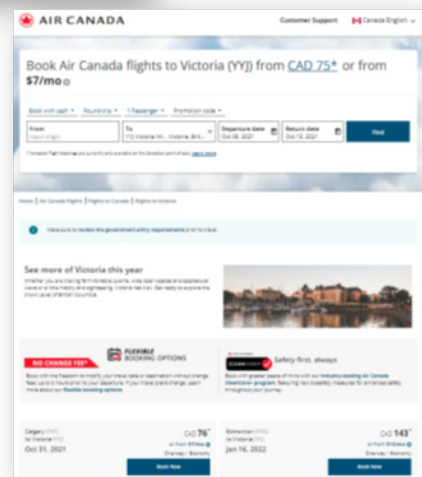
Destination Greater Victoria undertook a series of cost-control measures in response to rapidly declining revenues that commenced in February 2020 when COVID-19 began to affect business significantly. These measures continued into 2021 and focused on ensuring expenditures were only for necessary items; all non-essential investments were declined and many projects were deferred. One exception was supporting employees. Assisted by the Canada Emergency Wage Subsidy and understanding that talent was essential to drive recovery, DGV returned staff to full time status in February 2021 as vaccines started to roll out.

## Highly Focused and Effective Marketing Intervention in Summer and Fall 2021

In partnership with the Victoria Hotel Destination Marketing Association, Destination Greater Victoria executed the highly successful Reconnect 2.0 campaign, which launched in June 2021 as BC 'circuit breaker' restrictions were eased. Reconnect 2.0 built on the emotions of a getaway to reconnect with friends and family in Victoria, supported by the incentive of a \$75 Visa gift-card when booking hotel stays of two or more nights. In December 2021 DGV launched a successful Holiday campaign targeting the Vancouver, Lower Mainland and Calgary markets to take advantage of short-haul opportunities over the holiday period.

Partnership and consortia promotional campaigns were a key focus in 2021. Airline campaigns were conducted with Swoop (August to December), Air Canada (September and October) and WestJet (October and November). These campaigns targeted travellers across Canada, taking advantage of opportunities within domestic markets. Similar campaigns targeted drive visitation through the CAA and AMA Travel from October to December 2021.

Supported by the Western Economic Diversification Experiences Fund, Destination Greater Victoria partnered with CHEK TV to produce a five episode TV series focused on agritourism on the Saanich Peninsula. The series ran through summer 2021 into fall, highlighting farm-to-table as well as sea-to-table, and also linked downtown hotels, restaurants and conference opportunities. CHEK shared the series with independent TV networks across North America, and content is also being repurposed for corporate and business events videos.





## Relentless and Impactful Advocacy

Throughout 2021 Destination Greater Victoria continued to advocate diligently for supports for members and the tourism sector to address the ongoing impacts of the COVID pandemic. DGV worked to increase understanding about how the pandemic severely affected all sectors of the visitor economy, as well as the tools and support required to not only ensure the industry could remain viable but could also recover effectively as restrictions on travel and gatherings lifted. A main achievement was advocating for a clear roadmap towards recovery when restrictions allowed, so that Greater Victoria's visitor economy would be well-positioned and primed as opportunities arose.



Adrian Roeside cartoon: Tourism Aug. 12, 2021

### Federal government launches fund to help tourism businesses

OTTAWA — The federal government is offering easy financing for the country's beleaguered tourism operators, which the minister in charge says should help companies mired in debt.

Jordan Press/Carla Wilson  
Jul 13, 2021 6:00 AM



Tour guide Russi Doust, who drings tourists over from Coquitlam, Monday, July 12, 2021. [Arlain Lora, Finex Colours]

### Comment: Marine border closure prejudicial to Vancouver Island

When the federal government announced the Canada-U.S. border would reopen to non-essential travel Monday, it was met with an incredible sense of relief and joy by many.

Paul Nursey/Bruce Williams, Jeff Bray  
Aug 7, 2021 6:00 AM



The MV Coho ferry arrives in the Inner Harbour in Victoria in March 2020. The ferry, which sails between Fort Angeles, Washington, and Victoria, hasn't made the trip since the end of that month. DARREN STONE, TIMES COLONIST

In 2021 Destination Greater Victoria continued its advocacy work through the Greater Victoria Tourism Rescue and Recovery Task Force, comprising DGV and twelve local industry leaders, along with serving on the Tourism Industry Association of Canada (TIAC) Recovery and Rescue Task Force and the Task Force established by Minister Mark within the Ministry of Tourism, Arts, Culture and Sport.

## Rebooking Business and Securing New Business on the Books

Restrictions on travel and meetings due to the COVID pandemic meant that many conferences and major events scheduled for 2020 and 2021 were deferred or cancelled. A major focus for Destination Greater Victoria during 2021 was to work with meeting planners to rebook as many conferences as possible for alternative dates, maintaining a future book of business. Due to excellent work by DGV's Business Events team, a large proportion of meetings and conventions were successfully retained for future years. To further build business on the books, DGV through the Greater Victoria Sport Tourism Commission continued working towards hosting the 55+ BC Games, which were rescheduled to September 2022. Additionally, in July 2021 Destination Greater Victoria acquired Northwest Deuce Days to ensure this very popular event attracting visitors from across Canada as well as the United States continues within the local community. Northwest Deuce Days will return to Victoria in July 2022.

## Rebuilding Trust for Tourism in Our Community

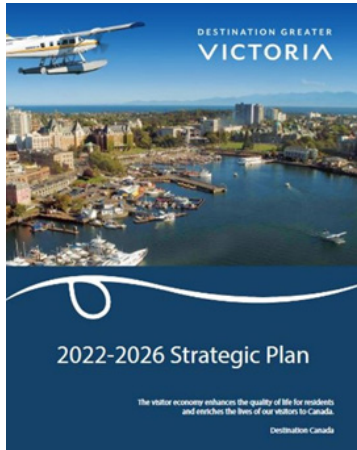
In 2020 and 2021 the travel and tourism industry was often associated negatively with the spread of COVID-19, regardless of whether this was justified or supported by data. Despite this, a large proportion of local citizens remained supportive of the travel and tourism industry, understanding its importance and contributions. A survey of residents in late 2020 showed 98% considered tourism to be very important (80%) or important (18%), particularly because it provides significant economic contributions and jobs. This highlighted the importance of rebuilding trust for tourism in light of negative press, in order to generate fresh goodwill and maintain social license. It was also an opportunity to showcase our businesses and members as widely-contributing members of the community.

During 2021 Destination Greater Victoria worked with CHEK TV to scope and deliver a series of documentary-style broadcast commercials to highlight tourism businesses as part of the fabric of our community. These featured tourism sectors or groups of businesses, showing how they each contribute to the vitality and sustainability of our community, with a focus beyond only economic impacts. The videos were shown across CHEK's broadcast area and were very well received.

## 2. Building the Foundation and Preparing for Sustained Wide and Deep Recovery

### MRDT Renewal with a Fresh 2022-2026 Strategy

A main focus for 2021 was developing Destination Greater Victoria's next five-year strategic plan to underpin renewal of DGV's Municipal and Regional District Tax (MRDT) mandate through to 2026. The 2022-2026 Strategic Plan was developed with feedback from DGV's members, industry partners, community stakeholders, and local residents. The Plan identifies key areas of focus and growth opportunities as the industry builds recovery from the impacts of the COVID pandemic, including measurable goals and objectives.



The 2022-2026 Strategic Plan provided a solid foundation for the process of renewing Destination Greater Victoria's MRDT mandate for a further five years. The process over several months requires demonstrable support from Victoria's commercial accommodation sector, the City of Victoria as MRDT municipal partner, the Capital Regional District and a wide range of tourism businesses.

Support for renewing DGV's MRDT mandate to 2026 was received from 72% of the 53 accommodation properties collecting MRDT within the City of Victoria, representing 92% of the total 4,113 rooms available. There were no instances of a property owner or general manager declining support. In cases where signatures of support were not obtained this was due to pandemic impacts, whereby the property (1) closed temporarily and owners or managers could not be contacted, (2) ceased trading, or (3) was acquired by government for emergency housing.

This level of support very significantly exceeded the minimum required. In addition, more than 70 businesses and associations in the tourism industry provided letters of support for Destination Greater Victoria to continue its mandate, which was also endorsed unanimously by City of Victoria Council on March 18, 2021 as well as the CRD. Renewal of DGV's MRDT mandate was confirmed by the Province of BC on October 1, 2021, providing a stable financial and operational runway for recovery, growth and building books of business through to 2026.

### Marketing Systems Review and Brand Refresh

During the COVID restrictions of early 2021, Destination Greater Victoria worked with its new Agency of Record, MMGY Global, to prepare for effective and significant marketing when restrictions eased. This work included reviewing and updating inbound marketing platforms, refreshing brand attributes in line with customers' sensibilities regarding the pandemic, drawing research insights from key US markets through MMGY's proprietary Terminal research platform, and collaborating to update target customer characteristics and personas.

### Selecting Future Workspace in Line with Employees' Expectations

Destination Greater Victoria's 10-year corporate office lease at 737 Yates Street, Victoria expires on May 31, 2022. Given changes in employees' work expectations as well as down-sizing related to impacts of the pandemic, Destination Greater Victoria saw a prime opportunity to reshape its approach to its headquarters and move from a highly corporate and traditional office environment to one that is more flexible, dynamic and contemporary.

Destination Greater Victoria worked collaboratively with its Finance and Membership Committee and Board of Directors to test the office-space market extensively, ultimately entering into a new lease for premises at 765 Broughton Street. Occupancy of the new office is scheduled for June 1, 2022. This move will reduce DGV's office footprint from 6,810 square feet to 4,603 square feet while facilitating hybrid working and providing improved employee amenities such as a large outdoor deck space, secure bike storage, and on-site showers. Additionally, over the term of the 10-year lease the move will save more than \$1.2 million in overhead costs.

### Future Foundations of Sustainability for Our Industry

Recognizing that its leadership and actions can set the tone for the visitor economy, Destination Greater Victoria has been working diligently to reduce and fully offset its organizational carbon footprint. In February 2021 Destination Greater Victoria achieved certified carbon neutrality through Offsetters, becoming the first major North American Destination Organization to do so. This not only aligns with community expectations but also reflects the values of our members, including several major hotels, transportation providers, and experience providers who are operating carbon neutral as standard business practice.



In 2019 Destination Greater Victoria established its Sustainability Committee within its governance structure to advise about sustainability issues and opportunities for the tourism sector while also helping to coordinate sustainable tourism initiatives within Greater Victoria. The Committee has become a forum where stakeholders at all levels can interact and collaborate to help drive Greater Victoria's sustainability agenda in partnership. Also, many local tourism businesses are pursuing sustainability initiatives independently with significant success, and it is important to capture this inspiring work and build capacity to move forward systematically.

During 2021 the Sustainability Committee developed a program of priorities and work for the years ahead. A core component of this is supporting Destination Greater Victoria's strategic objective to achieve and maintain a world-leading third-party sustainability accreditation. A comprehensive assessment of certification options was undertaken in collaboration with students at Royal Roads University. The program identified as most applicable and beneficial for the destination was the Biosphere certification through the Responsible Tourism Institute (RTI), which is based on the 17 United Nations Sustainable Development Goals (UN SDGs). Destination Greater Victoria signed onto the Biosphere program in December 2021 and set this as a priority project for 2022.

## Equity, Diversity and Inclusion Audit

In fall 2021 Destination Greater Victoria completed an Equity Diversity and Inclusion (EDI) audit to provide insights about the current status of the organization through an EDI lens. The audit was conducted by Engaged HR. A core component of the audit was an on-line survey derived from the 2021 Global Equity, Diversity, and Inclusion Benchmarks (GEDIB) and completed by all employees, with a focus on recruitment, advancement, compensation, and benefits & flexibility.

A comprehensive audit report was produced and results were generally very positive. A range of current strengths were identified, including:

- DGV's workforce has diversity across several dimensions
- Processes related to advancement at DGV are designed to remove bias.
- Employees and managers are accountable for consistent strategic goals in a fair process.
- All employees receive opportunities for professional development.
- Employees have a high level of agreement that their work is clear, fair and decent.
- Employees feel they are evaluated fairly and various needs for flexibility are accounted for.

The report also identified areas for further focus and improvement going forward, including more work on documenting and communicating EDI policies and initiatives, developing robust methods of measuring and monitoring EDI throughout the organization and its operations, and building on existing systems and policies to ensure EDI best practices. This work will be ongoing in 2022.

## Growing Resources to Stimulate Recovery in 2022

During the summer and fall of 2021, business results were stronger than anticipated across most of the accommodation sector. Towards the end of the year, with late fall and winter campaigns well resourced and delivering effectively, Destination Greater Victoria's management collaborated with its advisory committees and Board of Directors to make the decision to carry significant financial resources forward from 2021 into 2022. The purpose of the carry-over was to further resource strong recovery marketing campaigns and business development efforts in spring 2022, as prudent and deliberate strategy when the visitor economy reopened. At the time of preparing this report in spring 2022, Destination Greater Victoria's largest marketing campaign



# Corporate Communications and Destination Management

Destination Greater Victoria representatives provide commentary in local media, as well as the visitor economy perspective in stakeholder consultations and government relations. Destination Greater Victoria remains the ‘voice’ of Greater Victoria’s visitor economy and the members DGV represents. Continuation of COVID-19 pandemic restrictions during 2021 resulted in strong local media interest for commentary from Destination Greater Victoria regarding the visitor economy, as well as continued advocacy by DGV on behalf of industry with municipal, provincial, and federal government decision-makers.

Examples of corporate communications initiatives in 2021 were Greater Victoria Flower Count, the Picnics and Patios Contest, and announcement of both Destination Greater Victoria’s and the Victoria Conference Centre’s Carbon Neutral designation. Corporate communications also supported the acquisition of Northwest Deuce Days, helped organize the event marking the return of Clipper V to operations between Seattle and Victoria, and led the announcement of Victoria having more restaurants per capita than any other city in Canada.

Ongoing uncertainty due to COVID-19 pandemic restrictions in 2021 meant Destination Greater Victoria spearheaded advocacy efforts regarding Greater Victoria’s visitor economy. These efforts

were collaborative and Destination Greater Victoria – supported by the Greater Victoria Tourism Rescue & Recovery Task Force – worked closely with the Hotel Association of Greater Victoria, Greater Victoria Harbour Authority, Greater Victoria Chamber of Commerce, Downtown Victoria Business Association, Victoria International Airport, local governments, and numerous other organizations. Destination Greater Victoria also maintains strong working relationships with Western Economic Diversification Canada, Destination Canada, and Destination British Columbia.

An important part of destination management in 2021 involved work on Destination Greater Victoria’s 2022 to 2026 Strategic Plan and corresponding renewal of DGV’s five-year Municipal and Regional District Tax (MRDT) agreement. Extensive endorsement by the commercial accommodation sector was received along with more than 70 letters of support from businesses and community organizations for renewal of Destination Greater Victoria’s MRDT mandate and ‘eligible entity’ status to receive MRDT funding directly from the Province. The 2022 to 2026 Strategic Plan positions Destination Greater Victoria and Greater Victoria’s visitor economy to recover effectively from the impacts of the COVID-19 pandemic while incorporating important community values such as sustainability, equity, diversity, and inclusion, and enhanced relations with Indigenous partners.





# Destination Marketing

Destination Greater Victoria ran six marketing campaigns in 2021, aimed at driving room nights from Canadian visitors, especially BC and Alberta. Restrictions associated with COVID-19 changed through the year, and spring 2021 saw the tightest travel restrictions of the year. In this period, DGV ran a campaign targeted at Vancouver Islanders, focusing on B&Bs and Inns. “Retreat Close to Home” included 182 airings on CHEK TV as well as pre-roll, driving more than 16,000 landing page visits.

In March 2021 a campaign to drive awareness of downtown Victoria as the place to shop and explore went in-market locally. This campaign aimed to restore some vibrancy in Victoria’s downtown, as many downtown businesses were struggling to stay afloat.

Leveraging funding provided by Destination British Columbia, a Flavour Trails campaign ran for a large portion of 2021, highlighting the agritourism offerings on the Saanich Peninsula. This campaign generated more than 40,000 landing page views from ads in the Facebook and Google networks. A large component of this campaign, a multi-part series on CHEK TV, provided significant storytelling and broadened exposure for Flavour Trails.

Moving into summer 2021 DGV launched its “Reconnect” campaign, aimed at driving multi-night stays in the summer and early fall periods. The campaign targeted Vancouver Island and the Lower Mainland, with secondary targets of Alberta and the

GTA. Core media for this campaign included Google, Facebook (Meta), and the Bell Media network including TV. Messaging associated with finally seeing loved ones, was made richer with a \$75 Visa gift card. This campaign drove significant conversion with more than 43,500 landing page views and almost 4,500 partner booking engine clicks.

In fall 2021, DGV launched “One More” – one more sip, one more look, one more night. This campaign saw a shortened in-market window due to flooding that occurred as a result of the atmospheric river. Even with the shorter duration, the campaign achieved more than 1.5 million impressions and nearly 1,200 partner booking engine clicks.

Hot on the heels of “One More” was “Our Gift to You” – highlighting Victoria’s holiday charm. This campaign ran in December and targeted BC including Vancouver and Kelowna, as well as Calgary. Making use of fresh video assets, this campaign generated more than 3.5 million impressions and almost 500 partner booking engine clicks.

Destination Greater Victoria closed the year with some strategic, forward-looking work with our agency of record MMGY Global. Tapping into their expertise in brand development, a refreshed brand was developed along with supporting personas. These projects are foundational to ensuring that DGV’s marketing efforts are grounded, have clear resonance, and are well aligned with key target audiences as we look forward.







**DINE AROUND**  
and stay  
VICTORIA **IN TOWN**

Have a bite,  
stay the night.

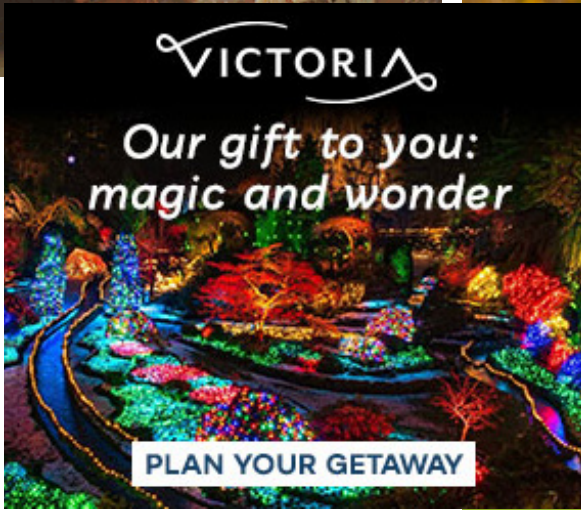
[Click here to reward your tastebuds!](#) ▶



**Book Now**



GREATER VICTORIA  
**FLAVOR TRAILS**  
AGRI-TOURISM EXPERIENCES



VICTORIA

Our gift to you:  
magic and wonder

**PLAN YOUR GETAWAY**

**Shop, Sip, Savour**

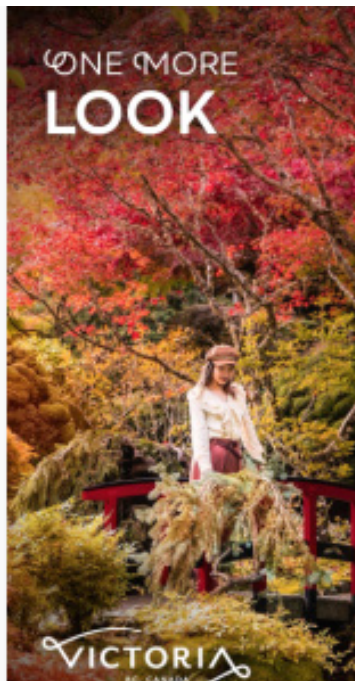
Bring home luscious flavours, right from  
your own backyard.

**Discover the Flavour Trails**



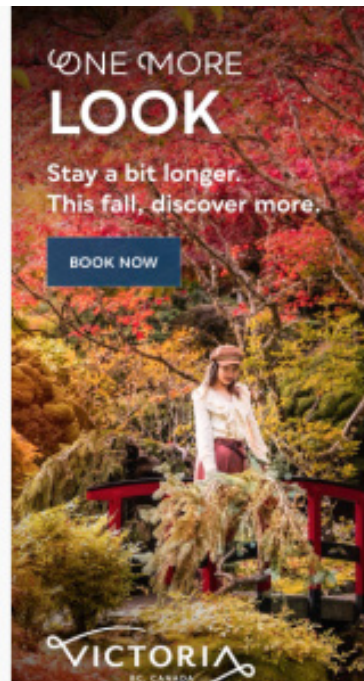
ONE MORE  
**SIP**

VICTORIA  
BC CANADA



ONE MORE  
**LOOK**

VICTORIA  
BC CANADA



ONE MORE  
**LOOK**

Stay a bit longer.  
This fall, discover more.

**BOOK NOW**

VICTORIA  
BC CANADA



# Social Media and Content Marketing

## Web

Despite travel restrictions in 2021, Destination Greater Victoria continued to see reasonable traffic to its website, with 967,000 website visitors and almost 1.3 million sessions. This was an improvement from 2020 but still represented a shortfall from 2019 levels (1.8 million visitors and 2.6 million sessions). The top-performing web pages in 2021 were (1) the landing page for Dine Around and Stay in Town, with almost 150,000 page views, (2) the /see-do page with more than 100,000 pageviews, and (3) the /stay page with almost 80,000 pageviews. Local and domestic visitors were an essential element of website traffic for DGV in 2021.

In addition to DGV's core website, investment was made in a Flavour Trails microsite, directly connected to those campaign efforts. This microsite was optimized by agency partner VERB Interactive to deepen the storytelling and drive traffic to Victoria and the Saanich Peninsula.

## Blog

The DGV Marketing team produced and posted 33 blogs in 2021, connecting to campaign activity, holiday periods, new developments in the market, and topics of interest to our core markets and demographics.

Blog content is an opportunity to feature our members while identifying different ways for visitors to experience Greater Victoria. It is also a key tool in DGV's search engine optimization toolbox.

The top blog for 2021 was "Must Try Brunch Spots", with almost 25,000 views. The number two blog for 2021 was associated with the Reconnect campaign, while "Top Haunted Places Victoria" rounded out the top three.

As DGV dives into its Experiences Strategy in 2022, surfacing blog content and personalization will be key considerations.

## Email

While consumer email marketing by Destination Greater Victoria GV was more limited in 2021, the emails DGV's team sent were strong performers, with an average open rate of 48% - more than double the industry benchmark.

The top-performing email of 2021 was associated with the Holiday / Christmas campaign, "It's the Most Wonderful Time of the Year", which produced a 56% open rate. Much earlier in the year, the number two performer encouraged subscribers to Visit Victoria in January (53% open rate), and in June the Visit Victoria in Summer e-newsletter achieve a 52% open rate.

Email marketing remains an important marketing channel, and with a more robust marketing team in place for 2022, will see greater focus.

## Social Media

The focus for social media content in 2021 was to continue to inspire followers to visit Greater Victoria, and to achieve strong engagement with the DGV social media feeds.

Instagram saw largest growth in following in 2021, with 7,000 new followers and exceeding 71,000 followers overall. An outstanding engagement rate of 51.5% was also achieved. Facebook, which is much more established, grew by nearly 1,000 followers, bringing that community above 65,000. Twitter continues to be an important channel but is not seeing the same engagement as visual-forward channels such as Instagram, and experienced a small decline in followers with a community size of just over 42,500.

Remarkable images draw people in, and it is no surprise that the top performing post of the year was "Orca jumping", with more than 11,000 engagements. A video-post of the Victoria Harbour Ferries "water ballet" was the second-highest performing post of the year with almost 5,000 engagements.

Destination Greater Victoria's team continues to maintain close relationships with local photographers and leans into the CrowdRiff platform to source and curate content within its social media channels.



33% AUDIENCE GROWTH  
57% INCREASED ENGAGEMENT  
142% INCREASE IN IMPRESSIONS  
157% INCREASE IN REACH



1% AUDIENCE GROWTH  
17% GROWTH IN ORGANIC REACH  
28% INCREASE IN ENGAGEMENT



3% AUDIENCE GROWTH  
17% GROWTH IN ORGANIC REACH  
28% INCREASE IN ENGAGEMENT



OVER 70 BLOGS PUBLISHED  
34% INCREASED PAGEVIEWS  
16% ORGANICALLY

# Media & Influencer Relations

In 2021, as with 2020, travel media was somewhat limited, with travel and border restrictions in place. During this period DGV’s team focused on working with more local and BC journalists and influencers, and maintaining ongoing relationships for when travel was restored. A total of 261 mentions by influencers and journalists was achieved in 2021.

The top-producing pieces in terms of readership and impressions were:

Heather Greenwood Davis, Toronto Star: <https://www.thestar.com/life/travel/2021/07/31/looking-for-a-family-friendly-vacation-in-canada-a-travel-expert-shares-three-top-rated-holiday-picks.html>

Jody Robbins, Calgary Herald: <https://calgaryherald.com/travel/a-tale-of-5-teas-tea-tripping-in-victoria>

Lucas Aykroyd, BC Ale Trail: <https://bcaletrail.ca/bc-attractions-that-offer-craft-beer/>

Waheeda Harris, Globe and Mail: <https://www.theglobeandmail.com/life/travel/article-canada-travel-guide-from-victoria-to-st-johns-summer-highlights-to/>

Becky Ohlsen, Lonely Planet: <https://www.lonelyplanet.com/articles/day-trips-from-seattle>

Celeste Moure, Conde Naste Traveler: <https://www.cntraveler.com.cdn.ampproject.org/c/s/www.cntraveler.com/story/canada-adventures-for-every-traveler-border/amp>

Elisabeth Goodridge, NY Times: <https://www.nytimes.com/interactive/2022/travel/52-places-travel-2022.html#vancouver-island>

Two notable influencer collaborations in 2021 were with @darlingescapes (188,000 followers) and @cometravelwithsf (14.100 followers) in October which also included blog presence.



## 5 Canadian Adventures to Plan Now That the Border Is Open

By CELESTE MOURE  
August 31, 2021 6:00 PM





## Travel Trade

Travel trade is a vital piece of Greater Victoria's visitor economy, providing base business and aiding compression in the destination. Destination Greater Victoria's travel trade department is committed to long-term, sustainable growth for DGV members and the destination by driving measurable, incremental room nights and yield with a particular focus on shoulder periods. Destination Greater Victoria also maintains a balanced travel trade portfolio of tour, leisure, corporate, group, and free independent traveler (FIT) segments to minimize risk and maximize direct bookings.

Destination Greater Victoria travel trade activities were severely curtailed in 2020 and early 2021. However, with visitation increasing and restrictions easing by late May 2021, DGV hired a Director of Travel Trade. As travel started to resume in summer 2021, Destination Greater Victoria's travel trade department focused on industry recovery by promoting Greater Victoria to tour operators, travel agents, receptive tour operators and key travel trade partners. The focus was on presenting Greater Victoria and the surrounding area as a safe destination to visit.

Much of Destination Greater Victoria's efforts were directed towards awareness and educating partners that Greater Victoria was open for business. Although group business was slow to come back, the FIT market results were positive for summer 2021. Because tour operators and receptive tour operators contract rates at least 12 to 18 months in advance, group business for 2021 was pushed to 2022 and FIT and transient travelers became the short-term focus.

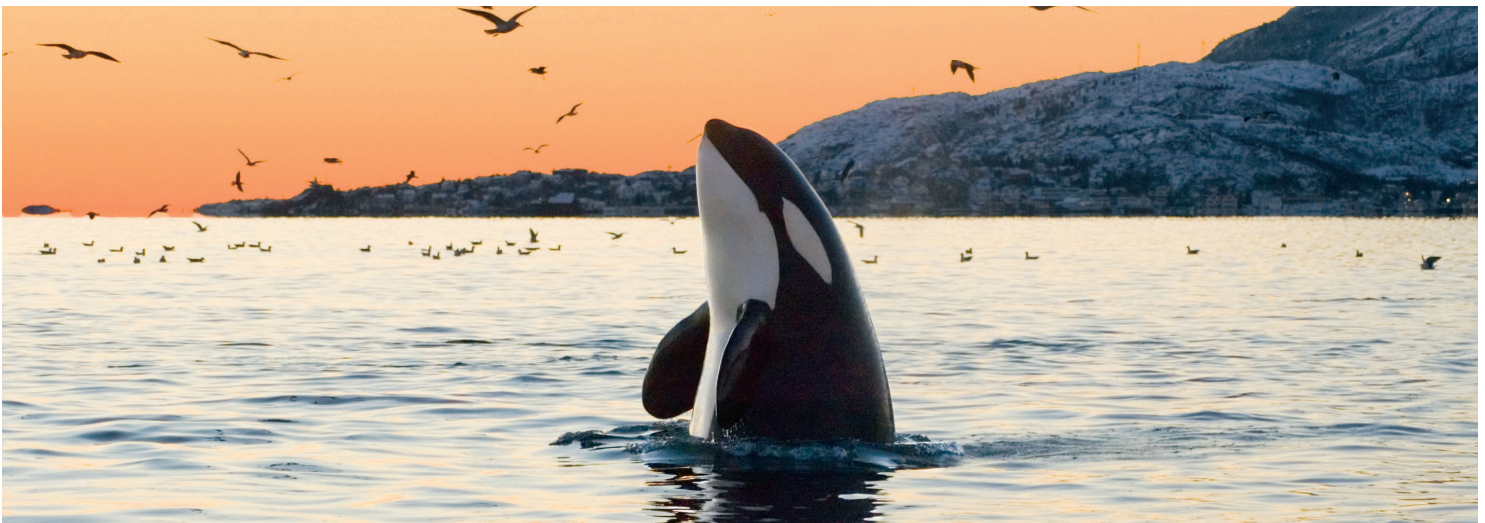
Due to COVID-related travel restrictions it was not possible to attend in-market activities. Trade shows were attended virtually and there was a shift to focusing on strategic partnerships. With borders closed, only domestic source markets were available in 2021. Results were achieved by aligning with domestic airline partners and domestic consortia. Destination Greater Victoria created tactical campaigns with Air Canada, Air Canada Vacations, Swoop and WestJet to increase inbound arrivals as well as packaged hotel night stays. In addition to airline partnerships, Destination Greater Victoria partnered with the Alberta Motor

Association (AMA), promoting the destination to the Alberta drive market in the second and third quarters of the year, as well as the Alberta fly & drive markets in the fourth quarter of 2021.

Destination Greater Victoria will continue to align strategically with consortia and airline partners going forward. The partnership with AMA will be re-established in March 2022 and a strategic spring and summer partnership with Air Canada Vacations will be rolled out in April 2022. These initiatives will focus on the Alberta, Ontario, and Quebec markets.

Commencing May 2022 Destination Greater Victoria will reactivate a partnership with Signature Travel Network (STN), a retail consortium with 7,000 independent members, predominantly in the United States. This partnership will mark a shift in focus from domestic visitation to travel from the United States. The United States remains our largest international market based on proximity and intent to travel. Efforts in the first year of the partnership will focus on in-store promotions, FAM support, agent training, regular communications with STN's 7,000 member agents and direct mail to consumers in California, driving a strong call-to-action to visit Greater Victoria. Destination Greater Victoria will also return to in-market activities, beginning with Rendezvous Canada in May 2022, followed by Canada's West Market Place and the Annual Signature Conference in November 2022.

The Greater Victoria region has successfully built international recognition and interest as a place to visit. Most of Greater Victoria's long-haul, international marketing efforts will be led by partners Destination BC and Destination Canada, which have in-market representation and appropriate funding. Destination Greater Victoria and Destination BC will monitor European and Mexican markets closely, evaluating opportunities to invest when the timing is right. Destination Greater Victoria has developed its geographic approach to achieve best returns on investment for the destination, long-term sustainability, and consideration of how source markets align with Destination BC and Destination Canada's approach.



## Business Events Victoria

In 2021, Business Events Victoria (BEV) was nimble and flexible in responding to fluctuating COVID-19 pandemic restrictions on gatherings and meetings. The team focused on rebooking business and targeting future opportunities. BEV achieved its targets and executed successful in-market activities.

BEV started the year attending various tradeshows and exhibitions, such as CSAE Tete-a-Tete and CONNECT Meetings held on virtual platforms, as well as attending regular virtual events through meetings industry associations including MPI, PCMA, CSAE and CanSPEP. This participation ensured BEV still engaged and updated its clients regarding meetings, events and conferences in Greater Victoria.

In March, BEV hosted a virtual familiarization tour of Greater Victoria to showcase the destination to key meeting planners from across Canada and the US. Highlights included sharing many of the destination's experiences virtually, such as the Songhees Wellness Centre, Royal BC Museum, The London Chef, and Twist of Fate Craft Cocktails. Through this virtual tour BEV also promoted the Victoria Conference Centre (VCC), hotels, sustainability initiatives, and pitched for future meetings in Greater Victoria.

When restrictions on gatherings were lifted in fall 2021, BEV was able to attend in-person tradeshows such as the Canadian Meetings and Events Exposition in Toronto, IMEX America in Las Vegas, and the Incentive Canada Winter Edition with the Business Events Canada Team.

The Victoria Conference Centre went through many changes in 2021, transitioning from an event facility to Vancouver Island Health Authority's lead COVID-19 immunization clinic, then later to a COVID-19 testing centre. This ensured some ongoing vitality for the facility and provided a great opportunity for locals to visit and utilize the VCC.

Additionally, the VCC was updated and renovated through new paint and carpeting, updated light fixtures, and other similar works. New facility photography showcased these updates.

Designation of the Victoria Conference Centre as "carbon neutral" by noted corporate sustainability management firms Synergy Enterprises and Offsetters was a major achievement during 2021. This designation was a joint effort by Destination Greater Victoria and the City of Victoria, reflecting the work of these two organizations to increase sustainability in our community.

Furthermore, to highlight new and existing sustainable business accolades and certifications, BEV and the VCC worked with Synergy Enterprises to create an information sheet highlighting the main areas of progress. This is a key component of collateral, summarizing BEV's sustainability initiatives and achievements for clients seeking information.

BEV launched the 'Choose Your Impact' Incentive during 2021. This program helps market the destination's strengths in enhancing sustainability, building on the VCC's and Destination Greater Victoria's reputations as sustainability leaders and their carbon neutral status. The program offered money back to clients in exchange for their participation in sustainability initiatives.

BEV was also able to expand its team in 2021 and brought in two new members: David Stempowski, based in Toronto as in-market Destination Meetings Manager, and James Burrough, Sales Manager at the Victoria Conference Centre.

Through support from a Western Economic Diversification grant, the VCC purchased equipment for hybrid meetings. The grant also funded "Digital Event Strategist" Certification for BEV's Sales & Events Team and allowed for the purchase of PPE kits with local vendor products for conference attendees.

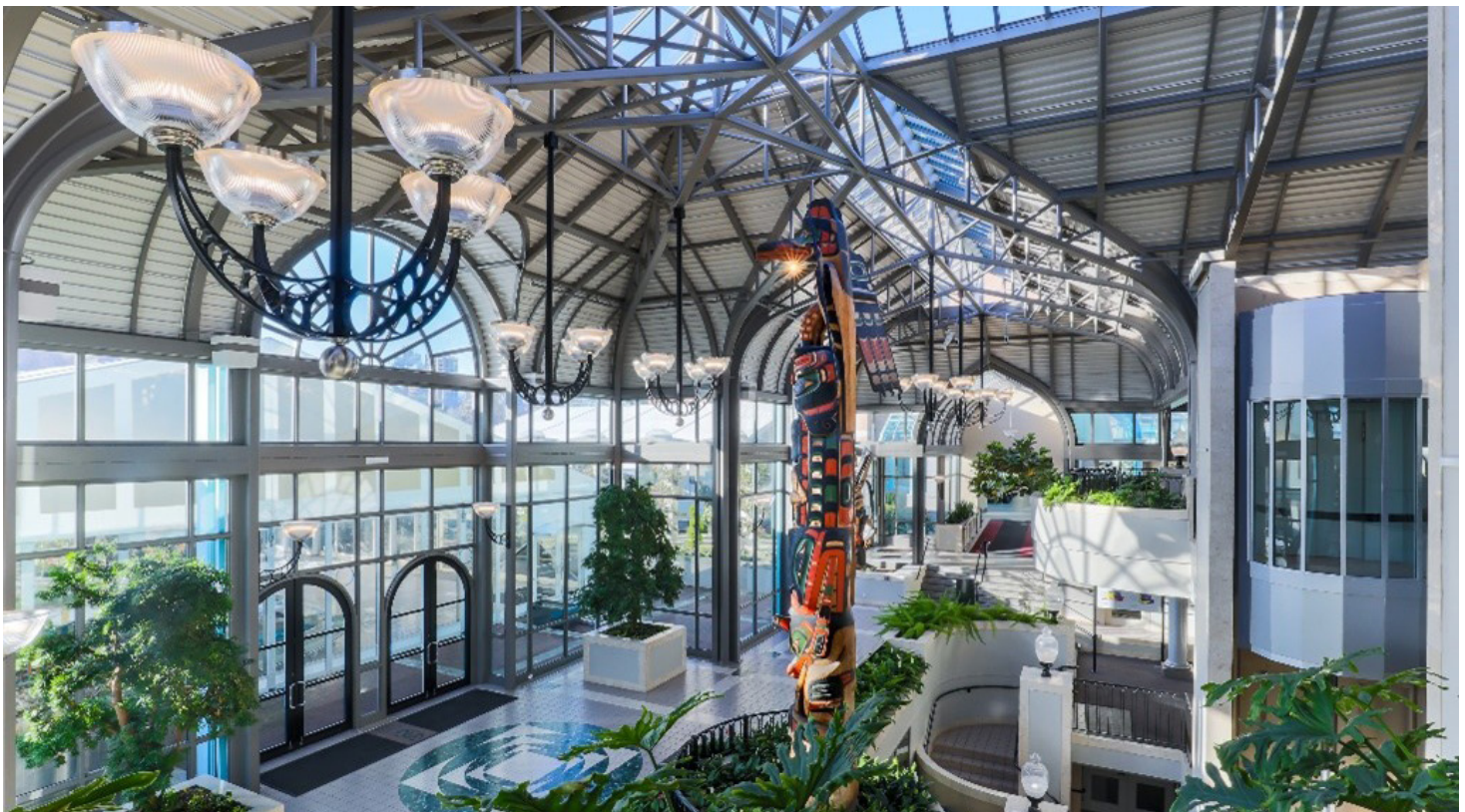




## 2021 Balanced Scorecard Results

	2021 Goals	2021 Final	2020 Final	Comparison to Goals	Comparison to Last Year
<b>Confirmed Room Nights</b>	10,000	12,114	7,305	+2,114	+4,809
<b>New Leads</b>	150	165	106	+15	+59
<b>VCC Revenue</b>	\$400,000	\$403,326	\$243,945	+\$3,326	+159,381
<b>VCC Delegate Days</b>	12,000	20,018	15,756	+8,018	+4,262

In addition to these new business targets, the team at the Victoria Conference Centre rebooked 19 conferences in 2021 generating more than 30,000 additional delegate days.





# Major Events & Conferences

In 2021, Destination Greater Victoria planned for the return of two annual major events: the IMPACT Sustainability Travel & Tourism Conference (IMPACT) and Capital City Comic Con.

To keep the IMPACT brand vibrant, Destination Greater Victoria hosted a virtual session of IMPACT in March 2021. This 90-minute program had 375 participants and helped to ensure loyal followers of IMPACT could remain engaged with key tourism sustainability themes and developments. The session featured Destination Canada, MMGY Global, Indigenous Tourism Canada and Destination Greater Victoria.

IMPACT 2022 was originally scheduled for January 23 to 26, 2022, but due to COVID-related restrictions the event was rescheduled to May 8 to 11, 2022.

Capital City Comic Con did not occur in 2021 and was originally scheduled for March 25 to 27, 2022. Due to COVID-related restrictions the event was rescheduled to September 23 to 25, 2022.

Destination Greater Victoria and Northwest Deuce Days owner/chief organizer Al Clark agreed on a new relationship for the successful and popular Northwest Deuce Days classic car show. Under this new agreement, and following review with DGV's Board of Directors, Destination Greater Victoria purchased all assets, goodwill, and intellectual property associated with Northwest Deuce Days from Al Clark, who built an initially small community car show into the largest gathering of Deuce Coupes in the world. Historically, the event has an economic impact exceeding \$2 million locally.

Whereas Destination Greater Victoria previously sponsored and provided staffing support to Northwest Deuce Days, going forward DGV will take the lead with Al Clark remaining involved as a consultant. Al's knowledge and expertise will be invaluable in organizing the event in 2022 as well as raising the event's profile. Northwest Deuce Days is scheduled for July 14 to 17, 2022.





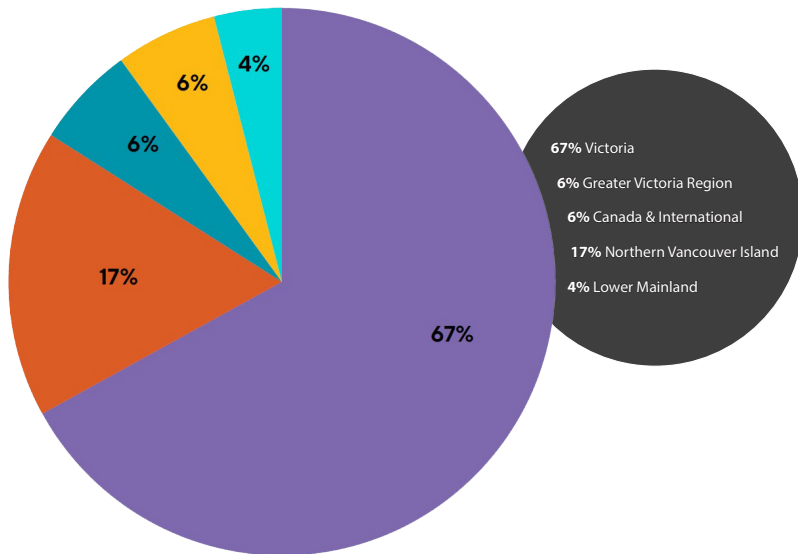
CAPITAL CITY  
**COMIC CON**  
VICTORIA, BC

September 23-25, 2022

Capital City Comic Con is a three-day celebration of pop culture across many genres, including animation, anime/manga, toys, gaming, fantasy, science fiction, television, movies, entertainment and comics. Guest speakers, exhibitors and panel sessions had something for everyone.

The second annual Capital City Comic Con attracted more than 9,500 comic enthusiasts, with over 1,700 buying full 3-day passes and 599 family passes. 24% of attendees were from outside Greater Victoria. In 2022, we have plans to expand the program and activations for attendance growth well beyond past events.

**2019 Attendee Breakdown**



**2<sup>nd</sup> Annual Capital City Comic Con:  
9,500+ COMIC ENTHUSIASTS**

**26%**  
Growth year-over-year

**1,700+**  
Attendees purchased  
3 day pass

**24%**  
Attendees were from  
outside Greater Victoria

**599**  
Attendees purchased  
Family Passes

**3,200**  
Room nights in the  
destination

**96%**  
Were satisfied with the 2<sup>nd</sup> Annual  
Capital City Comic Con

**96%**  
Surveyed would  
recommend  
Capital City Comic Con



# The Greater Victoria Sport Tourism Commission

Although 2021 was another challenging year, the Greater Victoria Sport Tourism Commission (GVSTC) increased capacity to bid on and support exciting sporting events for the region. These efforts were executed in partnership with Destination Greater Victoria and more than 60 community stakeholders from the municipal, corporate and hospitality sectors.

In 2021, the GVSTC supported the following events:

- FIBA Olympic Men’s Qualifying Basketball
- Rugby Canada fifteens Canada vs Chile
- Goodlife Fitness Marathon

The FIBA Olympic Men’s Qualifying Basketball event was a noteworthy success, generating almost 3,000 room nights for local hotel partners.

In 2022, the GVSTC is introducing a Sport Event Tool Kit to help connect event organizers with facilities, suppliers and sports resources in the region. A Sport VIP Program will also showcase the best attractions, shopping, food, and beverage to participating visitors.

The GVSTC looks forward to sponsoring the following events in 2022:

- Greater Victoria Sports Awards
- Swimming Canada Trials
- Brown Cup Rowing
- TC10K
- HSBC Rugby Canada's Women's Sevens
- Victoria Highland Games

- Victoria SUP Challenge
- Ironman 70.3 Triathlon
- Victoria Cycling Festival
- Victoria Track Classic
- Red Bull UCI Pump Track World Championships
- 55+ BC Games
- 2022 Canadian Senior Triples Lawn Bowling Championships
- Royal Victoria Marathon
- Greater Victoria Sports Hall of Fame
- USport Women’s Rugby
- Bear Crossing CX UCI C2- La Cyclocross Championships

The Sport Tourism Committee, chaired by Pacific Institute for Sport Excellence (PISE) CEO Robert Bettauer, continues to be engaged and working effectively to promote Greater Victoria as a premier sport tourism destination.





# Member Services

As the COVID pandemic continued, 2021 was another difficult and challenging year for Destination Greater Victoria's members. We have appreciated and admired the innovation and resilience of our member businesses, who Destination Greater Victoria works diligently to support.

Destination Greater Victoria's efforts for members into 2021 focused on advocating for government supports and assistance for tourism businesses, while also preparing for re-opening and business recovery. In 2020 and 2021 DGV implemented various marketing campaigns and promotions to successfully drive business to the destination as far as possible given COVID restrictions. These initiatives for members included Reconnect campaigns, promoting B&Bs and Inns, Greater Victoria Flavour Trails, CHEK TV and Air Canada partnerships, and video screen advertising at the Wharf Street Visitor Centre. Marketing increased over the latter half of 2021 as travel was able to resume, helping to grow revenues for many member businesses.

Twenty new members joined Destination Greater Victoria in 2021, and by the end of the year there were 839 active member listings from 692 member businesses and organizations. These results show that DGV membership remains beneficial and valuable, despite (or because of) the impacts of the pandemic. These new memberships were across many sectors of the industry, indicating broad appeal.

To support members, with Board approval in May 2020 Destination Greater Victoria extended all memberships for an additional year through to the end of 2021. This allowed members to receive two years of membership with one payment of dues. This also extended member advertising and buy-in agreements, including Vacation Guide and Visitor Centre advertising, for a further year. As a result, membership dues were not collected for 2021. Towards the end of 2021, in light of signals the visitor economy was moving to re-open, work commenced on membership renewals for 2022. This included being able to post invoices and pay membership dues securely and efficiently online, which was an important step in DGV's efforts to streamline membership processes going forward.

Due to COVID-related restrictions, in 2021 it was not possible to host many member engagement, networking and learning events such as mixers, workshops, coffee-talks and DGV's annual Open House. This was also the case in 2020. However, as restrictions eased late in the year, Destination Greater Victoria's Annual Christmas Luncheon was held on December 8, 2021 at the Delta Hotels by Marriott Victoria Ocean Pointe Resort. The luncheon was attended by almost 250 members and marked a welcome resumption of large events in-person at the time. Destination Greater Victoria looks forward to resuming these popular value-added member engagement activities during 2022 as restrictions are lifted and recovery gains momentum.

Destination Greater Victoria's Member Services team was reduced significantly in 2020 in response to pandemic impacts on the organization's revenues and operations. In 2021 it was financially and operationally feasible to add back to the team (increasing to two positions), and in November 2021 a Membership Engagement Coordinator was appointed. Member Services remains a cornerstone of Destination Greater Victoria and the team continues to recruit new businesses while providing value, support, benefits and services for all members.





# Visitor Services

Visitor Services' mandate is to apply destination knowledge and outstanding customer service for visitor information and booking services, helping create unforgettable travel experiences and extend lengths of stay. This mandate is fulfilled by Destination Greater Victoria staff at the Visitor Centre, located at 812 Wharf Street, the information Kiosks at the Victoria Cruise Terminal and on-ground support for city-wide conferences held at the Victoria Conference Centre.

## Visitor Centre - COVID-19 Response

2021 was again a difficult year for the Visitor Centre. The first half of the year was characterised by continued uncertainty and ongoing public health restrictions governing the COVID-19 pandemic. The Visitor Centre at 812 Wharf Street was closed from January 2021 through to mid-June 2021, when it reopened following the end of the 'circuit breaker'. Summer saw strong demand from domestic travellers to visit Greater Victoria; however the demand and appetites for that traveller compared to that of international travellers in the Visitor Services space was quite reduced. The team continued to support visitors and Destination Greater Victoria's member businesses by informing travellers about products and services, as well as selling tickets at the Visitor Centre.

In addition to the reduced needs of domestic travellers in 2021, the 2021 cruise-ship season failed to materialise for the second consecutive year. Therefore, the Visitor Information Kiosks at the Victoria Cruise Terminal were not operated.

Given the structural difficulties faced by Visitor Services during 2021, management reduced overhead in this space accordingly to support the focus of the organisation on the domestic leisure traveller. 2022 should see further recovery of the visitor economy and the return of international travellers to our destination. The Visitor Services team will be ready to welcome those visitors and support our members.

2021 was an improvement on 2020 but still a difficult year for our members. Destination Greater Victoria is proud that members were supported at the Visitor Centre, helping create revenue for member businesses.





# Finance and Corporate Services

2021 saw the continued impact of the COVID-19 pandemic on the visitor economy in Greater Victoria, with the year being categorized into two distinct halves. The first half was significantly impacted by uncertainty, travel hesitancy and continued public health restrictions, culminating with introduction of the ‘circuit breaker’ in late spring / early summer. The second half saw the lifting of restrictions and strong pent up domestic travel demand for Greater Victoria as a destination of choice among Canadian travellers, with some members coining it the ‘miracle summer’ of 2021.

Accommodation tax revenues followed the above trends and were significantly reduced in the first half of 2021 but bounced back strongly in the second half. Top line revenue increased by 29 per cent compared to 2020 to \$6,567,406 (minus 28% compared to 2019) which was a significant turnaround versus 2020 but still well down from pre-pandemic levels.

It is worth noting that while the second half of the year was positive for some segments of the visitor economy in Greater Victoria, other segments were not as fortunate. For DGV, business units such as Travel Trade, Business Events, Visitor Services and Sport Tourism continued to be disproportionately impacted by public health restrictions.

Our focus in 2021 became much narrower and focused primarily on the domestic leisure traveller. This focus was supported by the reduced overhead model, while continuing to leverage government supports such as the Canada Emergency Wage Subsidy and rent relief under the Canada Emergency Rent Subsidy.

The organization ended the year with an excess of revenues over expenses of \$889,237. Promoting travel was constrained in the last quarter due to labour capacity issues and Omicron, which resulted in unspent funds for marketing initiatives at the end of 2021. Destination Greater Victoria’s positive revenue over expenses for 2021, healthy restricted reserves and untouched credit facilities means the organization is poised to deploy funds against a very aggressive recovery-focused 2022 business plan.

Destination Greater Victoria is a not-for-profit organization. Its mandate does not include generating large surpluses and management is committed stewards of stakeholders’ funds. Expenditures occur when appropriate and aligned with the organization’s core mission and strategic objectives.

The organization is the eligible entity for City of Victoria Municipal and Regional District Tax (MRDT) funds. The agreement with the City of Victoria to become the eligible entity came into effect on January 1, 2017. It has the full support of industry and government partners, providing funding stability for Destination Greater Victoria’s sales and marketing programs. Destination Greater Victoria’s revenues will continue to show some variations from internal forecasts, but they will be monitored monthly, thereby allowing as much time as possible for corrective action to be implemented if necessary.

## MUNICIPAL AND REGIONAL DISTRICT TAX

The purpose of the MRDT program is to assist designated recipients to fund tourism marketing, programs, and projects. Affordable housing was added as a permissible use of funds in Budget 2018

The MRDT program is jointly administered by the Ministry of Finance, the Ministry of Tourism, Arts and Culture Destination British Columbia. The MRDT program is one of many supports available to enhance tourism marketing in BC.

The MRDT program is intended to help grow BC tourism revenues, visitation, jobs, and amplify BC’s tourism marketing efforts in an increasingly competitive marketplace.

To promote a coordinated and efficient use of funds, the following MRDT program principles are adopted by MRDT recipients, including Destination Greater Victoria:

- Effective tourism marketing, programs, and projects
- Effective local-level stakeholder support and inter-community collaboration
- Marketing efforts that are coordinated and complementary to provincial marketing strategies and tactics
- Fiscal prudence and accountability.

From: Municipal and Regional District Program Requirements – Summer 2018

(Government of British Columbia)









# Management Financial Analysis

Destination Greater Victoria is a not-for-profit, member-based organization. Visitor Services and Member Services are funded predominantly by membership fees, member-exclusive advertising opportunities on Destination Greater Victoria's website and print publications, as well as at the Visitor Centre. Revenue is also generated from member events

## Revenues

### Municipal and Regional District Tax (MRDT)

MRDT revenue increased by 77 per cent from \$1,953,696 in 2020 to \$3,466,009 in 2021 (2019: \$5,855,081), a significant increase from 2020 but far from the pre-pandemic levels of 2019. Destination Greater Victoria receives MRDT from the City of Victoria and the District of Saanich, and these funds form most of the destination marketing budget.

The incremental MRDT related to "online accommodation platform" (or Airbnb) revenues was \$633,915. These funds are committed to municipal affordable housing initiatives and therefore have no net impact on the revenues of Destination Greater Victoria.

### Destination Marketing Fee

The DMF is administered by the Victoria Hotel Destination Marketing Association (VHDMA) as a one per cent voluntary marketing fee applied to the hotel rate for guests. 19 hotels in Greater Victoria are involved in this program, which began June 1, 2011. Funds generated from this fee go to Destination Greater Victoria exclusively for sales and marketing initiatives with the express purpose of generating room nights.

Revenue released by VHDMA Destination Marketing Fee (DMF) administrators in 2021 totalled \$482,067, down from \$607,747 in 2020. This represents a 21 per cent decrease (2019: minus 72%). It is important to note that Destination Greater Victoria can only record DMF funds where there is a corresponding expense to which the revenue can be matched. If more DMF funds are received than expensed in a period, then the excess funds are recorded as deferred revenue liability on the balance sheet. The amount of DMF funds recorded as deferred revenue increased from \$353,679 in 2020 to \$695,193 in 2021.

### Membership Services

Membership services revenue include fees for membership, advertising, events and retail sales. Revenues in 2021 decreased by 24 per cent compared to 2020 (2019: minus 69%). All member benefits were extended to cover both 2020 and 2021 and considerable advertising revenue was impacted by the pandemic. This includes the Greater Victoria Sport Tourism Commission, which is a separate member-based organization operating

within Destination Greater Victoria's legal structure and has its own membership revenue which was not collected during the pandemic.

### Reservation and Ticket Commissions

Destination Greater Victoria sells members' tickets, bus passes, maps, and special-event tickets at the Visitor Centre. In 2021, commissions on revenue from these activities increased by 97 per cent to \$15,330 (2019: minus 92%). The Visitor Centre was closed for half the year and the demand from domestic travellers versus international travellers is reduced.

### Grants

A municipal grant of \$15,000 was received from the District of Saanich in 2021. This funding was used to support the operation of Destination Greater Victoria's Visitor Centre. Grant applications are submitted annually. Additionally, the following municipalities also support Destination Greater Victoria through membership: the City of Victoria, the District of Saanich, the District of Oak Bay, the Township of Esquimalt, the Town of Sidney, and the City of Langford.

Federal grants were provided through Western Economic Diversification Canada for the North Saanich Flavour Trails initiative, I'm in Victoria Winter Campaign, and Victoria Conference Centre Hybrid meetings initiative, collectively totalling \$469,232.

Provincial grants totalling \$1,119,652 were provided through Destination BC for various co-op and COVID-19 pandemic response initiatives.

In 2021 Destination Greater Victoria leveraged the Canadian Emergency Wage Subsidy program for \$376,032 and the Canadian Emergency Rent Subsidy for \$213,242.

## Expenses

### Marketing Services

Marketing services include activities that promote Greater Victoria as a destination, such as advertising, media relations, travel trade, business events, website activities, and market research. 2021 marketing services expenditures were \$4,051,643, which was a 36 per cent increase compared to 2020 (2019: minus 38%). Public health restrictions continued to dictate and limit which markets we could enter. As a result, we went back to basics and narrowed our focus to the domestic leisure traveler. The resulting summer saw the fruits of this approach with a busy destination, although uneven across segments. Business units such as Travel Trade, Business Events, Visitor Services and Sport Tourism continued to be disproportionately impacted.

## General and Administrative

There was an increase in general and administrative expenses from 2020 to 2021 by 36 per cent (2019: minus 3%). This increase was due to the organization scaling back up after the devastating effects on our staffing and overhead levels during 2020. These costs were in part offset by the CEWS and CERS programs. 2021 saw Destination Greater Victoria continue to narrow its operational focus on the domestic traveller and use a leaner organizational model.

In 2016 Destination Greater Victoria committed \$1,000,000 over ten years to the David Foster Pathway. In 2021 Destination Greater Victoria paid \$150,000 to this obligation. At the end of 2021 Destination Greater Victoria's remaining obligation was \$280,000.

## Information Services

Visitor and information expenses include all personnel and overhead costs associated with Visitor Services and the Visitor Centre at 812 Wharf Street. Expenses decreased by 8 per cent from 2020 to 2021 (2019: minus 68%). The Visitor Centre was closed for half the year due to ongoing public health orders and the Canadian Emergency Rent Subsidy was leveraged to offset costs.

## Membership Services

Membership services expenses include all overhead costs associated with personnel who work in the Member Services area, as well as costs associated with member events, activities, and initiatives. Expenses in 2021 were 38 per cent less than in 2020 (2019: minus 64%).

## Amortization

Amortization expenses relate to the expensing of assets owned by Destination Greater Victoria, including furniture, computer equipment, significant marketing collateral, trademarks, and leasehold improvements. Amortization expenses were 7 per cent less in 2021 compared to 2020 (2019: minus 19%).





# Balanced Scorecard

2021 was the seventh full year that Destination Greater Victoria deployed the Balanced Scorecard performance management framework. The Balanced Scorecard provides a clear and concise framework for implementing and tracking targets across multiple dimensions focused on each pillar of strategy. Below are results for the 2017 to 2021 Enterprise Balanced Scorecards.

GREATER VICTORIA TOURISM INDUSTRY INDICATORS <sup>1</sup>						
Measure	Unit	2017 Result	2018 Result	2019 Result	2020 Result	2021 Result
Accommodation Occupancy Rate	%	73.42	76.43	73.52	36.39	49.90
Average Daily Room Rate	\$	169.19	184.20	189.10	149.10	186.70
RevPAR	\$	124.21	140.77	139.03	54.25	93.17
Conference Centre Delegate Days	#	108,836	121,430	118,661	15,756	20,018
YYJ Airport Arrivals	#	1,934,842	2,048,627	1,924,385	574,837	673,748
<b>1. FINANCIAL PERSPECTIVE</b>						
Marketing Campaign ROI	ratio	56:1	59:1	53:1	NA <sup>2</sup>	22:1 <sup>3</sup>
Business Events Confirmed Room Nights	#	22,966	34,184	37,951	7,305	12,114
Victoria Conference Centre Revenue	\$	1,330,263	1,508,427	1,350,171	243,945	403,326
Visitor Centre Ticket Sales	\$	1,855,703	1,994,912	1,753,500	78,000	153,300
Gross DGV Membership Services Revenue	\$	1,095,378	1,124,832	1,114,451	480,000	387,014
Gross GVSTC Membership Revenue	\$	---	---	82,250	0	0 <sup>4</sup>
Room Nights Attributable to Sport Tourism	#	---	---	16,486	2,500	5,117
Proportion of Gross Revenue Allocated to Labour	%	29.8	32.4	33.4	39.0	26.8
<b>2. CUSTOMER PERSPECTIVE</b>						
Sessions on TourismVictoria.com – Total Digital Platform	#	1,836,529	1,942,040	2,623,025	926,564	1,291,421
Travel Media and Influencer Editorial Placements	#	329	328	439	80	261
Incremental Overnight Tour Programs	#	12	37	35	0	2
<b>3. INTERNAL PROCESS PERSPECTIVE</b>						
Experiences Strategy and Digital Platform Renewal	---	---	---	---	---	Part Scoped
E-Commerce Opportunity Exploration	---	---	---	---	---	Deferred
Equity, Diversity and Inclusion Action Plan	---	---	---	---	---	Complete
<b>4. LEARNING &amp; GROWTH PERSPECTIVE</b>						
Employee Engagement Composite Measure	%	65.7	68.6	71.4	NA <sup>2</sup>	NA <sup>2</sup>
Median Years of Employee Tenure	#	---	---	2.4	NA <sup>2</sup>	NA <sup>2</sup>
Employee Value Proposition	%	---	---	---	---	Scoped
<b>5. FOUNDATION</b>						
Member Satisfaction Rate (Satisfied or Neutral)	%	90	90	93	NA <sup>2</sup>	NA <sup>2</sup>
Board and Committee Meetings Participation	%	---	---	70	77	79
Local Media Placements	#	118	117	119	121	138
Political Briefings or Opportunities	#	41	55	49	37	53
Community Support for Tourism	---	---	98% Positive	Monitor	Assess	98% Positive
DGV Environmental Carbon Offset and Reduction Plan	---	---	---	---	Measure	Carbon Neutral

<sup>1</sup> Source: Chemistry Consulting Group – Victoria Tourism Bulletins.

<sup>2</sup> Not assessed or not applicable due to impacts of the COVID pandemic.

<sup>3</sup> Result is lower than previous years because ROI was assessed for the Vancouver market rather than Seattle and spending by Canadian visitors is lower.

<sup>4</sup> Invoices for GVSTC membership were issued in December 2021 and payments will reflect in 2022 revenues.

Financial Statements of

**GREATER VICTORIA VISITORS  
& CONVENTION BUREAU**

And Independent Auditors' Report thereon

Year ended December 31, 2021





KPMG LLP  
 St. Andrew's Square II  
 800-730 View Street  
 Victoria BC V8W 3Y7  
 Canada  
 Telephone 250-480-3500  
 Fax 250-480-3539

## INDEPENDENT AUDITORS' REPORT

To the Members of Greater Victoria Visitors & Convention Bureau

### Report on the Financial Statements

#### *Opinion*

We have audited the financial statements of Greater Victoria Visitors & Convention Bureau (the Entity), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting standards for not-for-profit organizations.

#### ***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Greater Victoria Visitors & Convention Bureau

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.





Greater Victoria Visitors & Convention Bureau

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal and Regulatory Requirements**

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Professional Accountants

Victoria, Canada  
February 25, 2022

**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

## Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 3,645,387	\$ 3,229,901
Investments (note 7)	983,917	982,522
Accounts receivable	1,415,320	545,374
Inventories	5,821	3,893
Prepaid expenses	122,618	31,312
	<u>6,173,063</u>	<u>4,793,002</u>
Capital and intangible assets (note 2)	233,070	138,025
Investment in Canadian Tourism Legacy Conferences Ltd. (note 6(a))	-	11,595
	<u>\$ 6,406,133</u>	<u>\$ 4,942,622</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 3)	\$ 1,650,664	\$ 1,323,633
Deferred revenue (note 4)	702,499	761,750
Deferred destination marketing fees (note 5)	695,193	353,679
	<u>3,048,356</u>	<u>2,439,062</u>
Leasehold inducements	14,781	50,253
Accumulated equity loss in Canadian Tourism Legacy Conferences Ltd. (note 6(a))	452	-
Net assets:		
Internally restricted reserve fund (note 7)	983,917	982,522
Unrestricted	2,358,627	1,470,785
	<u>3,342,544</u>	<u>2,453,307</u>
Commitments (note 8)		
COVID-19 (note 12)		
	<u>\$ 6,406,133</u>	<u>\$ 4,942,622</u>

See accompanying notes to financial statements.

On behalf of the Board:


  
 Erika Stenson - Director


  
 Chris Watson - Director



# GREATER VICTORIA VISITORS & CONVENTION BUREAU

## Statement of Operations

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
<b>Revenues:</b>		
Municipal regional district tax	\$ 4,099,924	\$ 2,135,345
<u>Less: Contribution towards affordable housing</u>	<u>(633,915)</u>	<u>(181,649)</u>
	3,466,009	1,953,696
Destination marketing fee (note 5)	482,067	607,747
<b>Membership services:</b>		
Membership fees	213,357	230,929
Advertising fees	155,771	225,537
Retail sales	3,670	6,397
Sundry	20,158	79,226
Events	17,886	-
	410,842	542,089
<b>Government grants:</b>		
Provincial	1,119,652	1,128,600
Federal	469,232	103,930
Canadian Emergency Wage Subsidy	376,032	700,668
Canadian Emergency Rent Subsidy	213,242	-
Municipal	15,000	42,000
Reservation and ticket commissions	15,330	7,776
	6,567,406	5,086,506
<b>Expenses:</b>		
<b>Marketing services (note 9)</b>		
Advertising and publications	2,378,256	1,783,446
Media relations	88,854	165,060
Travel trade	487,558	192,723
Research	136,984	116,924
Business events	779,511	583,195
Web marketing	180,480	142,085
	4,051,643	2,983,433
General and administrative	1,186,652	872,286
Information services	260,984	284,958
Membership services	90,838	146,615
Amortization of capital assets	72,255	81,512
Amortization of intangible assets	3,750	-
	5,666,122	4,368,804
Gain (loss) in Canadian Tourism Legacy Conferences Ltd. (note 6(a))	(12,047)	9,888
<b>Excess of revenues over expenses</b>	<b>\$ 889,237</b>	<b>\$ 727,590</b>

See accompanying notes to financial statements.

**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

## Statement of Changes in Net Assets

Year ended December 31, 2021, with comparative information for 2020

	Internally Restricted Reserve Fund	Unrestricted	Total
Balance, December 31, 2019	\$ 829,528	\$ 896,189	\$ 1,725,717
Excess of revenues over expenses	-	727,590	727,590
Transfer to reserve fund	152,994	(152,994)	-
Balance, December 31, 2020	982,522	1,470,785	2,453,307
Excess of revenues over expenses	-	889,237	889,237
Transfer to reserve fund	1,395	(1,395)	-
Balance, December 31, 2021	\$ 983,917	\$ 2,358,627	\$ 3,342,544

See accompanying notes to financial statements.



**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

## Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$ 889,237	\$ 727,590
Items not involving cash:		
Amortization of capital & intangible assets	76,005	81,512
Amortization of leasehold inducements	(35,472)	(35,473)
Equity losses (gains) in related parties	12,047	(9,888)
	<u>941,817</u>	<u>763,741</u>
Changes in non-cash operating working capital:		
Accounts receivable	(869,946)	946,148
Inventories	(1,928)	5,157
Prepaid expenses	(91,306)	154,939
Accounts payable and accrued liabilities	327,031	(701,723)
Deferred destination marketing fees	341,514	(98,471)
Deferred revenue	(59,251)	(150,044)
	<u>587,931</u>	<u>919,747</u>
Investing:		
Purchase of capital and intangible assets	(171,050)	(49,995)
Increase in investments	(1,395)	(152,994)
	<u>(172,445)</u>	<u>(202,989)</u>
Increase in cash and cash equivalents	415,486	716,758
Cash and cash equivalents, beginning of year	3,229,901	2,513,143
Cash and cash equivalents, end of year	<u>\$ 3,645,387</u>	<u>\$ 3,229,901</u>

See accompanying notes to financial statements.

# GREATER VICTORIA VISITORS & CONVENTION BUREAU

Notes to Financial Statements

Year ended December 31, 2021

## Nature of operations:

Greater Victoria Visitors & Convention Bureau (the "Bureau") is registered under the Societies Act (British Columbia) as a non-profit organization as described in paragraph 149(1) of the Income Tax Act. The Bureau is exempt from income taxation. Its principal business activity is the promotion of tourism in the Greater Victoria area.

## 1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Handbook. The Bureau's significant accounting policies are as follows:

### (a) Revenue recognition:

The Bureau follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. Revenue from membership dues is recognized on a straight-line basis over the term of the membership. Revenue from advertising spaces is recognized on a straight-line basis over the term of the contract. Government grants are either recorded as revenue on a straight-line basis over the term of the grant or recorded as revenue in the period in which the related expenses have occurred. Reservation and ticket sales are collected on behalf of members and the net commissions are recognized as revenue when a service has been rendered for which a fee is chargeable. The municipal regional district tax revenue and online accommodation platforms revenues are recognized in the period in which the related room sales occur. Destination marketing fees are recorded as revenue in the period in which the related expenses have occurred.

### (b) Capital and intangible assets:

Capital assets and intangible assets are recorded at cost, less accumulated amortization. Amortization is provided using the following methods and annual rates:

Asset	Basis	Rate
Office furniture and equipment	Straight-line	5 years
Computer equipment	Straight-line	3 years
Leasehold improvements	Straight-line	remaining lease term
Tradeshaw equipment	Straight-line	3 years
Computer software	Straight-line	3 years
Intangible assets	Straight-line	3 - 20 years



# GREATER VICTORIA VISITORS & CONVENTION BUREAU

Notes to Financial Statements (continued)

Year ended December 31, 2021

---

## 1. Significant accounting policies (continued):

### (b) Capital and intangible assets (continued):

When a capital asset no longer has any long-term service potential to the Bureau, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Separately acquired intangible assets are recognized as an asset provided the cost can be measured reliably. The cost of a separately acquired intangible asset comprises its purchase price and any directly attributable costs of preparing the asset for its intended use. Intangible assets include the costs associated with website development costs and events.

### (c) Leasehold inducements:

Leasehold inducements are recorded at the cost of leasehold improvements paid for by the landlord and are amortized on a straight-line basis over the lease term.

### (d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Investments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Bureau has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Bureau determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Bureau expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

Notes to Financial Statements (continued)

Year ended December 31, 2021

**1. Significant accounting policies (continued):**

## (e) Significantly influenced profit-oriented enterprises:

The Bureau accounts for its significantly influenced profit-oriented enterprise using the equity method. Under the equity method, the Bureau records its investment initially at cost and the carrying amount is adjusted thereafter to include the Bureau's pro rata share of post-acquisition earnings of the investee, computed by the consolidation method. The adjustments are included in the determination of net income by the Bureau, and the investment accounts of the Bureau are also increased or decreased to reflect the Bureau's share of capital transactions and changes in accounting policies and corrections of errors relating to prior period financial statements applicable to post-acquisition periods. Profit distributions received or receivable from investees reduce the carrying amounts of the investments. Unrealized inter-entity gains or losses are eliminated.

## (f) Inventories:

Inventories are recorded at the lower of actual cost and net realizable value.

## (g) Use of estimates:

The preparation of the financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the amortization period and rates for capital assets and provisions for impairment of accounts receivable.

**2. Capital and intangible assets:**

	2021		
	Cost	Accumulated amortization	Net book value
Office furniture and equipment	\$ 185,220	\$ 152,965	\$ 32,255
Computer equipment	93,880	81,063	12,817
Leasehold improvements	314,343	272,595	41,748
Tradeshaw equipment	22,113	22,113	-
	615,556	528,736	86,820
Intangible assets	277,199	130,949	146,250
	\$ 892,755	\$ 659,685	\$ 233,070



**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

Notes to Financial Statements (continued)

Year ended December 31, 2021

**2. Capital and intangible assets (continued):**

	2020		
	Cost	Accumulated amortization	Net book value
Office furniture and equipment	\$ 177,050	\$ 124,994	\$ 52,056
Computer equipment	83,229	72,678	10,551
Leasehold improvements	312,114	237,964	74,150
Tradeshow equipment	22,113	20,845	1,268
	594,506	456,481	138,025
Intangible assets	127,199	127,199	-
	\$ 721,705	\$ 583,680	\$ 138,025

**3. Accounts payable and accrued liabilities:**

Included in accounts payable and accrued liabilities are government remittances payable of \$19,758 (2020 - payable of \$14,575) which includes amounts payable for payroll remittances, employer health tax, sales tax and workers' safety insurance.

**4. Deferred revenue:**

	2021	2020
Membership dues	\$ 488,390	\$ 242,397
Advertising fees and listing revenue	-	91,351
Marketing funds	7,000	299,500
Major events	181,021	-
Grants	26,088	-
Deferred vacation guide advertising	-	128,502
	\$ 702,499	\$ 761,750

**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

Notes to Financial Statements (continued)

Year ended December 31, 2021

**5. Deferred Destination Marketing fees:**

The Bureau has entered into an agreement with the Victoria Hotel Destination Marketing Association ("VHDMA") to conduct destination marketing funded by destination marketing fees collected from member hotels. The continuity of these revenues is as follows:

	2021	2020
Balance, beginning of year	\$ 353,679	\$ 452,150
Amounts received	698,856	380,227
Amounts receivable	124,725	129,049
	1,177,260	961,426
Revenue recognized	482,067	607,747
Balance, end of year	\$ 695,193	\$ 353,679

**6. Related parties:****(a) Canadian Tourism Legacy Conferences Ltd:**

The Bureau has a 25% equity interest in the above for-profit company, which is accounted for using the equity method. The purpose of the company is to create a high quality conference (IMPACT Sustainability Travel & Tourism) that focuses on innovation, sustainability and creating a lasting legacy in the tourism industry.

The negative carrying value of \$452 (2020 – positive carrying value of \$11,595) represents the Bureau's share of accumulated equity to date.

During 2021, the Bureau contributed \$39,300 to the company as sponsorship and support (2020 - \$5,735 was received from the company as reimbursements for certain costs incurred contributed to the company). Additionally, the Bureau contributed staff time, effort and expertise which are not recorded in these financial statements.

**(b) Capital City Comic Enthusiasts Society:**

The Bureau is one of three not-for-profit partners in the above society. The purpose of the society being to provide and support comic and gaming activities in the greater Victoria region. Most notably through the management of the annual Victoria Capital City Comic Convention.

During 2021, the Bureau contributed \$30,000 (2020 - \$nil) as sponsorship and support. Additionally, the Bureau contributed staff time, effort and expertise which are not recorded in these financial statements. \$100,000 of 'seed money' paid in 2018 will be repaid to the Bureau over the next 3-4 years.



# GREATER VICTORIA VISITORS & CONVENTION BUREAU

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 6. Related parties (continued):

### (c) Victoria Military Sports Society:

The Bureau is one of five partners in the above society. The purpose of the society is to support the Victoria Military and sporting committee by bidding on the Invictus Games.

During 2021, the Bureau contributed \$nil (2020 - \$4,315) to the society as financial support for the bid. Additionally, the Bureau contributed staff time, effort and expertise which are not recorded in these financial statements.

### (d) Greater Victoria 55+ BC Games Society:

On March 8, 2021, the Bureau incorporated the Greater Victoria 55+ Games Society. The Bureau appointed the majority of the Society's Board of Directors. The purpose of the Society is to plan, organize and stage the 2022 55+ BC Games. The Society is incorporated under the Societies Act and is a non-profit organization.

The net assets and results from operations of the Society are not included in the statements of the Bureau. The Society incurred nominal transactions during 2021. As at December 31, 2021 the net assets of the Society amount to approximately \$6,000.

## 7. Internally restricted reserve:

To maintain Destination Greater Victoria's financial stability, an internally restricted reserve has been designated to provide for operating costs, for a period of up to six months, and recovery initiatives in the event of a significant economic decline. Given the effects of the COVID-19 pandemic this reserve was restructured with the intention to deploy in 2021 to support the tourism industry in Greater Victoria. These internally restricted funds are available only at the approval of the Board of Directors.

As at December 31, 2021, the amount accumulated in the internally restricted reserve was \$983,917 (2020 - \$982,522). Since December 2018, the Bureau has segregated the investments relating to the internally restricted reserve in a separate investment account. The account contains low-risk medium-term investments, which is accordance with the Bureau's Investment Strategy Statement.

The Internally restricted reserve investments are measured at fair value at each reporting date with all changes in fair value included in net income in the period in which they arise.

**GREATER VICTORIA VISITORS & CONVENTION BUREAU**

Notes to Financial Statements (continued)

Year ended December 31, 2021

**8. Commitments:**

## (a) Leases:

The Bureau leases the premises it occupies. The lease at Suite 200 - 737 Yates Street is for the period June 1, 2012 to May 31, 2022. The Bureau secured additional space at 737 Yates Street for the period March 16, 2017 to May 31, 2022. The lease for the Visitor Centre on Wharf Street is for the period January 1, 2016 to December 31, 2025. Minimum future lease payments over the next four years are as follows:

	Yates Street	Visitor Center	Total
2022	\$ 70,896	\$ 81,457	\$ 152,353
2023	-	81,457	81,457
2024	-	81,457	81,457
2025	-	81,457	81,457

In early 2022 the Bureau secured a lease at 765 Broughton Street to replace the expiring Yates Street lease. The lease is for the 10-year period June 1, 2022 to May 31, 2032 for a total value of \$1,104,720.

## (b) David Foster Harbour Pathway:

The Bureau entered into an agreement in 2016 to contribute one million dollars to the building of the David Foster Harbour Pathway ("DFHP"). Payment will be made to the City of Victoria in the amount indicated in the following schedule. The Bureau may increase payment in any year and such increase shall count toward the total contribution.

During 2021, the Bureau contributed \$150,000 (2020 - \$95,000) to the City of Victoria for the DFHP (cumulative contributions to December 31, 2021 are \$720,000). The contribution is included on the statement of operations in general and administrative expenses.

These payments are firm and will not be adjusted with inflation:

	DFHP Contributions	Accumulated Contributions
2022	\$ 71,667	\$ 791,667
2023	71,667	863,334
2024	71,667	935,001
2025	64,999	1,000,000



# GREATER VICTORIA VISITORS & CONVENTION BUREAU

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 9. Allocated expenses:

The Bureau classifies expenses on the statement of operations by function. The Bureau allocates certain general and administrative support expenses to departments by identifying the appropriate basis of allocating and applying that basis consistently each year. Support salaries and benefits are allocated proportionately on the basis of activity in the department. Support expenses are allocated proportionately based on the square footage of office space in each department. The allocations are as follows:

	2021	2020
Advertising and publications	\$ 144,524	\$ 128,909
Media relations	35,381	89,824
Travel trade	124,500	103,456
Research	124,379	32,214
Business events	42,426	103,361
Web marketing	107,078	34,057
	<b>\$ 578,288</b>	<b>\$ 491,821</b>

## 10. Financial risks and concentration of risk:

The Bureau believes that it is not exposed to significant interest rate or cash flow risk arising from its financial instruments. Liquidity risk is limited as all investments are held in instruments that are highly liquid and can be disposed of to settle commitments. The Bureau also maintains a line of credit arrangement to enable short term borrowing if needed.

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Bureau limits its exposure to credit risk on cash and cash equivalents and short-term deposits by investing in instruments issued by high credit quality financial institutions. The Bureau is also exposed to credit risk with respect to accounts receivable. The risks are minimal as the most significant receivables relate to amounts due from various governments. The Bureau monitors member and other receivables to ensure amounts remain current. Historically, the extent of receivables not recovered has not been significant.

The Bureau is exposed to interest rate risk on its fixed interest rate medium term deposits however all such investments are generally held to maturity as the Bureau does not trade in such securities.

The Bureau is exposed to financial risk as a result of exchange rate fluctuations and the volatility of these rates.

There has been no change to the risk exposures outlined above from 2020 other than the pervasive impact of COVID-19 as described in note 12.

# GREATER VICTORIA VISITORS & CONVENTION BUREAU

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 11. Societies Act remuneration disclosure:

In 2021, the bureau paid 7 individuals (2020 - 5) with remuneration of \$75,000 or greater, and the total remuneration paid to these individuals was \$887,868 (2020 - \$649,035). No amounts were paid to directors as remuneration during 2021 or 2020.

## 12. COVID-19:

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The Bureau has experienced the following indicators of financial implications and undertaken the following activities in relation to the COVID-19 pandemic:

- Accommodation tax revenues significantly reduced in 2020 and 2021 and continue to be constrained by travel restrictions and health orders.
- Certain business units, such as Travel Trade, Business Events and Sports Tourism continue to be disproportionately impacted by health orders.
- Membership benefits have been reinstated for the 2022 calendar year (2020 memberships covered both 2020 and 2021).
- Receipt of the Canadian Emergency Wage Subsidy and rent relief under the Canadian Emergency Rent Assistance Program.

Potential future impacts on the Bureau could include continued reduced accommodation tax and membership revenues and continued risks associated with conference business obligations at the Victoria Conference Centre. As the situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known, an accurate estimate of the future financial effect on the Bureau is not possible currently.



# 2021 Board of Directors

## Officers



CHAIR

**Kimberley Hughes**

Chair, Sales and Marketing Committee  
General Manager, Delta Hotels by Marriott Victoria  
Ocean Pointe Resort  
Accommodation – More than 149 Rooms



FIRST VICE CHAIR

**Erika Stenson**

Chair, Finance and Membership Committee  
Head of Marketing, Sales and Business Development,  
Royal BC Museum  
Arts, Culture and Societies



VICE CHAIR

**Allison Fairhurst**

Chair, Finance and Membership Committee  
General Manager, Abigail's Hotel  
Accommodation – 25 Rooms or Fewer



VICE CHAIR

**Brett Soberg**

Owner / Operator, Eagle Wing Whale & Wildlife Tours  
Recreation and Outdoor Adventure



**Darlene Hollstein**

Chair, Governance, Human Resources and Risk  
Committee  
General Manager, The Bay Centre | Cushman &  
Wakefield Asset Services  
Retail and Restaurants



PAST CHAIR

**Starr McMichael**

President, Starrboard Enterprises Inc.

## Directors



**Tom Benson**

Chief Experience Officer, WildPlay Element Parks  
Attractions



**David Gudgel**

CEO, FRS Clipper  
Transportation and Sightseeing



**Madone Pelan**

General Manager, Oak Bay Beach Hotel  
Accommodation – From 26 to 149 Rooms



**Theresa Ito**

Principal, Blue Mountain Solutions  
Director at Large



**Trina White**

General Manager, The Parkside Hotel & Spa  
Director at Large



**Chris Watson**

General Manager, Best Western Plus Carlton Plaza  
Hotel  
Director at Large



**Robert Bettauer**

Chief Executive Officer, Pacific Institute for Sport  
Excellence (PISE)  
Greater Victoria Sport Tourism Commission Appointee



**Raymond Chan**

Principal Consultant, RCA Consulting  
Tourism Vancouver Island Appointee



**Moira Hauk**

Regional Manager, South Vancouver Island, Coastal  
Community Credit Union  
Greater Victoria Chamber of Commerce Appointee



**Stephen Andrew**

Councillor, City of Victoria  
City of Victoria Appointee



**Susan Brice**

Councillor, District of Saanich  
District of Saanich Appointee