

Reaching New Heights

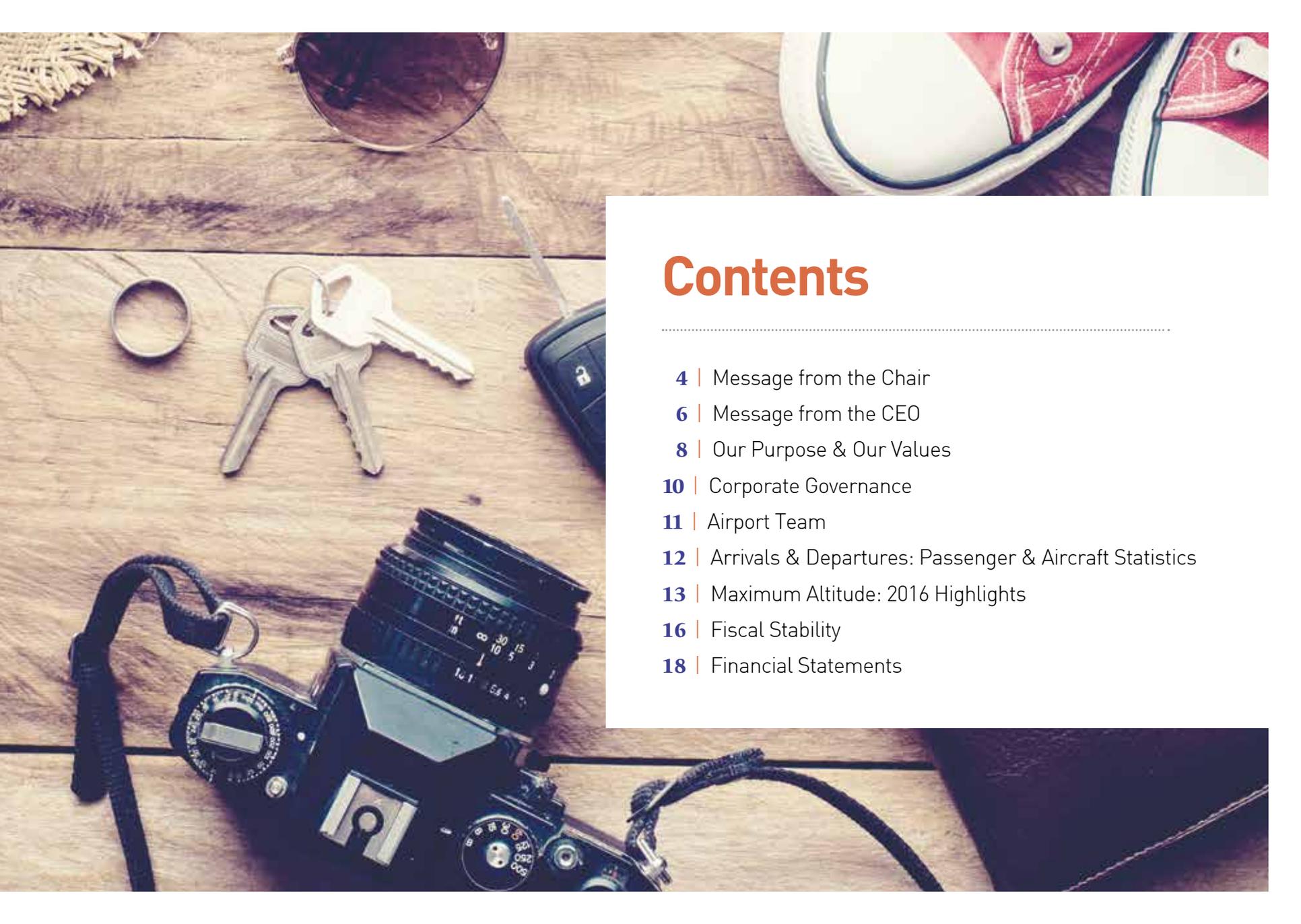
Greater Sudbury Airport | Annual Report | 2016



Reaching New Heights

The Greater Sudbury Airport could summarize 2016 as a year of transitional growth. We welcomed a new airline, we improved passenger experiences by enhancing terminal facilities, and we welcomed new leadership within our management team. These changes strengthen our commitment to positioning the Greater Sudbury Airport as the preferred gateway for development and travel to and from the north. It also illustrates how we've reached new heights by undertaking new challenges to perform better - **to offer a greater level of service and operational readiness to our passengers and the businesses we host.**





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Message From the Chair



It is my pleasure to welcome you the 2016 Annual Report for the Sudbury Airport Community Development Corporation (SACDC).

As you will see in the following pages, our airport has had another successful year. We continue to see high passenger volumes and we are now seeing an increasing number of aircraft movements to and from the Greater Sudbury Airport (GSA).

Our mission is “to provide world-class services and facilities and to stimulate the economic development of our community”. In 2016, we fulfilled that mission through terminal enhancements, such as bathroom renovations and airline counter expansion. This expansion was necessary as Westjet Encore joined Air Canada, Bearskin Airlines and Porter Airlines in serving the North. Having an array of airlines serving Greater Sudbury truly allows us to be “Northern Ontario’s preferred gateway”.

After an extensive search, the Board hired Todd Tripp as our new Chief Executive Officer. Todd came to us from Toronto Pearson International Airport, bringing a wealth of knowledge and experience, working in both large and small airports. As we move forward with our

strategic plan the board is confident in our talented, diverse and hard-working airport team.

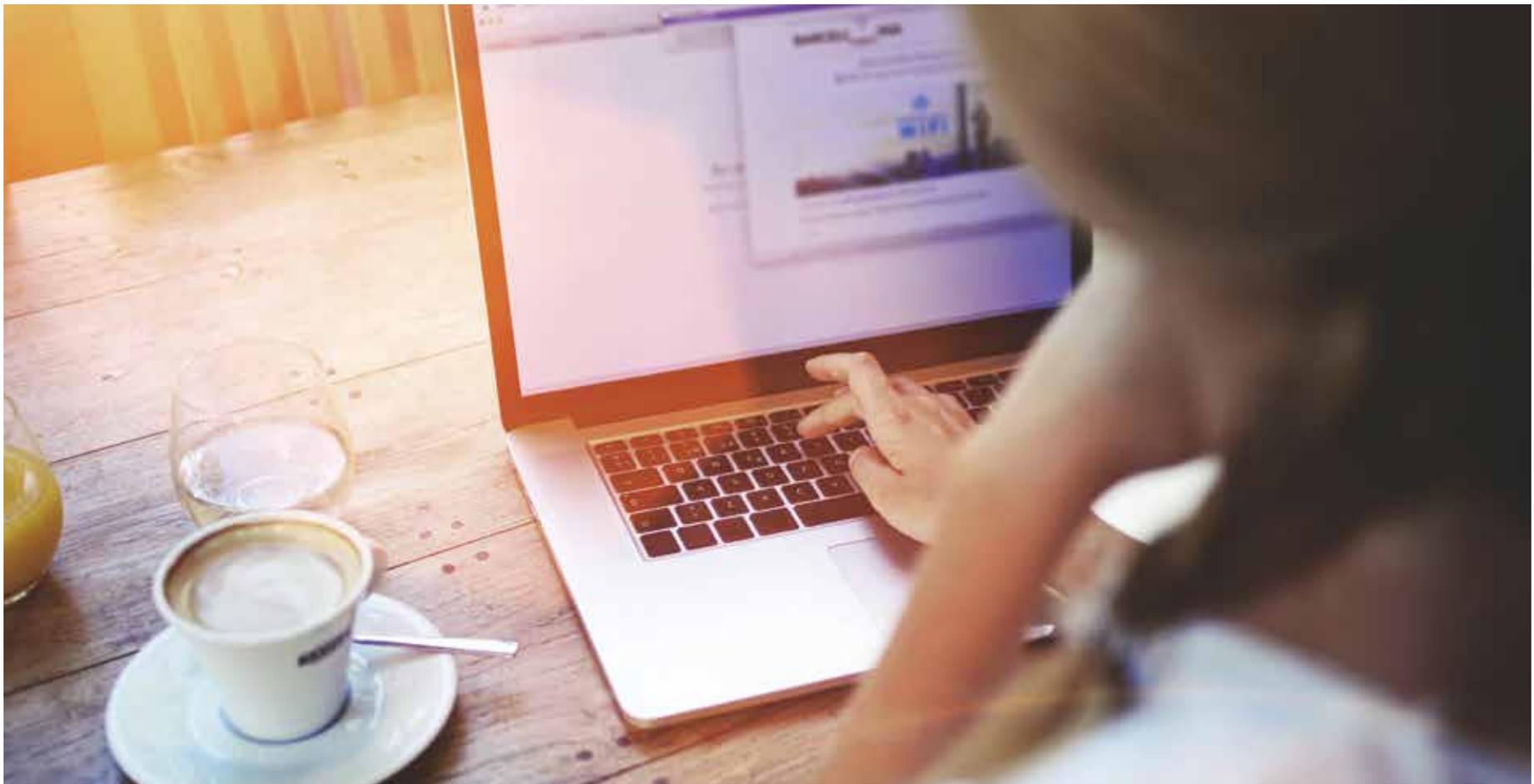
On behalf of the SACDC, I would like to thank the GSA staff, City of Greater Sudbury staff, City Council and all of the companies operating in and with the GSA for making our airport outstanding. Thank you to the travelling public who have chosen GSA as their preferred gateway.

In closing, on a personal note I would like to thank all the wonderful people I have had the privilege to work with as a board member for the last 9 years. As a board member, pilot and a passenger I have seen steady improvements over the years and am excited to see the GSA “Reach New Heights”!

BISH BORA

Board Chair

Sudbury Airport Community Development Corporation



“We continue to see high passenger volumes and we are now seeing an increasing number of aircraft movements to and from the Greater Sudbury Airport.”

Message From the CEO



It is my pleasure to write to you as we embark on a new journey together. My first Annual Report as Chief Executive Officer (CEO) of the Greater Sudbury Airport.

My arrival marked the end of the long and successful career of Bob Johnston; Bob retired to pursue new dreams and adventures.

Since my arrival in September 2016, we have been busy getting to know each other, understanding the key elements of the airport financials, performance, and immediately getting to work to put together the essential components to successfully deliver the arrival of our new airline entrant – WestJet. WestJet was successfully launched in February 2017.

As I arrived with three quarters of the year completed and with many programs and projects well underway; the airport was running full steam ahead. We were well into a major hangar operation with an anchor tenant operating from the modern facility. The Ministry of Natural Resources and Forestry (MNRF) had just opened their wonderful, new expanded complex at the end of the hangar line.

Planning was underway for three infrastructure projects on the horizon in 2017 – the new airport water reservoir, airport airfield power regulator upgrades and a new apron lighting system. These capital projects require significant investment in planning and design, but are necessary to meet the airport's growth in airline and general aviation traffic, and to support land development for new business ventures looking to establish operations at the airport. And, of course, preparations were underway for winter; with the joy and excitement that brings to an airport operation; we were well-prepared and had a successful 2016/2017 winter season.

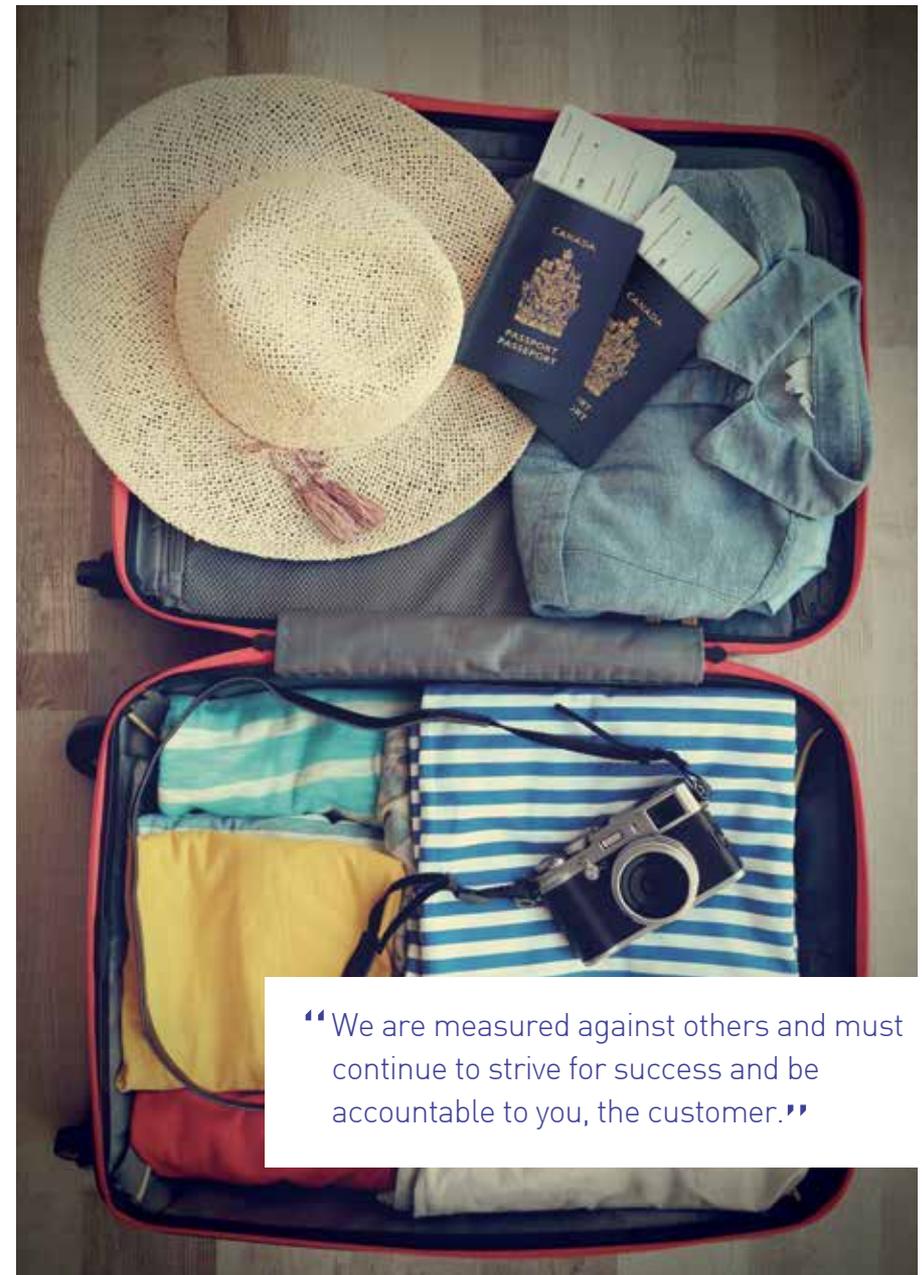
To that end, I would be remiss if I didn't commend the hard work of the men and women that keep the airport operating day after day, and to say thank you for the warm and gracious welcome I received upon my arrival. The airport has a remarkable team of professionals that value our customers and have a strong focus on working better together.

As we work to grow and expand our airport; our commitment to our customers, stakeholders and business partners remains paramount and our foundation to success. We are measured against others and must continue to strive for success and be accountable to you, the customer.

Thank you to all our customers, passengers and guests for your business. It is a privilege for us to serve and support you. I also want to thank our Board of Directors for your confidence and continued support. **My sincere appreciation for our success in 2016 and I look forward to what we will accomplish together in 2017 and beyond.**



TODD TRIPP
Chief Executive Officer
Greater Sudbury Airport



“We are measured against others and must continue to strive for success and be accountable to you, the customer.”

Our Purpose



OUR MISSION

To provide world class services and facilities and to stimulate the economic development of our community.



OUR VISION

To be northern Ontario's preferred gateway.



Our Values



SAFETY

We value our customers and employees. Their SAFETY will always be paramount to all decisions we make.



QUALITY

We take pride in our business and undertake decisions based on QUALITY service and products.



ACCOUNTABILITY

We are ACCOUNTABLE to the City of Greater Sudbury and its citizens for all decisions we make. We will demonstrate integrity in our business relationships, the utilization of our resources and the treatment of our customers and employees.



ENVIRONMENT

We are committed to the future of our planet. We will develop and adhere to best practices based on ENVIRONMENTALLY friendly standards and will strive toward reducing our carbon footprint.



SUSTAINABILITY

We embrace our role as an economic driver for our community and are responsible and accountable for our own future. We will continue to diversify with a view of lasting SUSTAINABILITY.

Corporate Governance



BISH BORA
Chair of the Board



VINCE POLLESEL
Vice-Chair of the Board



LISE PORATTO-MASON
Secretary of the Board



CHRIS MERCER
Treasurer of the Board

2016 Sudbury Airport Community Development Corporation Board of Directors

The Board of Directors is responsible for establishing the strategic direction and overseeing the management of the Greater Sudbury Airport's business affairs.

The composition of the Board includes; two (2) City of Greater Sudbury Councillors, two (2) appointments from the Greater Sudbury Development Corporation (GSDC); and seven (7) citizens.



MIKE JAKUBO
City of Greater Sudbury
Councillor, Ward 7



AL SIZER
City of Greater Sudbury
Councillor, Ward 8



BRENT BATTISTELLI
Greater Sudbury
Development Corporation
Appointment



PAUL KUSNIERCZYK
Greater Sudbury
Development Corporation
Appointment



MONIQUE FORSYTH
Director



GREG SÉGUIN
Director



DIANE MCFARLANE
Director



TODD TRIPP
CEO,
Greater Sudbury Airport



Airport Team

TODD TRIPP

Chief Executive Officer

LINDA DUBOIS

Executive Assistant to the CEO

TERRA (GLABB) POSADOWSKI

Director of Marketing & Airport Development

HAILEY SHORT

Marketing & Communications Coordinator

PAULETTE ETHIER

Accounts Clerk

TANIS JESSOP

Service Clerk

ROBERT TYRER

Director of Airport Operations/Fire Chief

PHILIP ROCCA

Manager of Airside Operations/Deputy Fire Chief

TIM NORWOOD

Manager of Security & Terminal Operations

Passenger & Aircraft Statistics



228,962
PASSENGERS IN 2016

The Greater Sudbury Airport continues to work towards improving air travel options for visitors and residents of Northern Ontario. With the commencement of WestJet service in 2017, it is expected that passenger numbers will continue to grow in the foreseeable future. Providing more options for travellers means creating a competitive pricing environment and positions air travel as the preferred mode of transportation to and from Greater Sudbury and surrounding communities.



39,370
**AIRCRAFT MOVEMENTS
IN 2016**

As the airport continues to expand development and attract new business, aircraft movements continue to soar. Commercial air traffic, private aviation and government aircraft activity all contribute to the total aircraft movements for the year. This past year, there was a significant increase in private aviation movements, directly attributed to the additional activity related the Discovery Aviation Academy who continue to expand their training facility.

MAXIMUM ALTITUDE:

2016 Highlights



MORE WESTJET, MORE OPTIONS

It's no secret that our community has been eager to see the return of WestJet to Greater Sudbury. WestJet has a loyal customer base across the country and many visitors and residents have been anticipating their return to our community. It was no surprise that the reaction to the announcement was largely celebrated and residents welcomed them back with open arms.

WestJet announced that they would commence with one daily round trip in February 2017 and increase that service to three daily flights in May of 2017. WestJet believes the Sudbury community is the perfect fit for their WestJet Encore service, served by a 70 seat Bombardier Q400 aircraft. They have committed to offer competitive pricing, of course, always accompanied by their excellent 'guest' experience.

Welcome Aboard

Understanding the importance of properly marketing a new airline to ensure there is up-take on the route, the Greater Sudbury Airport worked closely with WestJet to introduce the new service to Greater Sudbury and surrounding communities through traditional and digital media efforts.

MAXIMUM ALTITUDE:

2016 Highlights



Porter Turns Ten

Porter celebrated the milestone of being in business for ten years in 2016. It was our pleasure to celebrate this accomplishment with them as they have been a staple airline partner in Greater Sudbury for six of their ten years in business. We look forward to a continued partnership, collaborations, and marketing initiatives to grow the local market.

PORTER: AN AIRLINE LIKE NO OTHER

2016 was a year to celebrate our airline partners who operate from the Greater Sudbury Airport. Mr. Robert Deluce, President and CEO of Porter Airlines attended as a keynote speaker for the Greater Sudbury Chamber of Commerce Presidents Series luncheon hosted at the airport's brand-new Aviation Hangar. **The event was a memorable one and included the very sharp-looking Porter Q400 as the event backdrop in the hangar.**

This was an opportunity for Mr. Deluce to address the business community and speak to Porter's continued commitment to providing quality air service for Northern Ontario. Porter Airlines continues to be an important airline partner for the Greater Sudbury Airport and is the community's only link to Toronto's downtown island airport. This service is essential to the business sector, and Mr. Deluce solidified the airline's commitment to continuing their efforts to service this important route.

MAXIMUM ALTITUDE:

2016 Highlights



FLYING LEGENDS OF VICTORY TOUR

The Greater Sudbury Airport had the unique opportunity to host an iconic WWII aircraft for public display in 2016. We jumped at the chance to have this incredible piece of history on our grounds. The B-17 Flying Fortress stopped in Greater Sudbury for a week during its North American Flying Legends of Victory Tour over the summer. The visiting B-17 Flying Fortress 'Sentimental Journey' is one of only ten airworthy in the world. The classic warbird was restored to the authentic condition by Commemorative Air Force volunteers as part of its flying museum tour programs.

The opportunity to experience this once-in-a-lifetime historic aircraft was not overlooked. Visitors came out in droves to have the chance to tour the bird. And, for a few lucky individuals, they even had the chance to take to the skies in the historic plane.

We Want You

As part of our efforts to promote the history of aviation, the Greater Sudbury Airport sponsored a flight for two aboard the B-17 aircraft. The response on social media was astounding and two lucky aviation enthusiasts were able to experience the flight of a lifetime.

Fiscal Stability



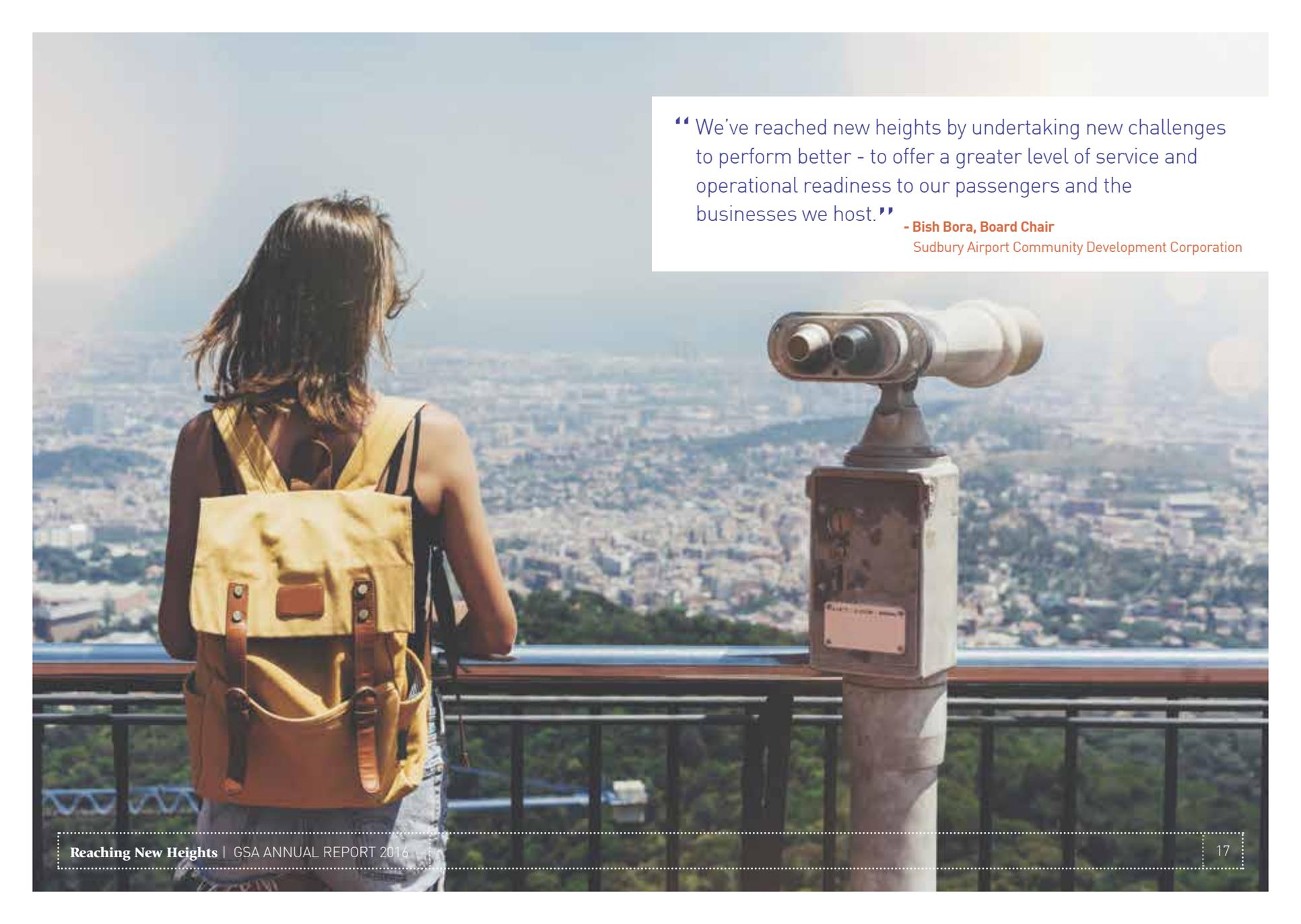
\$1.62 MILLION
OPERATING SURPLUS

As a not-for-profit, non-share Capital Corporation, fiscal responsibility is paramount to the ongoing success of the Greater Sudbury Airport. We must continue to generate revenue to cover our growing expenses, and to ensure that year after year, we produce a surplus for future investment into the airport. In 2016, we continued to perform in terms of fiscal stability, ending the year with a healthy surplus of \$1.62M, which will be directly re-invested into our infrastructure and operations.



\$325,000
CAPITAL INVESTMENT

In 2016, the Greater Sudbury Airport made a conscious effort to reduce capital expenditures in favour of improving the trust fund balance and to re-evaluate operating costs and ensure proper resources were allocated to operating departments. With this in mind, there was a very conservative \$325,000 invested in capital projects for the year. Those consisted of equipment purchases to improve airside operating efficiency, as well as terminal upgrades to improve the passenger experience.

A woman with long brown hair, seen from behind, stands on a balcony overlooking a vast city. She is wearing a yellow canvas backpack with brown leather straps. To her right is a vintage-style telescope mounted on a metal post. The city below is densely packed with buildings, and the sky is clear and bright. The overall mood is one of achievement and looking forward.

“ We’ve reached new heights by undertaking new challenges to perform better - to offer a greater level of service and operational readiness to our passengers and the businesses we host. ”

- **Bish Bora, Board Chair**
Sudbury Airport Community Development Corporation

Financial Statements

STATEMENT OF FINANCIAL POSITION

(DECEMBER 31, 2016, WITH COMPARATIVE INFORMATION FOR 2015)

	2016 \$	2015 \$
CURRENT ASSETS		
CASH	21,244	22,504
TRADE AND OTHER RECEIVABLES	516,804	1,318,773
PREPAID EXPENSES	42,446	78,725
INVENTORY	86,863	112,695
	667,357	1,532,697
PROPERTY, PLANT AND EQUIPMENT	25,872,793	27,397,614
	26,540,150	28,930,311

LIABILITIES AND SHAREHOLDERS' EQUITY

	2016 \$	2015 \$
CURRENT LIABILITIES		
TRADE AND OTHER PAYABLES	726,584	1,404,287
PAYABLE TO THE CITY OF GREATER SUDBURY	1,498,570	2,984,064
	2,225,154	4,388,351
NON-CURRENT LIABILITIES		
EMPLOYEE BENEFIT OBLIGATIONS	328,025	322,941
DEFERRED CAPITAL CONTRIBUTIONS	10,836,611	11,714,395
	13,389,790	16,425,687
SHAREHOLDERS' EQUITY		
RETAINED EARNINGS	13,135,341	12,487,886
ACCUMULATED OTHER COMPREHENSIVE INCOME	15,019	16,738
	13,150,360	12,504,624
	26,540,150	28,930,311

Financial Statements

STATEMENT OF INCOME AND COMPREHENSIVE INCOME

(YEAR ENDED DECEMBER 31, 2016, WITH COMPARATIVE INFORMATION FOR 2015)

REVENUE	2016 \$	2015 \$
PASSENGER FACILITY FEE	2,727,830	2,743,956
CAPITAL CONTRIBUTIONS	877,784	816,028
RENTALS AND CONCESSIONS	2,101,940	1,866,043
NATIONAL LANDING FEES	658,142	655,390
TERMINAL FEES	581,607	598,699
SERVICES	597,811	581,639
	7,545,114	7,261,755

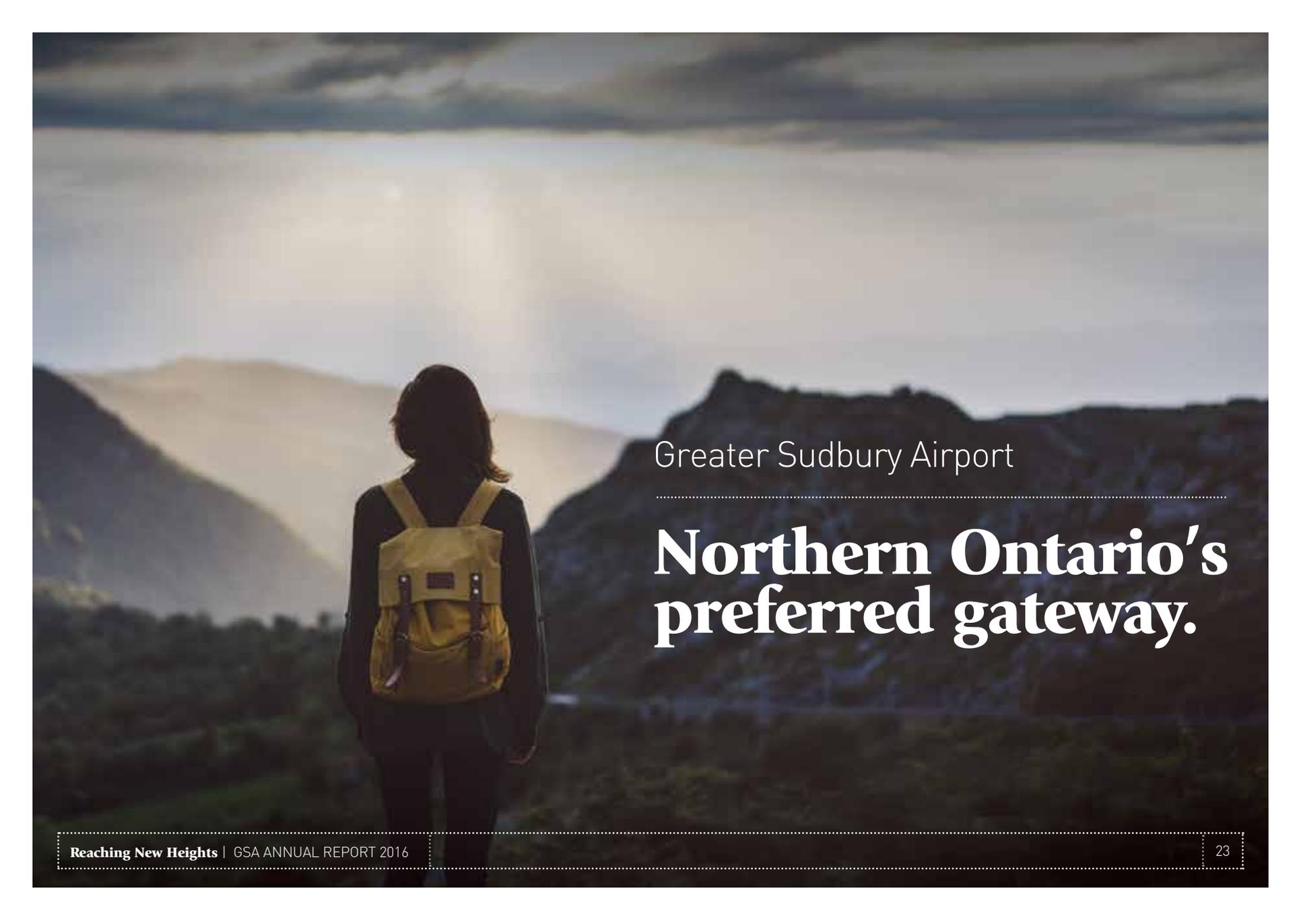
EXPENSES	2016 \$	2015 \$
SALARIES, WAGES AND BENEFITS	2,173,307	2,068,329
MATERIALS	618,567	507,247
UTILITIES	512,218	410,214
POLICING AND SECURITY	373,014	361,323
CONSULTING AND OTHER PROFESSIONAL SERVICES	280,803	203,280
OTHER	264,328	237,343
PROPERTY TAXES	247,935	223,466
ADMINISTRATIVE CHARGES	225,171	229,599
MAINTENANCE	204,398	195,314
INSURANCE	88,011	91,064
DEPRECIATION OF PROPERTY AND EQUIPMENT	1,848,431	1,603,799
	6,836,183	6,130,978
EXCESS OF REVENUES OVER EXPENSES BEFORE UNDERNOTED	708,931	1,130,777
INTEREST EXPENSE	(61,476)	(58,032)
	647,455	1,072,745
OTHER COMPREHENSIVE INCOME (LOSS)	(1,719)	23,436
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	645,736	1,096,181

Financial Statements

STATEMENT OF CHANGES IN EQUITY

(YEAR ENDED DECEMBER 31, 2016, WITH COMPARATIVE INFORMATION FOR 2015)

	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) \$	RETAINED EARNINGS \$	TOTAL \$
BALANCE - JANUARY 1 , 2015	(6,698)	11,415,141	11,408,443
INCOME FOR THE YEAR	-	1,072,745	1,072,745
REMEASUREMENT OF THE EMPLOYEE BENEFIT OBLIGATION	23,436	-	23,436
BALANCE - DECEMBER 31 , 2015	16,738	12,487,886	12,504,624
INCOME FOR THE YEAR	-	647,455	647,455
REMEASUREMENT OF THE EMPLOYEE BENEFIT OBLIGATION	(1,719)	-	(1,719)
BALANCE - DECEMBER 31, 2016	15,019	13,135,341	13,150,360

A person with a yellow backpack is seen from behind, looking out over a vast mountain range under a dramatic, cloudy sky at sunset or sunrise. The person is in the foreground, and the mountains stretch into the distance. The overall mood is serene and adventurous.

Greater Sudbury Airport

**Northern Ontario's
preferred gateway.**

Financial Statements

STATEMENT OF CASH FLOWS

(YEAR ENDED DECEMBER 31, 2016, WITH COMPARATIVE INFORMATION FOR 2015)

CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES

	2016 \$	2015 \$
COMPREHENSIVE INCOME FOR THE YEAR	645,736	1,096,181
ITEMS NOT INVOLVING CASH		
DEPRECIATION OF PROPERTY AND EQUIPMENT	1,848,431	1,603,799
AMORTIZATION OF DEFERRED CAPITAL CONTRIBUTIONS	(877,784)	(816,028)
NON-CASH EMPLOYEE FUTURE BENEFIT OBLIGATION EXPENSE (GAIN)	1,719	(23,436)
	1,618,102	1,860,516

CHANGES IN NON-CASH WORKING CAPITAL	2016 \$	2015 \$
TRADE AND OTHER RECEIVABLES	801,969	900,278
PAYABLE TO THE CITY OF GREATER SUDBURY	(1,485,494)	2,074,500
PREPAID EXPENSES	36,279	(58,491)
INVENTORY	25,832	(36,455)
TRADE AND OTHER PAYABLES	(677,703)	(295,923)
EMPLOYEE FUTURE BENEFITS	3,365	(5,296)
	322,350	4,439,129
INVESTING ACTIVITIES		
PURCHASE OF PROPERTY AND EQUIPMENT	(323,610)	(5,567,977)
	(323,610)	(5,567,977)
FINANCING ACTIVITIES		
CAPITAL CONTRIBUTIONS RECEIVED	-	1,131,067
	-	1,131,067
INCREASE (DECREASE) IN CASH DURING THE YEAR	(1,260)	2,219
CASH, BEGINNING OF YEAR	22,504	20,285
CASH, END OF YEAR	21,244	22,504



Our Destinations

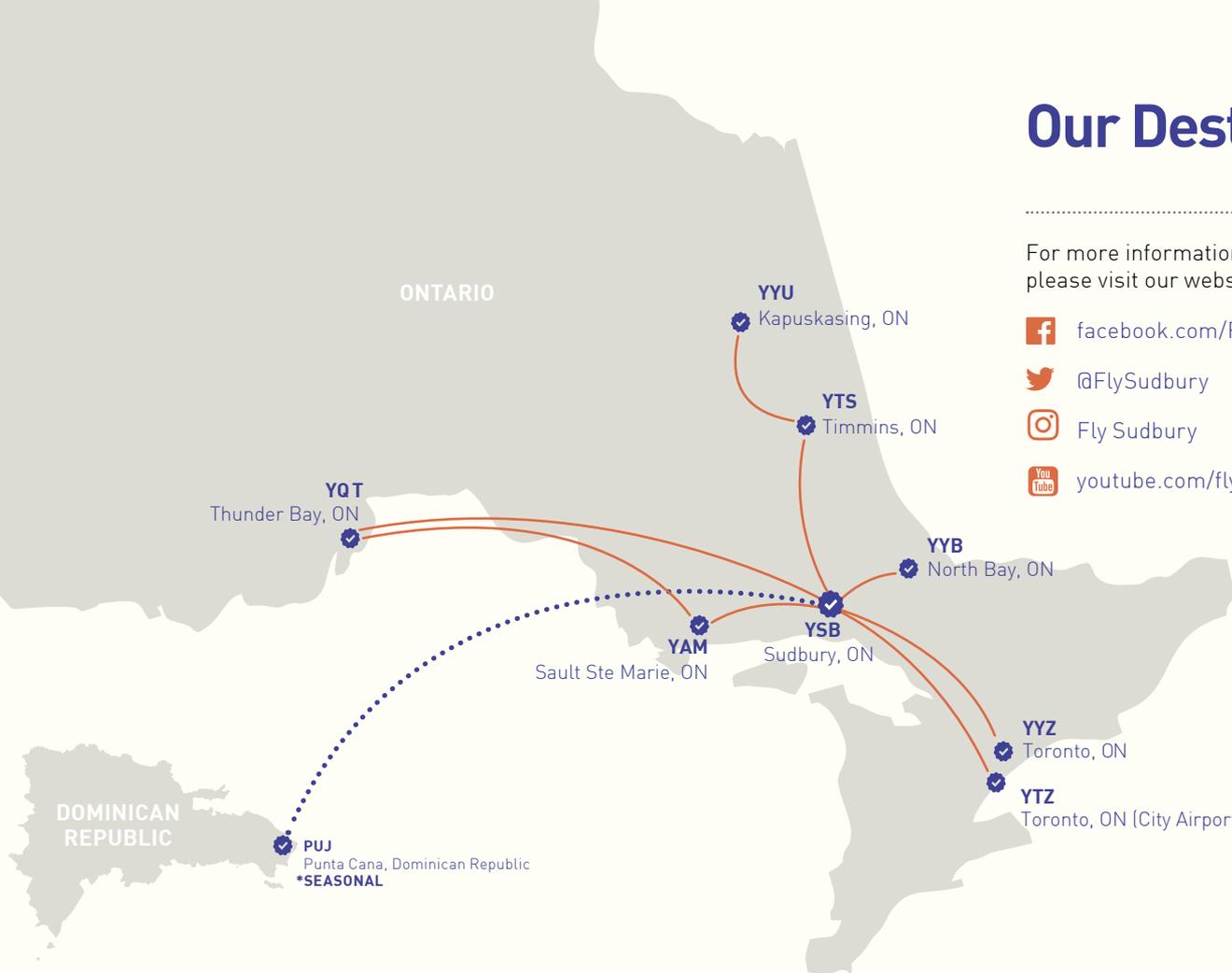
For more information about the Greater Sudbury Airport, please visit our website at www.flysudbury.ca

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