



Your **ADVENTURE AWAITS**

Greater Sudbury Airport

ANNUAL REPORT ∴ 2015



Your AIRPORT

The Greater Sudbury Airport plays an integral role in the community. It supports your leisure travel, it is a conduit for your business travel, and plays an active role as an economic engine - **simply put it is a community asset.**

At it's core, the airport exists for you no matter how you use it. **It's your airport** to start your next family vacation. It's **your airport** on demand to get you anywhere, faster, so you can grow your business. It's **your airport** to welcome family coming home or visitors staying in our beautiful city.

The decisions the airport leadership and management team make are all for **you**, the citizens, businesses and visitors of Greater Sudbury. Our commitment to fiscal responsibility, our focus on economic development, and our reinvestment in the airport are solely for you.



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MESSAGE FROM THE CHAIR

Welcome to the 2015 annual report for the Sudbury Airport Community Development Corporation (SACDC)! This year marks the end of an era for our airport. The SACDC took over ownership of the airport from the City of Sudbury in 2000. Our CEO, Robert Johnston, has been involved with the airport since that time. He was first involved through the city as Director of Transportation. He then went on to become our CEO in 2006. He will be retiring this year, thereby ending an era! Under Robert's leadership the airport has flourished and remained in the black while doing so. There have been significant improvements in commercial aviation, general aviation and in the airport itself. Successful applications to the Northern Ontario Heritage Fund Corporation (NOHFC) and Fednor have led to the development of land both at Apron III as well as Threshold 30. These developments include multiple hangars, including the massive new 34,000 sq.ft. hangar at Threshold 30.

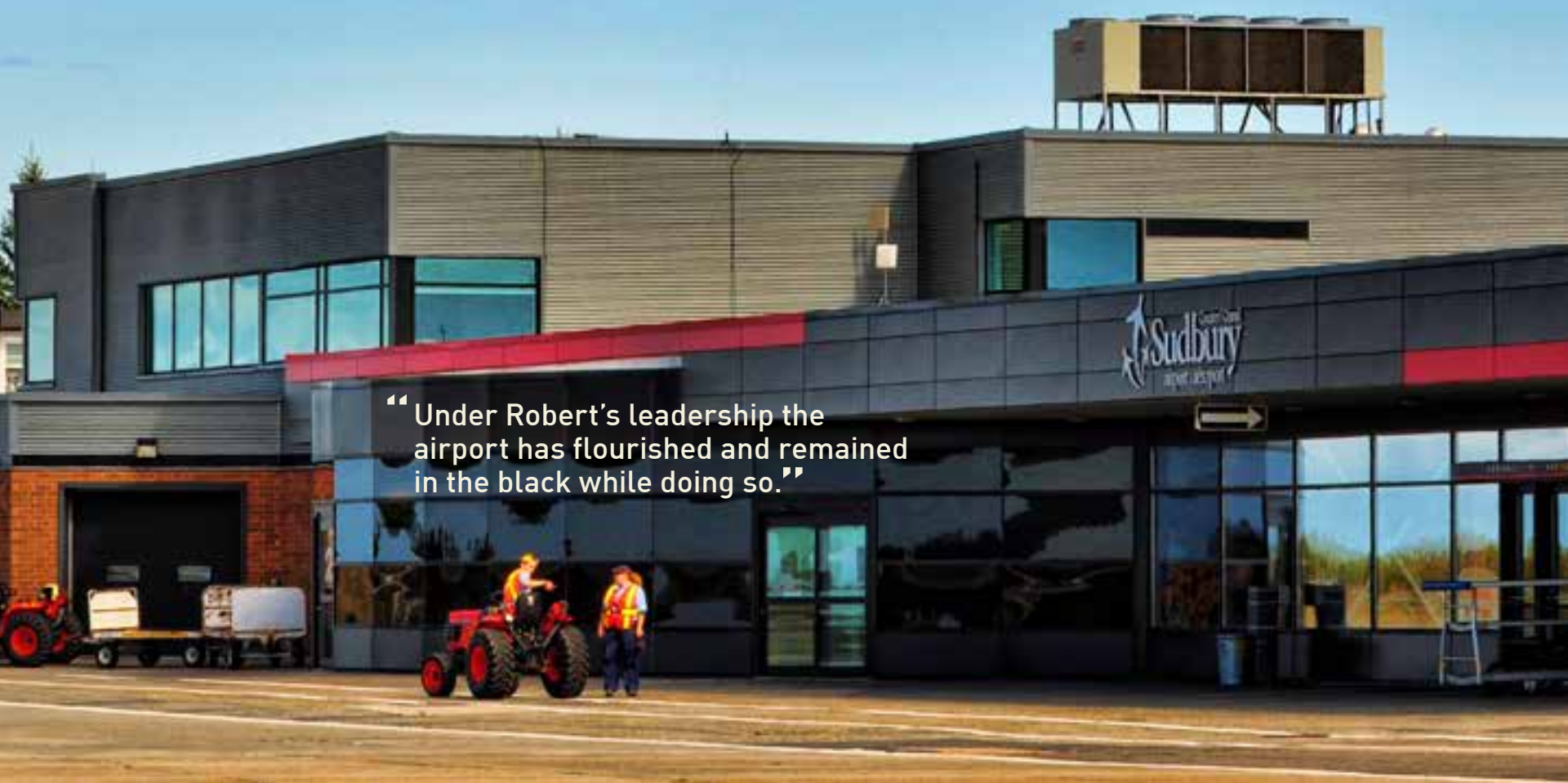
Also during Robert's tenure we have seen stimulation of competition in commercial aviation, with Porter Airlines joining Air Canada and Bearskin Airlines in serving our community. He has helped make improvements in general aviation as well by creating both hangar and tie down space for aviation-related businesses and private aircraft owners and pilots. In short, Robert has greatly contributed to our mission which is "to provide world class services and facilities and to stimulate the economic development of our community". We thank him and wish him well.

In closing I would like to thank all the hard working staff of the Greater Sudbury Airport, the many businesses operating in and around the airport who are a fundamental part of our economic development, the many eager Board members who are so gracious with their precious time, and the many consumers and travellers who continue to support and enjoy our wonderful airport. Thank you all!

BISH BORA

Board Chair, Sudbury Airport Community Development Corporation





“Under Robert’s leadership the airport has flourished and remained in the black while doing so.”



MESSAGE FROM THE CEO

I am pleased to once again report on the financial results and the achievements of the Greater Sudbury Airport. Despite the continued sluggish economy which has been primarily impacted by the depressed commodities market, the GSA achieved its best financial results in its history. The 2015 actual operating surplus of \$1,855,000 was \$450,000 or 32% better than the budgeted surplus. This record level surplus was achieved despite the fact passenger travel retracted marginally by 1%. Our ability to achieve strong financial results each and every year is a testament to our strong management team and the consistent performance of each of our business sectors. While commercial air travel remains our core business and continues to contribute significantly to the GSA's financial results, private sector development on airport lands has increased its prominence in recent years.

Each year there always seems to be one specific accomplishment that stands above all the rest as being an exceptional achievement. The one exceptional achievement that we were most proud this year was the completion of our \$ 7.5M state of the art, 34,000 sq. ft. hangar and office facility which was officially open for business December 2015. This hangar facility would never have become reality if it were not for the strategic vision of the airport Board, the funding assistance provided by the Northern Ontario Heritage Fund Corporation, FedNor, and the support of all of our business partners and stakeholders. We

are extremely pleased that our anchor tenant, Discovery Air Fire Services, has smoothly transitioned over to the new facility and is now fully immersed in its various business activities related to forest fire management, flight training and cutting edge imaging technology research.

On the horizon, several major infrastructure renewal projects will be the GSA's focus throughout 2016 and 2017. The conceptual design has been completed on several critical airport groundside projects, which include upgrades to the main airport parking lot and air terminal road network. Included within the scope of work are upgrades to the field electrical centre and a complete replacement of the water reservoir. A primary objective of both of these capital upgrades is to increase capacity to meet the growth associated with the expansion of businesses on airport property.

Each year I go on record to praise the tremendous work of my fantastic administrative team and front line employees. This year, in particular, this annual report has special meaning to me as I will be retiring from the airport in July 2016. As I look back on my tenure I am especially appreciative to have had the opportunity to work with so many wonderful people. Together we have been able to create a working culture at the airport that embodies all of the values and principles necessary to provide the best possible services to our valued


customers. I want to extend a heartfelt thank you to all of my colleagues, friends and business associates to whom I have had the pleasure of working with during my career. I am indebted to all of you for making my working experience so rewarding and enjoyable.

Finally, I would also like to take this opportunity to recognize our Board of Directors for their hard work, steadfast commitment, support and foresight. As well, to the tenants working at the GSA, I would like to extend my sincere appreciation to you for working collaboratively with us to raise the standards of service at our airport.

ROBERT JOHNSTON



CEO, Greater Sudbury Airport



“ Together we have been able to create a working culture at the airport that embodies all of the values and principles necessary to provide the best possible services to our valued customers. ”

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.



CORE 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.

**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

**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

**ROBERT JOHNSTON**CEO, Greater Sudbury
Airport

2015 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.

MANAGEMENT TEAM

- Robert Johnston** : Chief Executive Officer
- Linda Dubois** : Administrative Assistant to CEO
- Terra Glabb** : Director of Business Development
- Paulette Ethier** : Accounting Clerk
- Robert Tyrer** : Operations Manager/Fire Chief
- Philip Rocca** : Operations Supervisor/Deputy Fire Chief
- Tim Norwood** : Operations Supervisor/Deputy Fire Chief



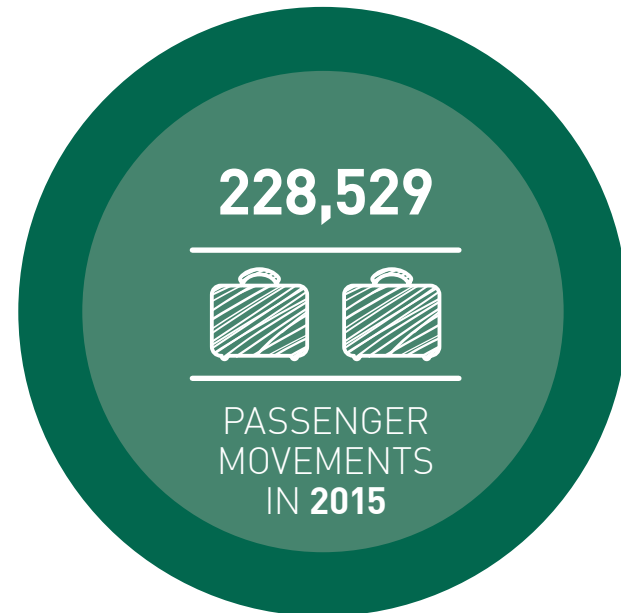
YOUR TRAVEL GATEWAY

PASSENGER MOVEMENTS

As the hub airport of north-eastern Ontario, the Greater Sudbury Airport has a mandate to ensure we meet the needs of the travelling public who reside in the City of Greater Sudbury and our surrounding communities.

Over the last 5 years, we have increased our seat capacity by 26%, resulting in a 27% increase in total passenger traffic, providing travellers with more commercial air options, including direct service to Billy Bishop Toronto City Airport.

Travelling by air for leisure or business to Toronto and beyond has become a trendy transportation option.

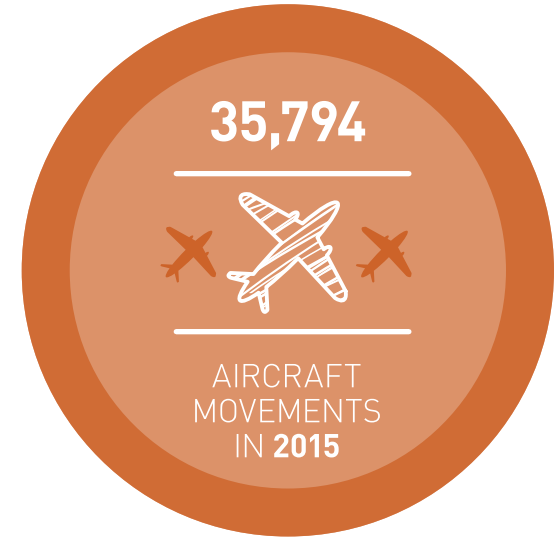


AIRCRAFT MOVEMENTS

Aircraft movements include commercial, private and government aircraft activity.

While commercial movements are significant from a public transportation perspective, the Greater Sudbury Airport is host to a wide variety general aviation activity which is vital to the airport and community’s economic viability.

In addition to commercial flights, important contributors to our movement statistics include an active forest fire management unit, flight training and emergency medical flights.



OUR COMMUNITY’S GATEWAY

The Greater Sudbury Airport is our community’s gateway to the world. **Passengers flying from Sudbury are using the airport primarily for domestic travel; only 16% of travelers are using the airport for transborder or other international destinations.** This figure presents both a challenge and opportunity for our airport. We must place our focus and efforts on ensuring travellers are seeing the benefits of beginning and ending their long journeys right here at home.



FISCAL STABILITY

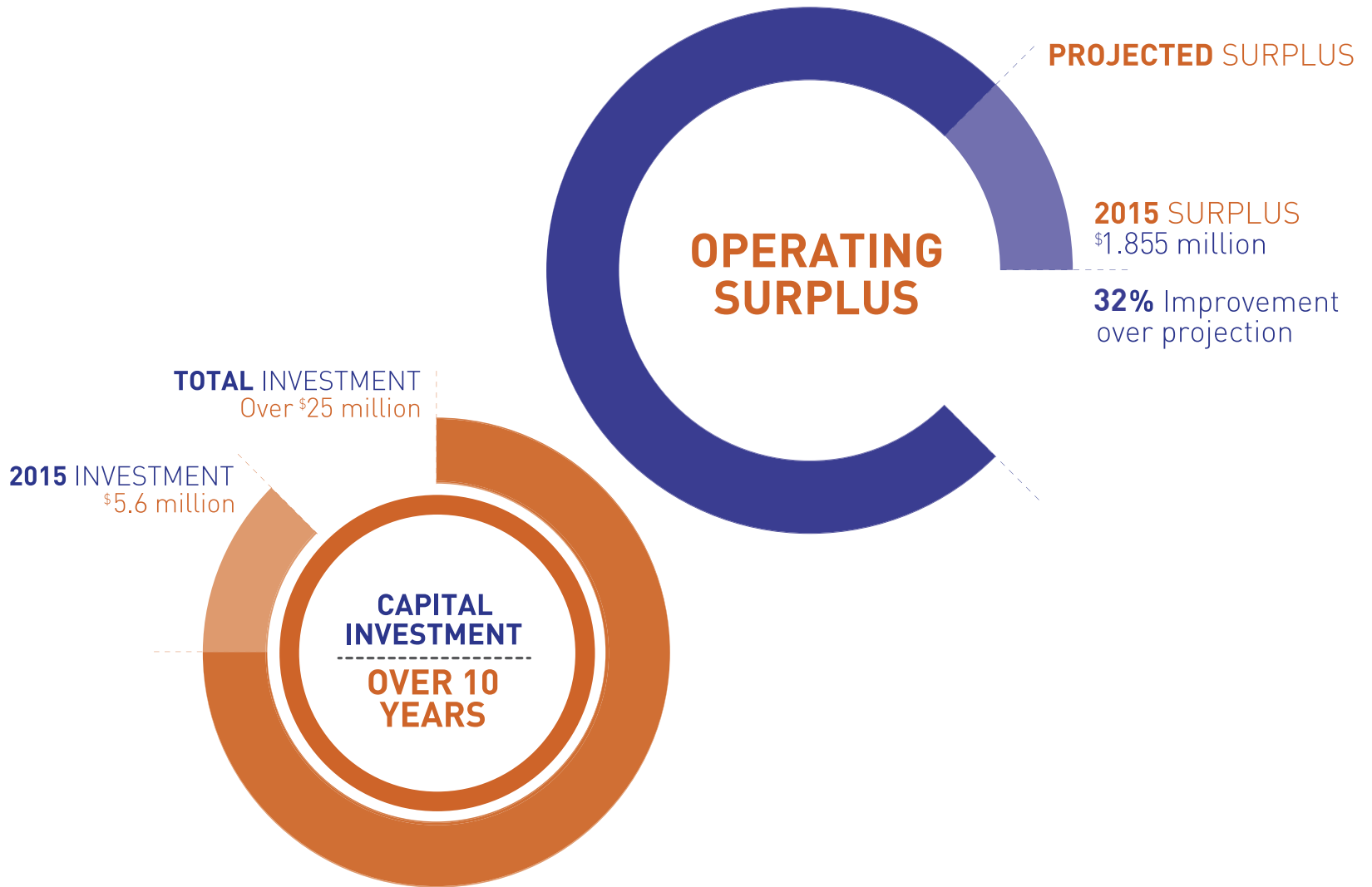
OPERATING SURPLUS

The Greater Sudbury Airport has established a sound record of fiscal responsibility, exceeding our financial goals, year after year. 2015 was no exception. Although our economic conditions were challenging and passenger numbers declined slightly, we were able to budget conservatively and ensure we ended the year with a healthy surplus of \$ 1,855, 000 to invest into the airport's future. This surplus is an 32% improvement over projections and is a testament to the fiscal responsibility of all operating departments of the airport.

CAPITAL INVESTMENT

As a not-for-profit, non-share capital corporation, fiscally reasonable investment is paramount. We must ensure that we are continually working toward infrastructure renewal and creation in order to ensure our airport is equipped for growth and expansion. In 2015, the Greater Sudbury Airport invested \$ 5.6M into various operational and infrastructure capital projects.





YOUR TRAVEL EXPERIENCE

TRAVELLER FEATURES

2015 was all about celebrating our travellers and how you use your community airport. We are all familiar with the regular hustle and bustle of business travel, which is a common occurrence at the Greater Sudbury Airport. What is often missed are the unique and special ways in which residents and visitors are using their airport. The Greater Sudbury Airport has played an important role to some truly spectacular trips.

WHAT OUR CUSTOMERS ARE SAYING



“SUDBURY AIRPORT HAS EXCELLENT SERVICE – NO COMPLAINTS!”

“I LOVE IT HERE, FREE WIFI!” 😊



Syrian Refugees :: CANADA

We welcomed several new families to our community and their first impression of our City was right here at the airport.

Each family arrived in Sudbury greeted by welcoming and emotional crowds. Some of these families had been living in refugee camps for years and are incredibly grateful to have found a home. "Canada is well known as a peacekeeping Country and we are happy to be here."

Photo By: Sudbury.com



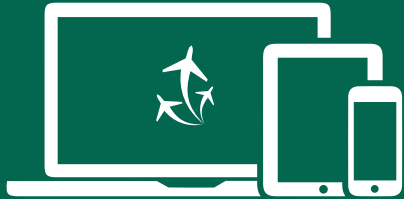
MAKING YOUR WAIT MORE **ENJOYABLE**

Airport waits can be long and daunting and we have been busy implementing programs and equipment to help make the wait a little more enjoyable. Over the year, we introduced several new initiatives for our passengers.



LIBRARY NOOK & BOOK EXCHANGE PROGRAM

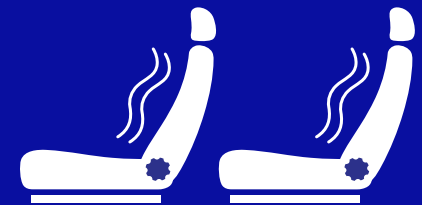
Airports are notorious for travellers catching up on reading. The book exchange program is an initiative to create access to books and encourage reading, all while recycling books. A quiet lounge was opened on the main floor of the Passenger Terminal Building for greeters and passengers with a small collection of books. The concept is simple, if you see a book you want – take it! If you have books that you no longer need, leave them for others.



CHARGING STATIONS

It's no secret, we're all attached to our devices and technology. The Greater Sudbury Airport recognizes this and has introduced several charging stations throughout the terminal. The stations are equipped with a multitude of different device connections to ensure you don't miss a beat.

MASSAGE CHAIRS



We want travellers to be comfortable while waiting for their flight or loved ones to arrive. Passengers can now take advantage of a row of top of the line massage chairs to relax, or catch a quick snooze and recharge. Just one small way to help make your journey easier.



Amber :: KENYA

“I left a huge piece of my heart with the children of ‘Zawadi la Tumaini’ children’s home, and I can’t wait to go back..”

Three women travelled from Sudbury to Nairobi, Kenya for two weeks to volunteer at the Zawadi la Tumaini children’s home and run vision clinics. They saw about 400 patients in 2 days at their clinic that was set up in one of the largest slums in Kenya. “It really makes me realize how fortunate we are.” The trio packed and travelled with three hockey bags and four suitcases filled with over 1,000 pairs of glasses, donated clothing, shoes, books and toys. “Our choice to fly straight out of Sudbury was for the convenience of being able to check our bags in Sudbury and not worry about them until we arrived in Kenya.” Already planning for their adventure next year, they look forward to flying from Sudbury for another, “stress-free and pleasant experience.”





 **55%** INCREASE IN DIGITAL MEDIA OUTREACH



DIGITAL MEDIA

We recognize that it's important for passengers to be in the know, and to have access to information at their finger-tips. In 2015, we once again increased our digital media presence by enhancing our use of Facebook as well as launching several informative videos on our YouTube page. We have also been busy working on our new website which is expected to launch in 2016. We know that when it comes to travel, information is paramount, we plan to deliver.



COMMITMENT TO YOUR SAFETY

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Airports are one of the most highly regulated industries, and for good reason. We at the Greater Sudbury Airport make your safety and security a top priority. Every year, we invest capital dollars into upgrading our operational and safety equipment to ensure that we maintain an exceptional track record in aviation safety. In 2015 we spearheaded important initiatives to ensure our continued commitment to safety and operational excellence.

 **23,000** METRES

The equivalent of total runway and taxiway surfaces that must be maintained at bare and dry conditions for safe landings and take-offs.



SAFETY WEEK

The Greater Sudbury Airport, along with 23 other airports across Canada, introduced Canadian Airports Safety Week, a new airport-led initiative to promote healthy and safe work practices among airport employees. The first program of its kind for the Canadian aviation industry, Canadian Airports Safety Week aims to reach thousands of airport employees across the country with various safety talks, themed messaging and events, which were developed in collaboration with participating airports. For its participation, the Greater Sudbury Airport performed a Foreign Object Debris (FOD) walk on airside and delivered daily safety messages within the airport community.

LIVE EMERGENCY EXERCISE

As part of our commitment to safety, we put our Emergency Response Plan to the test. Operation ALEX was a full-scale emergency training exercise developed to assess the airport's ability to follow through with our official emergency plan and procedures.

The exercise which involved airport personnel, security, fire fighting services as well as airline personnel, was an excellent opportunity to rehearse our ability to respond to an emergency situation. Aircraft Firefighting is a specialized trade that involves unique equipment and training designed to deal specifically with aircraft fuel spills and fires. On scene to assist, as they would in an actual emergency, were the local City of Greater Sudbury Fire Service, Emergency Medical Service and the Police Service.



Regional airports, such as the Greater Sudbury Airport, are mandated by Transport Canada to perform a full scale emergency exercise every four years. Ensuring our airport and community emergency response teams are able to work collaboratively in the face of an emergency is critical to the safety of our airport passengers and personnel.

ECONOMIC VITALITY

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FACILITIES

In our effort to attract new business and expand our services to the aviation community, the Greater Sudbury Airport invested in a state-of-the-art 34,000 square foot, \$ 7.5M hangar facility. The building, large enough to house a Q400 aircraft, supported by most regional carriers, including Air Canada, Porter Airlines and WestJet Encore, was built in order to ensure that the GSA is able to offer superior service to commercial air carriers. The costs associated with performing maintenance work on aircraft in the winter elements can be extensive; our airlines now have a safe and dry place to perform emergency repairs and maintenance during inclement weather.

The building has also become the permanent home of Discovery Air Fire Services (DAFS), one of the largest employers on the airport property. DAFS provides fire detection and suppression support to the Ministry of Natural Resources and Forestry, operates a flight school and is involved in revolutionary land and water imagery research.

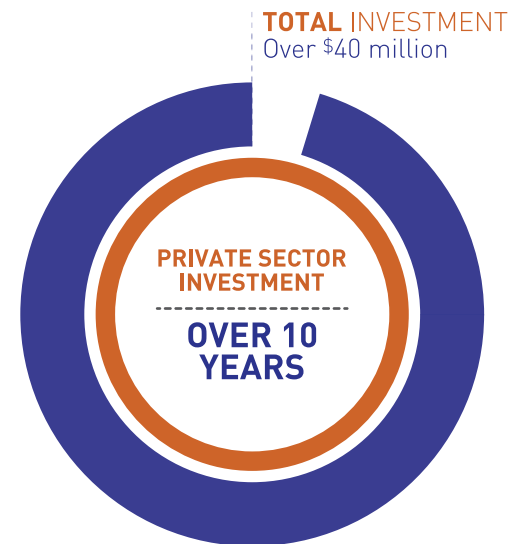
This new facility will provide the GSA with a competitive advantage when attracting new business in both the commercial and private aviation sectors.



VALUABLE AIRPORT TENANTS

The Ministry of Natural Resources and Forestry (MNR) recently completed a \$ 25M, four phased project upgrading the Sudbury Forest Fire Management Centre (FFMC). The project was implemented over two years, adding 21,500 square feet of office and warehouse space to the existing facilities at the airport. The combination of new facilities is quite spectacular and the MNR have targeted LEED Silver certification using energy efficient lighting systems, better insulation, sophisticated building management software as well as local sourcing of new construction materials, while recycling the waste generated through the project.

Over the years, the Sudbury FFMC has evolved and more space was required to amalgamate several of the MNR operations across the province. The Sudbury site has now become the Regional Emergency Operations Centre which provides direction and warehousing for fire and flood response in the Eastern half of the province. While the primary goal of the project was to centralize fire management operations in Eastern Ontario, the facilities have also been built to ensure that the Sudbury FFMC can accommodate additional equipment and personnel when operations escalate and the FFMC must manage multiple, critical incidents.



FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION (AS AT DECEMBER 31, 2015)

	2015 \$	2014 \$
ASSETS		
CURRENT ASSETS		
CASH	22,504	20,285
TRADE AND OTHER RECEIVABLES	1,318,773	2,219,051
PREPAID EXPENSES	78,725	20,234
INVENTORY	112,695	76,240
	1,532,697	2,335,810
NON CURRENT ASSETS		
PROPERTY AND EQUIPMENT	27,397,614	23,153,436
	28,930,311	25,489,246

LIABILITIES & EQUITY ATTRIBUTABLE TO THE CORPORATION**CURRENT LIABILITIES**

	2015 \$	2014 \$
TRADE AND OTHER PAYABLES	1,124,287	1,420,210
PAYABLE TO THE CITY OF GREATER SUDBURY	2,984,064	909,564
PROVISIONS	280,000	-
	4,388,351	2,329,774

NON-CURRENT LIABILITIES

EMPLOYEE BENEFIT OBLIGATIONS	322,941	351,673
DEFERRED CAPITAL CONTRIBUTIONS	11,714,395	11,399,356
	16,425,687	14,080,803

EQUITY ATTRIBUTABLE TO THE CORPORATION

RETAINED EARNINGS	12,487,886	11,415,141
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	16,738	(6,698)
	12,504,624	11,408,443
	28,930,311	25,489,246


STATEMENT OF INCOME AND COMPREHENSIVE INCOME
(FOR THE YEAR ENDED DECEMBER 31, 2015)

	2015 \$	2014 \$
REVENUES		
PASSENGER FACILITY FEE	2,743,956	2,292,684
CAPITAL CONTRIBUTIONS	816,028	1,849,855
RENTALS AND CONCESSIONS	1,866,043	1,835,248
NATIONAL LANDING FEES	655,390	615,035
TERMINAL FEES	598,699	557,551
SERVICES	581,639	616,188
	7,261,755	7,766,561
OPERATING EXPENSES		
SALARIES, WAGES AND BENEFITS	2,068,329	2,156,174
POLICING AND SECURITY	361,323	374,802
MATERIALS	507,247	571,643
CONSULTING AND OTHER PROFESSIONAL SERVICES	203,280	205,764
MAINTENANCE	195,314	177,659

	2015 \$	2014 \$
UTILITIES	410,214	419,411
OTHER	237,343	199,252
ADMINISTRATIVE CHARGES	229,599	217,159
INSURANCE	91,064	101,988
PROPERTY TAXES	223,466	243,905
DEPRECIATION OF PROPERTY AND EQUIPMENT	1,603,799	1,310,274
	6,130,978	5,978,031
OPERATING INCOME	1,130,777	1,788,530
GAIN ON SALE OF PROPERTY AND EQUIPMENT	-	361,523
INTEREST (EXPENSE) INCOME	[58,032]	828
NET INCOME FOR THE YEAR	1,072,745	2,150,881
OTHER COMPREHENSIVE INCOME (LOSS)	23,436	[703]
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,096,181	2,150,178

STATEMENT OF CHANGES IN EQUITY

	RETAINED EARNINGS \$	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) \$	TOTAL \$
BALANCE - JANUARY 1 , 2014	9,264,260	(5,995)	9,258,265
NET INCOME	2,150,881	-	2,150,881
REMEASUREMENT OF THE EMPLOYEE BENEFIT OBLIGATION	-	(703)	(703)
BALANCE - DECEMBER 31 , 2014	11,415,141	(6,698)	11,408,443
NET INCOME	1,072,745	-	1,072,745
REMEASUREMENT OF THE EMPLOYEE BENEFIT OBLIGATION	-	23,436	23,436
BALANCE - DECEMBER 31, 2015	12,487,886	16,738	12,504,624



“Our ability to achieve strong financial results each and every year is a testament to our strong management team and the consistent performance of each of our business sectors.”



Robert Johnson

CEO, Greater Sudbury Airport



STATEMENT OF CASH FLOWS

(FOR THE YEAR ENDED DECEMBER 31, 2015)

CASH PROVIDED BY (USED IN)**OPERATING ACTIVITIES**

NET INCOME FOR THE YEAR

2015
\$2014
\$

1,072,745

2,150,881

ADJUSTMENTS FOR

GAIN ON SALE OF PROPERTY AND EQUIPMENT

-

(361,523)

DEPRECIATION OF PROPERTY AND EQUIPMENT

1,603,799

1,310,274

AMORTIZATION OF DEFERRED CAPITAL CONTRIBUTIONS

(816,028)

(1,849,855)

EMPLOYEE BENEFIT OBLIGATIONS

(5,296)

14,716

1,855,220**1,264,493****CHANGES IN NON-CASH
WORKING CAPITAL ITEMS**

TRADE AND OTHER RECEIVABLES

900,278

(1,581,192)

PAYABLE/RECEIVABLES TO THE CITY OF GREATER SUDBURY

2,074,500

1,421,968

PREPAID EXPENSES

(58,491)

(4,270)

INVENTORY

(36,455)

28,000

TRADE AND OTHER PAYABLES

(295,923)

1,003,374

4,439,129**2,132,373**

	2015 \$	2014 \$
FINANCING ACTIVITIES		
CAPITAL CONTRIBUTIONS RECEIVED	1,131,067	4,227,815
INVESTING ACTIVITIES		
SALE OF PROPERTY AND EQUIPMENT	-	1,690,000
PURCHASE OF PROPERTY AND EQUIPMENT	(5,567,977)	(8,031,203)
	(5,567,977)	(6,341,203)
CHANGE IN CASH DURING THE YEAR	2,219	18,985
CASH - BEGINNING OF YEAR	20,285	1,300
CASH - END OF YEAR	22,504	20,285



OUR DESTINATIONS



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

- ✉ airport@flysudbury.ca
- ☎ 705.693.2514
- 1.855.FLY.2YSB
- 🏠 5000 Air Terminal Drive, Suite T202
Garson, ON P3L 1V4
- 📘 facebook.com/FlySudbury