

SOUTH LAKE TAHOE
TOURISM IMPROVEMENT DISTRICT

FISCAL YEAR 2022
ANNUAL REPORT
October 1, 2022 – September 30, 2023
AND
FISCAL YEAR 2024 SLTTID BUDGET

Summary of the Management District Plan

The South Lake Tahoe Tourism Improvement District (SLTTID) provides for the provision of tourism promotions and marketing for South Lake Tahoe. The district is composed of lodging businesses located within the incorporated city of South Lake Tahoe and includes hotels/motels and vacation rentals. Services provided by the SLTTID include Marketing and Promotions programs and activities designed to market the South Shore of Lake Tahoe as a unique, year-round destination to the global marketplace and to favorably impact the South Shore economy through overnight stays and tourism spending.

The South Lake Tahoe Tourism Improvement District was incorporated in November 2006, was renewed on November 1, 2009 for a 10-year term, and renewed again on December 17, 2019 with an annual budget anticipated of \$2,705,000. Annual assessment rates are based upon a flat rate of \$3.00 per paid occupied room per night on hotels and motels and \$4.50 per paid occupied unit per night on timeshares, condos, triplexes, duplexes and homes under management contracts. The present SLTTID assessment district continues to be in effect for ten years and in Year 2, beginning December 17, 2020, the annual assessment rates increased to \$4.00 per paid occupied room night on hotels and motels, and \$5.50 per paid occupied unit per night on timeshares, condos, triplexes, duplexes and homes under management contracts. An optional additional increase of \$1.00 in year 5 is outlined in the Management District Plan, to be approved at the discretion of the District board.

The SLTTID has created a website with information for all district members. The site address is www.southtahoetourism.com, and includes the below information:

1. District Plan documents
2. District By-Laws
3. Listing of lodging properties in the assessment district
4. Annual District Plan reports, news and events
5. Agenda and minutes from all meetings
6. SLTTID current year budget

I. Changes in District Boundaries

The South Lake Tahoe Tourism Improvement District had no changes in the district boundaries or benefit zones for the 2023 fiscal year.

II. Improvements and Activities Provided

The South Lake Tahoe Tourism Improvement District (SLTTID) is comprised of all lodging properties in the City of South Lake Tahoe. The SLTTID utilizes the professional marketing services of the Lake Tahoe Visitors Authority (LTVA) to promote the South Shore of Lake Tahoe. LTVA is chartered with promoting South Shore, Lake Tahoe and achieving a measurable impact on tourism numbers in the region. The mission of the LTVA is the marketing the South Shore as a unique, world-class year-round resort destination for the economic benefit and quality of life for the area. The SLTTID and the South Lake Tahoe Lodging Community is represented through two (2) board seats on the Lake Tahoe Visitors Authority Board of Directors. The SLTTID also maintains representation on the LTVA's Marketing Advisory Committee with two additional committee seats. Additionally, the SLTTID updated its bylaws in 2022 to increase the number of board members to 9 members (previously 5) to allow for greater representation from different types/sizes of properties.

MARKETING AND PROMOTIONS RECAP

The South Lake Tahoe Tourism Improvement District (SLTTID) utilizes the services of the LTVA for its marketing and promotions activities. A recap of the past year will provide a basis for activities that will be continued and expanded during the following year. As we realize momentum with a FY23 tourism campaign funded in excess of \$1.5 million, promotional activities and events can be further developed and honed for maximum success.

Note: In this report FY23 refers to the LTVA's fiscal year of July 2022 to June 2023.

Marketing

In addition to the internal staff marketing team, the LTVA retains professional services for Integrated Marketing Services and also Website Services. Reno-based Noble Studios has held the Website Services contract for over 11 years and successfully won the Integrated Marketing Services contract starting July 2021. There are many synergies in having the same agency holding both contracts as the services provided complement each other and support LTVA's integrated marketing approach. Integrated Marketing Services includes creative design plus media planning and buying.

- Net media spend for FY23 was \$1.5 million
- Net paid search spend for FY23 was \$240,000
- Combined media and search budget for FY22 was \$1.74 million

In FY23 the LTVA continued the "always on" approach to advertising which began in July 2021. This means 24/7, 365 days per year rather than seasonal campaigns as in past years.

Paid Media

Noble Studios and the Lake Tahoe Visitors Authority have maintained a strong and successful partnership. During FY23, the focus revolved around the seamless integration of the fresh Visit Lake Tahoe brand campaign "Awe and then Some" into all creative assets, a comprehensive website redesign, and a diverse range of branded merchandise.

The designated market areas (DMAs) where LTVA's advertising was placed included:

- San Francisco
- Sacramento
- Los Angeles
- Phoenix
- Las Vegas

- Dallas
- Seattle/Portland

Target audiences were:

- Entertainment Seekers
- Outdoor Enthusiasts
- Families
- Affluent Adventurers
- Sustainable Traveler

The advertising channels used were:

- Display/Discovery
- Video
- Paid Social
- Email
- Advanced TV
- Audio
- Multi-Channel Publishers

Paid Media Performance FY23

- 192 million Paid Media Impressions
- 555,8000 Paid Media Sessions
- +148% Partner Referrals, Year over Year

Paid Search:

- 1,692,812 impressions
- 300,912 clicks
- 17.78% CTR
- 579,601 sessions

Display/Discovery

- 74,442,717 impressions
- 581,341 clicks

- 0.70% CTR for Display/4.24% for Discovery
- 153,462 sessions

Video

- 19,118,448 impressions
- 19,936 clicks
- 0.10% CTR
- 8,584 sessions

Paid Social

- 63,769,324 impressions
- 691,232 clicks
- 1.08% CTR
- 302,052 sessions

Conde Nast Email

- 33,040 sessions

Sunset

- 413,371 emails
- 274,351 impressions
- 2,143 clicks
- 47.15% open rate
- 1,632 sessions

Outside

- 710,889 impressions
- 664 sessions

Digilant

- 5,670,034 impressions
- 26,148 sessions

Connected TV

- 1,943,589 impressions
- 642 sessions

eTarget

- 703,194 emails
- 24.7% open rate

- 2.3% CTR
- 5,180 sessions

OOH

- 14,055,556 impressions
- 1,413 sessions mobile retargeting

Audio/Podcasts

- 6,927,320 impressions
- 117 sessions

Paid Search

During FY23 LTVA spent \$240,000 on paid search initiatives. The CTR was 17.78%, far outperforming the industry benchmark of 9.19%. The total conversions for the fiscal year were 72,873. The highest converting campaign, with the best conversion rate, was Accommodations, followed by Special Offers.

Paid Search Performance FY23

- 192 million Paid Search Impressions
- 1.2% Paid Search Conversion Rate

Branding

With the appointment of a new Integrated Marketing Services agency, LTVA embarked on an extensive brand health exercise which included resident, stakeholder, and visitor surveys and interviews. The process informed the LTVA's renewed vision, position, promise, personality, principles, and purpose.

In June 2022 the LTVA rebranded from Tahoe South to Visit Lake Tahoe and launched the new visitolaketahoe.com website. The Visit Lake Tahoe brand is in line with the future of the organization as an advocate for South Shore visitation and businesses with a commitment to stewardship while protecting this awe-inspiring destination.

Strategic Planning

Following the rebranding process, the LTVA conducted a series of strategic planning workshops. The series included six different workshops held from June 2022 through April 2023, and will guide the LTVA's strategy moving forward. The workshops were facilitated by

Strategic Marketing Group and Noble Studios and attendees represented LTVA's Board of Directors and Marketing Committee, TDVA's Board of Directors and the SLTTID Board of Directors.

Research & Data

LTVA conducted a new calendar year 2022 TravelTrekAmerica Domestic Visitor Profile - a quantitative research project in collaboration with the Omnitrak Group. The study focuses on various aspects of a visitor's experience and characteristics, including demographics, where they are coming from, the type of visitors they are, their behaviors while visiting, how they plan their trips, specific travel-related characteristics, and the primary activities they engage in while at the destination. One important aspect to note is that the information gathered for this qualitative study is obtained through in-person interviews rather than data analysis. This approach provides a deep understanding of visitor motivations, preferences, and behaviors that might not be captured by quantitative data alone.

In FY23 LTVA made a strategic decision by renewing its subscription to Zartico, the platform known as the 'destination operating system' or DOS. Zartico offers a comprehensive approach to understanding and managing the visitor economy by combining both artistic and scientific elements. The Zartico platform focuses on providing actionable insights and intelligence to support LTVA's decision-making processes. The DOS features include intelligence and analytics, data visualization, context and strategic input, real-time decision support, data integration, and promotion of economic vitality. Overall, Zartico is a sophisticated tool for managing the complexities of the visitor economy in Lake Tahoe. Its ability to combine various data sources, provide actionable insights, and support real-time decision-making contributes to the success and growth of the destination's tourism industry.

Social Media

In FY23, the LTVA experienced pivotal shifts in its communications team, including the departure of the Communications Manager and the introduction of the new Content & Digital Marketing Specialist. This transition streamlined the social media strategies, including the incorporation of sustainability messages such as the "Take Care Tahoe" initiatives. During the historic 2022-23 winter season LTVA effectively disseminated destination updates via social media platforms, urging visitors to stay informed on road conditions and weather forecasts. This dedication to understanding the digital landscape, combined with a proactive approach to ever-changing algorithm trends, has been fruitful, as seen in the boosted social media metrics. A testament to the LTVA's innovative efforts is the launch of their TikTok channel.

LTVA's social media following has grown to:

- Instagram → 74,500
- Facebook → 154,500
- Twitter (X) → 14,500

Consumer eNewsletter

The LTVA monthly consumer eNewsletter promotes events, entertainment, news, and special offers and is distributed to approximately 36,000 opt-in subscribers. This newsletter has an average open rate of 45%, which is higher than the travel industry benchmark of 39%.

Consumer Website: VisitLakeTahoe.com

Website content creation and associated asset acquisition remain in-house and are managed by LTVA staff. High-quality content is foundational to the website's success and LTVA has valuable team members to achieve this goal.

The consumer website saw an overall decrease in organic and overall website traffic, in part due to sentiment shifting as well as domain change in June of 2022. We saw an overall increase in conversions and partner referrals. Noble Studios administered paid media for FY23, which allowed for an integrated marketing strategy allowing the LTVA to coordinate both paid and organic initiatives.

FY23 highlights include:

- 2.4 million unique visitors, and 3 million total website visits
- 127,590 lodging partner referrals
- 3,700 E-news sign ups
- 69% mobile device usage
- The top 5 most popular pages, besides the home page, were Webcams, Things to do, Campaign landing page Awesome Adventurer, Cabin Rentals, and Events
- The top 5 source locations were Los Angeles, San Jose, San Francisco, and Sacramento

Website Organic Performance FY23

- 51 million Organic Impressions
- 1.5 m Organic Sessions
- +6% Organic Ranked Keywords, Year over Year

Trip Planning App

The LTVA trip planning app is a valuable tool for visitors to explore what the destination has to offer, including lodging, restaurants, events, activities, and shopping. In the past year:

- 100,000 users
- Over 12,000 app store downloads
- Top five most viewed, Heavenly Gondola, Epic Discovery at Heavenly, Heavenly Village, Tahoe Cruise and M.S. Dixie II.

Business-to-Business Website: LTVA.org

This website is a business-to-business/industry resource and information site. The top five most popular pages, besides the home page, were American Century Celebrity Golf Future Dates, Lake Link Transportation, COVID-19/Destination Update, Contact us, and Data Statistics. LTVA.org also allows constituents to access valuable reported data and trending reports. In FY23 the site was rebranded to take on the Visit Lake Tahoe brand, and navigation was improved to be more intuitive for users.

Marketing to Weddings

The U.S. Destination Wedding market is worth over \$16 billion, bringing lodging, ancillary wedding businesses, recreation, and dining revenue to destinations across the country. Since the wedding industry represents an expansive and ever-changing niche target market, and as digital advertising costs increase, the LTVA's plan is developed to:

- Showcase Visit Lake Tahoe as a wedding destination
- Increase lodging and auxiliary business revenue
- Increase our share of this extensive industry

The media plan is digital and includes search, display, social, retargeting, content, and online wedding platforms (Wedding Wire & The Knot). The focus is on the December-March engagement season, with continued annual exposure on all platforms. The defined target is

newly engaged couples in Northern California and Northern Nevada.

LTVA's FY23 wedding marketing resulted in 784 direct leads, 3,239 individual leads through WeddingWire/TheKnot, 38,314 Website Users, 7,606 partner referrals, and 13,940 blog pageviews.

SALES

Leisure Sales

The LTVA is dedicated to amplifying the destination's visibility and representation through partnerships with 3rd party travel product vendors. These efforts are geared towards aiding all accommodations within the area by creating new leads and avenues for business growth. The LTVA's strategies involve:

Trade Shows and Sales Missions: The LTVA actively promotes the destination by attending and showcasing at domestic and international trade shows, industry events, and sales missions. It also collaborates directly with major travel partners, including key tour operators and wholesalers, for direct-to-consumer marketing. In FY23 LTVA staff participated in ten destination-specific sales missions and travel industry trade shows, both in-person and virtual. These engagements involved over 400 individual meetings with travel professionals to incorporate the destination into their offerings.

International Presence: For FY23, the LTVA established and maintained representative offices in five international markets: Australia, the UK & Ireland, India, Germany, and China (limited presence). Via the High Sierra Visitors Council membership, there is also representation in France. The primary duties of these offices encompass product audit, development, agent training, and media inclusion.

Strategic Alliances: The LTVA works in collaboration with both state tourism offices – Visit California and Travel Nevada – and the national tourism office, Brand USA. These affiliations allow the LTVA to tap into their global representative offices and networks.

Familiarization (FAM) Tours: The LTVA organized ten FAM tours in FY23. These tours were strategically designed to showcase the destination across all seasons, targeting diverse traveler preferences.

Cooperative Marketing: Throughout the year the LTVA collaborated on several marketing initiatives, domestically and internationally. Partnerships with Expedia, Hotelbeds, Brand USA, and Visit California were particularly notable. With the participation of seven lodging properties, these cooperative efforts generated a strong \$2.2 million in lodging revenue for the South Shore.

Through proactive representation, collaborations, and strategic marketing initiatives, the LTVA has successfully positioned the destination as a desirable choice among domestic and international travelers and industry professionals.

Meeting & Convention Sales

The LTVA promotes Lake Tahoe's South Shore as a destination for meetings, conferences, corporate retreats, and other group gatherings, and assists potential clients in identifying appropriate venues and contacts. In FY23, staff attended 14 Meetings, Incentives, Conferences & Exhibitions (MICE) related trade shows, conducting over 430 one-to-one appointments across multiple verticals and regions. These sales initiatives support local meetings properties and the Tahoe Blue Event Center, slated to open in September 2023. The shows attended include CalSAE Seasonal Spectacular & ELEVATE, Sports Relationship Conference, MPI WEC, Connect Sports and Marketplace, Small Market Meetings, Smart Meetings West, Northstar Travel Destination California, Destination West, IPEC & TEAMS, HPN Partner Conference, ConferenceDirect APM and HelmsBriscoe Partner Conference.

LTVA retains the service of Digital Edge, a professional meetings-related marketing agency. In FY23, Digital Edge developed a new marketing campaign and landing page that created awareness for the new Visit Lake Tahoe brand and the destination as a meetings option featuring boutique hotels, casino resorts, mountain retreats, and flexible meeting space.

A similar campaign was launched to create awareness for the new Tahoe Blue Event Center and build towards a plan to generate leads to successfully open with a base of meetings and event business. Another goal was to continue to invest in familiarizing meeting planners with the destination through FAMs (familiarization tours) so they get a close-up, hands-on knowledge of the product and how it would work for their groups, and can learn more about the new event facility, the destination attributes, and experiences available for attendees, as well as gauge their input via the perception study component.

These campaigns and FAMs focused on growing meeting verticals like incentive meetings, small regional trainings, state associations and sports planners through Content Marketing, Content Development, Email Marketing and Social Distribution.

Digital media delivered:

- 3.8 million Paid Media Impressions
- 8 pieces of new content obtaining 2,081 page views
- 16 meeting emails were deployed from July 22 to June 23
 - Total sends: 36,154
 - Opens: 10,653
 - Open Rate Avg: 29.20% Clicks: 1,646
- 6 sports emails were deployed from July 22 to June 23
 - Total sends: 6,649
 - Opens: 1,884
 - Open Rate Avg: 28.33%
 - Clicks: 173

Other FY23 program highlights compared to FY22 included:

- LinkedIn Campaigns
 - Drove 91% more impressions
 - 155% more clicks
 - Stronger CTR vs LY (0.80% vs 0.60%)
- Meta (FB & IG) Campaigns
 - Reached 20% more people,
 - Drove 28% more impressions
 - 34% more click throughs to landing pages
 - Improved CTR (0.85% vs 0.81%)
- StackAdapt DSP campaign maintained overall CTR above industry benchmarks (0.26%) after the transition from Google Ads.

Over the past year the LTVA has grown its database of qualified meeting planning professionals by 48%, to over 3,800.

Other new initiatives included developing destination partnerships and attending annual conferences with the leading third-party meeting planner organizations: HPN Global, Conference Direct, and HelmsBriscoe. LTVA has continued to develop and enhance the meeting and sports planner section on visitlaketahoe.com alongside branded and informative sales sheets and a continually updated eBook. Strategic efforts have been concentrated on the youth sports market

to bring their events to the destination in light of the opening of the new Tahoe Blue Event Center and the building of the City of South Lake Tahoe Recreation and Aquatics Center.

Meeting Planner Familiarization (FAM) Tour

Visit Lake Tahoe staff coordinated a FAM tour in June 2023, hosting nine highly qualified and vetted meeting planners from top target markets. This important group experienced first-hand what South Lake Tahoe has to offer for association, corporate, and incentive meetings. The three-day itinerary included an Event Center hard-hat tour, lodging site tours, and participation in group activities, providing insights into the area's diverse lodging and meeting options. Guided by LTVA's Senior Director of Marketing & Business Development, Stuart Maas, and Sales Services Coordinator, Cameron Wiebe, the familiarization tour received additional support from OVG360 Sales Manager, Aline Thibodeaux, and representatives from Digital Edge (LTVA's Meetings Marketing Agency of Record), who provided administrative assistance and captured multimedia assets for future marketing endeavors.

EVENTS

Heavenly Holidays - December 2022

The SLTTID and LTVA continued their investment in the month-long Heavenly Holidays event. Despite epic snow conditions Dreu Murin Productions was able to execute the New Year's Eve event, including fireworks. The headliner act, The Gin Blossoms, chose not to perform due to the weather conditions, but the evening still saw 500-800 people (NYE event in 2021 had approximately 4,000 people). Overall the Heavenly Holidays activities were a success and will return in 2023.

American Century Championship (ACC) - July 2023

The greatest tournament in its 34 years! Major ROI from numerous perspectives: exposure/publicity, visitation, destination reputation reinforcement and messaging. As the American Century Championship has grown in brand prominence, the publicity, social media and onsite media relations effort has become a 360-degree tour de force.

Sophisticated use of technology, cooperation of celebrity talent, expanded staffing and strategic media marketplace knowledge combined to deliver the strongest ever array of major placements and overall impressions.

Social media and digital platforms and the massive expansion of outlets reliant on famous names and prominent personalities to drive clicks and engagement works to the advantage of the tournament and the amount of coverage has increased commensurately.

- Total viewership audience/impressions: 14.3 billion
- 6,601 total stories (online, radio and broadcast)
- Publicity value \$251 million
- Record media interest nationally

Television ratings for the tournament on NBC Sports delivered the largest Sunday audience for the event since 2004 across NBC, GOLF Channel and Peacock, peaking at 2.6 million views in the last 15 minutes of the broadcast. The gallery of 76,810 also established a new high for attendance at Edgewood Tahoe. Donations to local nonprofits include \$121,250.

ACC Social

Golf Channel, NBC Sports, Sunday Night Football on NBC, American Century, and WPR worked collaboratively to share content with partners to provide retrospectives on the tournament. Each team created original content that was distributed via tournament channels.

Total Growth

Facebook likes/followers:

- Total: 12,650 o Increase: 25.2%

Instagram:

- Total: 37,102 o Increase: 38.3%

Fun tidbit: Reached 577k accounts (552k are non-followers; last year was 126k)

Twitter:

- Total: 10,817 o Increase: 21.2%

Total Impressions:

Facebook:

- 2023: 274,100

Twitter:

- 2023: 350k impressions; 499k profile visits

Instagram:

- 2023 Posts June 18 - July 17: 4,306,471 o Increase: 48%
- 2023 Stories: 4,827 - 13,507 views per story

Instagram Reels Views

- 2023: 124 - 292k

Instagram Reels Reach

- 2023: 355k o Increase: 200%

Instagram Reels Collaborations

- 2023: NBC Sports, Golf Channel, Sunday Night Football total views is 5,297,600

Valhalla Tahoe - Lake Tahoe Art, Music and Theatre Festival

The SLTTID supported Valhalla with a contribution of marketing funds for their summer 2023 event series.

PUBLIC RELATIONS

The LTVA retains the services of Weidinger Public Relations (WPR) for domestic and international media relations. The PR strategy is aimed at supporting the LTVA in reaching consumers through media channels, including top publications, broadcast and social media.

Goals/Objectives:

- Obtain media coverage in 5-10% of top 150 media outlets as defined by LTVA and WPR, reinforce key messages, talking points and the brand within a 12-month period.
- Produce an earned media value of 15-20:1 the PR investment within a 12-month period.
- Reinforce Tahoe's reputation as a leading year-round destination. Protect Lake Tahoe's interests with accurate information for any necessary clarification to scenario at hand and provide positive messaging as appropriate to reinforce consumer confidence, health assurance, safety, and peace of mind.

FY23 Results:

- Exposure in 22%+ of top 150 desirable outlets including MSN, Yahoo, Conde Nast, T+L, LA Times, SKI Magazine, San Francisco Chronicle, SFGate, San Jose Mercury News, Marin Independent Journal, etc.: reinforced key messages, talking points and brand.
- Circulation, Viewership, Listenership: 1.2 billion; Total publicity value: 20 million; editorial value of 238:1.
- Hosted digital influencers which generated 81 pieces of content, with an audience of 8.7 million (combined total of publication wide audience figures), 734k views (prediction of lifetime views based 29k engagements (combined total of likes, comments and shares on social). WPR utilizes a third-party platform, Coverage Book, to track.

Events Center PR

Media alerts and press releases were serviced on construction progress and road impacts throughout the fall and winter. WPR met and worked with the OVG team and Tahoe Blue communications team to coordinate the center's name reveal. WPR executed media invites to regional media, secured a videographer and sent out a post event release with B-roll to secure coverage in regional markets.

WPR worked with NHL star Joe Pavelski during the 2023 American Century Championship to promote the opening of the Tahoe Blue Event Center. Pavelski's segment, and an overview of the center, aired Friday on the Golf Channel and Sunday on NBC. Television ratings for the tournament on NBC Sports delivered the largest Sunday audience for the event since 2004 across NBC, GOLF Channel and Peacock.

International Media

International visits and FAM tours are slowly returning post-COVID. Provided partners "what's new" roundups and other relevant press releases for distribution to their media contacts. Worked closely with representatives of international offices to coordinate with freelance writers as well as collaborate on market intelligence, research and trends. As a result of pitching/follow-up efforts from the Brand USA European Travel Week, Dominique Chouvet, RoadTrippin, France visited in March for a winter focus to showcase all three South Lake Tahoe ski resorts. Christophe Boulain with Followed Magazine was part of a co-op effort with High Sierra Visitors Council and visited in May to reinforce spring/summer recreation.

Operation Sierra Storm - January 2023

This media conference, sponsored by the LTVA and executed by Weidinger PR, attracts meteorologists from across the country, providing educational and destination content for the attendees. The live shots and stories broadcast in numerous major markets provide a unique opportunity to showcase the winter product.

Total Audience: 3 million, 153 total clips: broadcast, radio and online, social media coverage. Live and taped shots from major drive and air service markets: The Weather Channel, stations in Atlanta, Cleveland, Denver, Houston, Minnesota, Nashville, Orlando, Sacramento, San Francisco, Santa Barbara, West-Central Pennsylvania, Charlotte, and Reno.

VISITOR INFORMATION SERVICES

The LTVA operates the Explore Tahoe Visitor Center in the Heavenly Village. This location is open daily, year-round, and is staffed by a team of Visitor Information Specialists - all of whom are long-time Tahoe locals. In FY23 walk-in traffic increased as visitors appeared to return to pre-pandemic behavior, seeking out personal referrals and assistance with itinerary planning. Staff interacted with over 31,000 visitors in person and provided information to more than 2,000 callers, particularly related to road conditions during the extreme winter of 2022/23.

Student Ambassador Program

During the summer of 2022 the LTVA again partnered with the Sierra Nevada Alliance, the Tahoe Fund, and other regional entities to fund Student Ambassadors at the following south shore locations: Heavenly Village/Explore Tahoe, Tallac Historic Estate, Kiva Beach, Taylor Creek Visitor Center, Vikingsholm Visitor Center/Emerald Bay. The Ambassador Program goal is to address the impacts of increasing tourism in the Tahoe Basin by employing local youth to act as stewards and guides promoting sustainable and responsible behavior to locals and visitors alike. Ambassadors modeled good stewardship, encouraged responsible recreation, shared interpretative information about Tahoe, and tracked observations and interactions with the public using established Citizen Science Apps by Tahoe Environmental Research Center. The program focuses recruitment towards local high school and community college students in order to facilitate work-based learning and invest in engaging local youth in learning about and protecting the natural resources of the Tahoe Basin.

Winter months saw the return of two popular programs staged out of Explore Tahoe.

Winter Trek (January - April 2023)

The Winter Trek program offers fifth graders an outdoor winter ecology learning experience that takes place at 9,100 feet via the Heavenly Mountain Resort gondola.

Winter Trek is a cooperative effort between the Forest Service, Heavenly Mountain Resort, Great Basin Institute, and the LTVA's Explore Tahoe Visitor Center.

Ski with a Ranger (January - March 2023)

Skiers and snowboarders have the opportunity to Ski with a Ranger at Heavenly Mountain Resort. Tours are led by Forest Service conservation education staff and volunteers through a cooperative effort between Heavenly Mountain Resort and the LTVA's Explore Tahoe.

PARTNERSHIPS AND COMMUNITY INITIATIVES

The LTVA leverages funds through partnerships that broaden reach outside the regional advertising efforts, enhance the visitor experience and contribute to community goals.

South Shore Transportation Management Association (SSTMA)

The SSTMA launched the Lake Link Microtransit system in July 2022. The LTVA, TDVA and SLTTID made a commitment to contribute \$25,000 annually to assist with funding this free, on-demand service. In October 2023 the SLTTID Board voted to make a one-time contribution of \$50,000 to maintain the level of service through the winter months. This amount was paid out of the SLTTID's "special projects" fund which is held by the LTVA.

The Lake Link Microtransit system, catalyzed by the Events Center transit requirement and supported by an unprecedented public private partnership, becomes the latest in a long list of initiatives that will address destination issues and continue to support the tourism product.

The Lake Tahoe Destination Stewardship Plan (DS), which the LTVA participated in both financially and as a Core Team Member, was completed in June 2023. The goal of the plan is to align around a shared vision of recreation and tourism, which touches the lives of all who work, live, and play here. The Destination Stewardship Council - as it has evolved into - will engage in the action plan moving forward. The LTVA's strategic plan, completed in September of 2023, is informed by the DSP guiding sustainability initiatives while maintaining the LTVA's core mission of promoting visitation to the destination. Sustainability planning is to protect and promote our destination product for the future, understanding that destinations like ours, beautiful and rich in environmental assets and recreation opportunities, need to adapt, evolve, and be preserved for all to enjoy, as well as to be competitive.

As a result of the DSP initiative, the LTVA had the opportunity to expand local and regional alliances. These include the Tahoe Regional Planning Agency, Tahoe Fund, League to Save Lake Tahoe, US Forest Service and other land management agencies, outdoor recreation providers, and regional Public Information Offices and Jurisdictions. Regular meetings are conducted, and are ongoing, discussing challenges related to visitor access and experience, land use, health and safety, sustainability, and related mitigation.

Regional Air Service Corporation - a regional public-private collaborative - has a singular goal: to maintain and grow air service and to promote the Reno-Tahoe area as a viable year-round travel destination through marketing and additional air carrier incentives. With the collective financial contributions of all of the partners, the LTVA leverages its investment to an almost \$1 million budget.

Visit California, Travel Nevada, and Brand USA - these alliances allow LTVA to present South Lake Tahoe to national and international markets unreachable without the strength of the cooperative effort and funds.

III. Budget Summary

FISCAL YEAR 2024 SERVICE PLAN BUDGET SUMMARY

The summary of the FY2024 service plan budget for the South Lake Tahoe Tourism Improvement District is provided on the following pages (Attachment A). The fiscal year for the SLTTID is October 1 through September 30. Based upon previous year's' performance and trending occupancy, the total improvement and service plan budget for 2024 is projected at \$3,114,203 which is a 1% increase over budget for FY2022. Lodging businesses will contribute the entire amount through annual assessments. Budgeted expenditures will be made in the following areas:

- **Marketing and Promotions**

The budget for the Marketing and Promotions program is estimated at \$1,961,948, which represents 63% of the total District budget. Marketing and promotions will include media advertising and promotional programs designed to attract visitors to visit and stay at the South Shore lodging establishments as well as promote the area as a lodging and conference destination.

- **Communications and Public Relations**

The budget for the Communications and Public Relations program is \$124,568, which represents 4% of the total district budget.

- **Special Events**

The budget for Special Events is \$404,846, which represents 13% of the total district budget.

- **Visitor Center Operations**

The budget for Visitor Center Operations program is \$155,710, which represents 5% of the total district budget.

- **Administration/Operations**

The budget for Administration/Operations including office rent, insurance, utilities and supplies is \$280,278, which represents 9% of the total district budget.

- **Administrative Fee to the City of South Lake Tahoe**

The City of South Lake Tahoe charges an administrative fee to collect assessments and distribute the funds to the SLTTID Corporation. The budget for this administrative fee is 1% of the total annual assessment, or \$31,142 in FY2024.

- **Annual Service Plan – Contingency/TID Renewal (5%)**

The budget also includes a portion for contingencies and renewal of the District. This amount equals 4.6% of the total district plan budget, or \$143,253. A line item in the budget has been added for credit card fee reimbursements to the City of South Lake Tahoe, to account for those operators who pay TID taxes with a credit card. This line item equals \$12,457 or 0.4% of the total district budget, for a total Contingency Plan of 5% of the FY2024 district budget.

THE METHOD OF ASSESSMENT

No changes in assessments are proposed in the current assessment methodology, as they are not allowed under the district management plan.

ATTACHMENTS

1. Fiscal Year 2024 SLTTID Budget with Breakdown by Expenditure Category

SLTID FY2024 Budget

	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Total
Revenue Generated in TID Assessments													
Hotel/Motel Assessment at \$4.00 POR	\$ 183,183	\$ 132,873	\$ 96,953	\$ 186,666	\$ 264,798	\$ 230,161	\$ 204,130	\$ 226,738	\$ 237,971	\$ 331,381	\$ 262,802	\$ 195,993	\$ 2,553,647
VHR/Timeshare Assessment at \$5.50 POR	\$ 40,211	\$ 29,167	\$ 21,282	\$ 40,975	\$ 58,126	\$ 50,523	\$ 44,809	\$ 49,772	\$ 52,237	\$ 72,742	\$ 57,688	\$ 43,023	\$ 560,557
Total Revenues	\$ 223,394	\$ 162,041	\$ 118,235	\$ 227,641	\$ 322,924	\$ 280,684	\$ 248,939	\$ 276,509	\$ 290,208	\$ 404,123	\$ 320,490	\$ 239,016	\$ 3,114,203
Expenditures													
Marketing Programs: Advertising, Fam Trips, Marketing Programs	\$ 140,738	\$ 102,086	\$ 74,488	\$ 143,414	\$ 203,442	\$ 176,831	\$ 156,831	\$ 174,201	\$ 182,831	\$ 254,597	\$ 201,909	\$ 150,580	\$ 1,961,948
Communications and Public Relations	\$ 8,936	\$ 6,482	\$ 4,729	\$ 9,106	\$ 12,917	\$ 11,227	\$ 9,958	\$ 11,060	\$ 11,608	\$ 16,165	\$ 12,820	\$ 9,561	\$ 124,568
Special Events Funding	\$ 29,041	\$ 21,065	\$ 15,371	\$ 29,593	\$ 41,980	\$ 36,489	\$ 32,362	\$ 35,946	\$ 37,727	\$ 52,536	\$ 41,664	\$ 31,072	\$ 404,846
Visitor Center Operations: Payroll, Benefits, Operation Costs	\$ 11,170	\$ 8,102	\$ 5,912	\$ 11,382	\$ 16,146	\$ 14,034	\$ 12,447	\$ 13,825	\$ 14,510	\$ 20,206	\$ 16,025	\$ 11,951	\$ 155,710
Administrative/Operations: Payroll, Benefits Operation Costs	\$ 20,105	\$ 14,584	\$ 10,641	\$ 20,488	\$ 29,063	\$ 25,262	\$ 22,404	\$ 24,886	\$ 26,119	\$ 36,371	\$ 28,844	\$ 21,511	\$ 280,278
Administrative Fee to City of South Lake Tahoe (1%)	\$ 2,234	\$ 1,620	\$ 1,182	\$ 2,276	\$ 3,229	\$ 2,807	\$ 2,489	\$ 2,765	\$ 2,902	\$ 4,041	\$ 3,205	\$ 2,390	\$ 31,142
Credit Card Fee Reimbursements to City of South Lake Tahoe	\$ 894	\$ 648	\$ 473	\$ 911	\$ 1,292	\$ 1,123	\$ 996	\$ 1,106	\$ 1,161	\$ 1,616	\$ 1,282	\$ 956	\$ 12,457
Contingency/TID Renewal Costs	\$ 10,276	\$ 7,454	\$ 5,439	\$ 10,471	\$ 14,855	\$ 12,911	\$ 11,451	\$ 12,719	\$ 13,350	\$ 18,590	\$ 14,743	\$ 10,995	\$ 143,253
Total Programs and Expenses	\$ 223,394	\$ 162,041	\$ 118,235	\$ 227,641	\$ 322,924	\$ 280,684	\$ 248,939	\$ 276,509	\$ 290,208	\$ 404,123	\$ 320,490	\$ 239,016	\$ 3,114,203

FY2023 Actuals through July (budget Aug/Sept 2023) \$3,053,753.00
 FY2022 Actuals (Oct 2021-Sept 2022) \$3,022,911.00 * Elimination of VHR's in non-Tourist Core areas completed 12/2021
 FY2021 Actuals (Oct 2020-Sept 2021) \$3,024,703.40 * Increase in TID by \$1.00 in Dec 2020
 FY2020 Actuals (Oct 2019-Sept 2020) \$2,674,537.60
 FY2019 Actuals (Oct 2018-Sept 2019) \$2,881,067.40

SOUTH LAKE TAHOE TOURISM DISTRICT

Financial Reports

For the Twelve Months Ended October 31, 2022

And

The Nine Months Ended July 31, 2023

South Lake Tahoe Tourism District
Statement of Financial Position
July 31, 2023

ASSETS

CURRENT ASSETS

Cash and Equivalents

Checking	\$ 253,172
Due from City	1
Prepayment to LTVA	-

TOTAL CURRENT ASSETS	253,173
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<u>TOTAL ASSETS</u>	<u>\$ 253,173</u>
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LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

Accounts Payable	\$ -
Due to LTVA	168,948

TOTAL CURRENT LIABILITIES	168,948
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TOTAL LIABILITIES	\$ 168,948
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FUND BALANCE

Fund Balance	\$ 84,225
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<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 253,173</u>
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South Lake Tahoe Tourism District
Statements of Activities
For the 12 Months Ended October 31, 2022
and 9 Months Ended July 31, 2023

	12 Months Ended October 31, 2022	9 Months Ended July 31, 2023
<u>SALES</u>		
TID REVENUE	\$ 3,082,004	\$ 2,079,746
BANK INTEREST INCOME	<u>9</u>	<u>7</u>
TOTAL SALES	<u>3,082,013</u>	<u>2,079,753</u>
GROSS PROFIT	<u>3,082,013</u>	<u>2,079,753</u>
<u>OPERATING EXPENSES</u>		
ACCOUNTING FEES	1,300	-
ADMINISTRATIVE COSTS	1,561	342
ADMIN FEE TO CITY OF SOUTH LAKE TAHOE	30,820	20,797
ADVERTISING/MEETING ANNOUNCEMENTS	360	239
BANK CHARGES	162	167
CREDIT CARD PROCESSING FEES		
- REIMBURSE TO CITY OF SLT	16,497	-
INSURANCE - DIRECTORS & OFFICERS	724	724
LTVA MARKETING FUND	2,898,625	1,956,001
LICENSE, TAXES, AND FEES	-	-
POSTAGE	-	-
MICROTRANSIT SERVICE FUNDING	25,000	25,000
SPECIAL EVENTS	103,114	108,047
WEBSITE & NEWSLETTER	<u>-</u>	<u>54</u>
TOTAL OPERATING EXPENSES	<u>3,078,163</u>	<u>2,111,371</u>
OPERATING INCOME (LOSS)	<u>3,850</u>	<u>(31,618)</u>
NET INCOME (LOSS) BEFORE TAXES	<u>3,850</u>	<u>(31,618)</u>
NET INCOME (LOSS)	\$ 3,850	\$ (31,618)
NET ASSETS AT BEGINNING OF YEAR	<u>111,994</u>	<u>115,844</u>
NET ASSETS AT END OF YEAR	<u>\$ 115,844</u>	<u>\$ 84,226</u>