

# ACCOUNTABILITY REPORT

April 1, 2017 – March 31, 2018



*Where journeys begin.*

## Message from the Chair and CEO



**Frank van Gisbergen**  
Board Chair



**Fred Bigelow, CEO**

*A Message from the Chair and CEO...*

*As we close out our fiscal year of 2017/18, we are able to report on another year of passenger growth resulting in a strong financial position. It's always great to be able to report on success!.*

*It's positive to see our airline partners recognize the opportunity in our market. Increased frequency of flights and capacity offer convenient access to and from Vancouver Island for both inbound and outbound travellers. The connectivity offered by our air service significantly contributes to the local economy through increased tourist traffic. It also enables local residents to travel conveniently and travel further, making the Comox Valley a desirable place to live.*

*YQQ is an economic success story in this community. Not only are we responsible to provide a safe environment for our airlines to operate in and for our travellers to enjoy, we play an integral role in the economic development of the community. To that end, YQQ strives to remain an efficient, low-cost airport in order to attract and maintain the air service we enjoy.*

*Traffic forecasts indicate a terminal expansion is on the horizon. As we embark on a plan of action that focuses on handling the anticipated capacity increases, prudent planning of our financial resources will be required to undertake a variety of major capital projects.*

*The customer experience in our Airport remains a critical component to our future success by providing a positive first impression of our community. Looking ahead, we see opportunity - opportunity to continue to grow and opportunity to continue to contribute to the overall economic progress of the Comox Valley.*

**Frank van Gisbergen, Board Chair**

**Fred Bigelow, CEO**

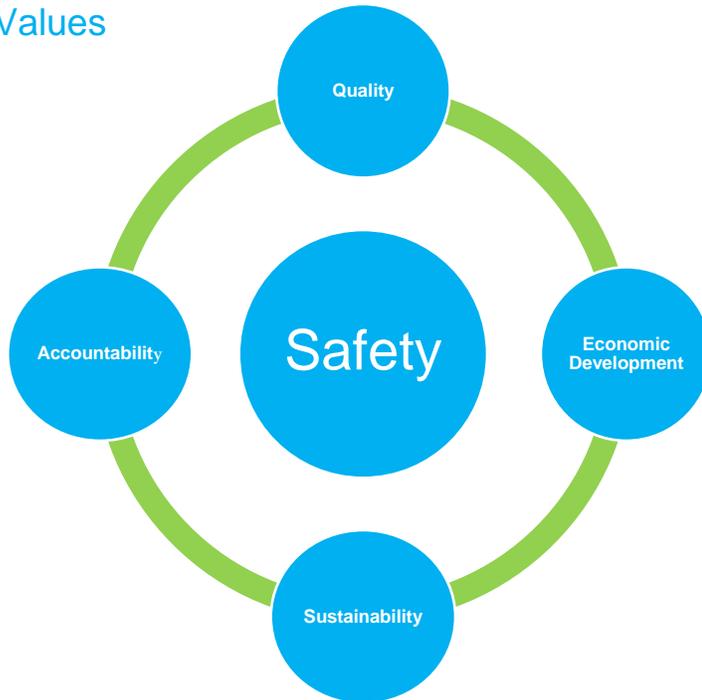
## Our Mission

Provide safe and efficient air service facilities and enable the economic development of the Comox Valley

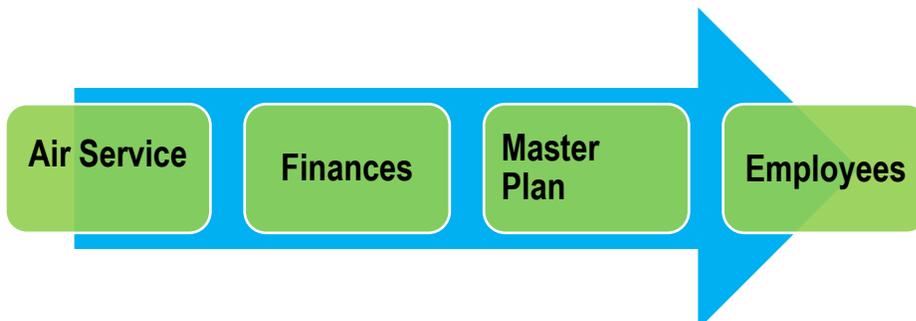
## Our Vision

The Comox Valley Airport is the aviation gateway to the North Island

## Our Values



## Our Goals



### Did you know...

YQQ contributes significantly to the economy of the Comox Valley. 'Direct' impact is estimated at:

- **Jobs – 500**
- **Wages - \$31 M**
- **Economic Output - \$114 M**
- **Taxes - \$16.6 M**



Source: Canadian Airports Council

## Achievements

**Goal 1      Expand air services to new destinations and enhance services (passengers and cargo) to current destinations.**

The Comox Valley Airport is focused on expanding destinations for its passengers by working with its existing carriers to improve connections at hub airports like Calgary and Vancouver. The Commission will continue to seek an additional non-stop charter service to a sunspot destination and will use market study data to determine which routes are viable options for YQQ under current economic conditions.

**Objectives Underway or Completed**

**Identify and promote new non-stop destinations.**

- ✓ WestJet commenced daily service from Comox – Vancouver in mid-December, 2017.
- ✓ Air Canada announced Comox-Calgary direct service to begin July, 2018.
- ✓ Both Air Canada and WestJet provided additional capacity during the peak summer months. WestJet’s Calgary flights were served with larger (737) aircraft for much of the summer/fall season. WestJet added an additional flight to Edmonton during the summer.
- ✓ Supported tourism in the Comox Valley through participating in joint opportunities to promote the Comox Valley to Comox’s inbound tourist market.
- ✓ Completed an analysis of the Powell River passenger traffic, identified an opportunity to re-direct passengers and hotel room stays from Richmond to the Comox Valley. The MRDT (Hotel Tax Committee) was briefed on how they could exploit this opportunity.

**Objectives to Pursue**

- ✓ An in-depth passenger study will be conducted to determine where our passengers are flying from and flying to. The study will assist with future air service and marketing campaigns.
- ✓ Ongoing discussions with airlines through headquarter visits and air service development conferences to strengthen relationships and identify future air service opportunities.
- ✓ Continued partnerships with the Comox Valley Economic Development Society to promote their ‘destination marketing’ campaigns.

## Goal 2 **Maintain a viable airport Master Plan.**

The Comox Valley Airport Commission understands it has an important role to play in making air travel affordable for our passengers. We are committed to providing our guests and tenants with the facilities they need, at a price that keeps our fees low and competitive. Our Master Plan review is intended to identify which infrastructure improvements are necessary so that we can plan accordingly, without overdesigning or overbuilding.

### Objectives Underway or Completed

- ✓ Air traffic forecast study completed. YQQ terminal is forecast to reach capacity between 2023-2028.
- ✓ Five Year Financial Plan completed.
- ✓ Capital projects completed:
  - New maintenance workshop.
  - New fuel facility for ground support equipment.
  - 10% increase in available parking within existing footprint.

### Objectives to Pursue

- ✓ Initial terminal expansion design concepts to be undertaken.
- ✓ Secure long term tenure to terminal lands under lease.
- ✓ Update capital plan for 2024 and beyond.
- ✓ Continue efforts to expand airport parking.

### Goal 3      Remain financially viable and competitive.

We demonstrate accountability and integrity in the conduct of our business and we recognize the sustainability of our business hinges on financially sound practices.

#### Objectives Underway or Completed

- ✓ A strong financial year was reported for 2017/18.
- ✓ Aeronautical fee analysis of key airport competitors conducted. YQQ remains a low-cost airport for airline operations.

#### Objectives to Pursue

- ✓ Support a competitive position through maintaining a low-cost operating environment.
- ✓ Continue to review opportunity for non-aeronautical revenue from existing and new business opportunities.



**Goal 4      Attract and retain a talented and motivated team of employees.**

The Comox Valley Airport Commission understands its biggest assets are the people it employs. We will retain our workforce by providing quality pay and benefits and investing in their professional development. Investing in the heart of our organization will ensure that YQQ continues to make a lasting impression on all of those who do business with us.

**Objectives Underway or Completed**

- ✓ Our staff complement remains stable with low turnover.
- ✓ Compensation review completed. YQQ is competitive with like businesses on the Island.
- ✓ Initiated senior management Professional Development program to strengthen internal succession planning opportunities.

**Objectives to Pursue**

- ✓ Continue professional development opportunities for staff.
- ✓ Ensure staff continue to receive competitive compensation and benefits.



2017/18 Winter Operations

## Revenue/Assets Financial Performance

### Financial Performance

Revenue	2017/18	2016/17
Total Revenues	\$ 4,954,067	\$ 4,722,338
Total Expenses	\$ 3,367,943	\$ 3,427,942
<b>Surplus</b>	<b>\$ 1,376,602</b>	<b>\$ 1,294,396</b>

Assets	2017/18	2016/17
Operating Fund	\$ 799,612	\$ 1,606,694
Capital Assets	\$ 18,569,329	\$ 16,385,645
<b>NET Assets</b>	<b>\$ 19,368,941</b>	<b>\$ 17,992,339</b>

## Governance:

The property and business of the Comox Valley Airport Commission is governed by the Board of Directors. The Board of Directors is responsible for establishing the Strategic Direction, for making major decisions for the Commission and for overseeing management of the Commission's business and affairs.

## Comox Valley Airport Commission Structure:



The Comox Valley Airport Commission's Board of Directors is broadly representative of the Comox Valley community and is comprised of nine directors, nominated as follows:

- Five members are nominated by local government (City of Courtenay, Town of Comox, Village of Cumberland and Comox Valley Regional District). At least one member must reside in Courtenay; at least one must reside in Comox;
- One member is nominated by the Comox Valley Chamber of Commerce;
- One member is nominated by Comox Valley Economic Development Society;
- Two members are appointed by the Board.

## Director Attendance and Nomination

The Comox Valley Airport Commission's Board of Directors is broadly representative of the Comox Valley community and is comprised of nine directors nominated as follows:

Director	Position	Board Meeting 7	Executive Committee 4	Audit Committee 3	Finance Committee 4	Governance Committee 3
Frank Van Gisbergen	Chair	5	4	3	3	3
Richard Clarke	Vice Chair	5	3	3	1**	
Susan Toresdahl	Secretary & Chair Govern.	6	4	1**	2**	3
Keith Tatton	Treasurer & Chair Finance	2	2	1**	3	
Fred Bates		7	1**	2**	1**	3
Kathleen Bell		6				3
Martin Crilly		7		3	4	
Andy Frost	Chair Audit	7		3	3	
Joe Schommer		6		1**	2*	2

\*appointed mid-year \*\*optional attendance

Director	Appointed	Committees
<b>Local Governments</b>		
Richard Clarke	2013	Audit, Executive
Andy Frost	2014	Audit, Governance
Joe Schommer	2014	Finance
Martin Crilly	2016	Audit, Finance
Kathleen Bell	2016	Governance
<b>Comox Valley Chamber of Commerce</b>		
Keith Tatton	2013	Executive, Finance
<b>Comox Valley Economic Development Society</b>		
Frank van Gisbergen	2012	Audit, Executive Finance, Governance
<b>Comox Valley Airport Commission</b>		
Fred Bates	2014	Governance
Susan Toresdahl	2012	Executive, Governance

# CVAC Board of Directors



Andy Frost



Frank van Gisbergen



Fred Bates



Susan Toresdahl



Richard Clarke



Keith Tatton



Joe Schommer



Martin Crilly



Kathleen Bell

## Airport Events and Community Engagement



✓ **Bomb threat exercise:** YQQ was the location for a bomb threat exercise utilizing the services of the RCMP explosive dog team, the Explosive Defence Force personnel from 19 Wing, the 19 Wing Fire Hall, as well as the airport and airline employees.

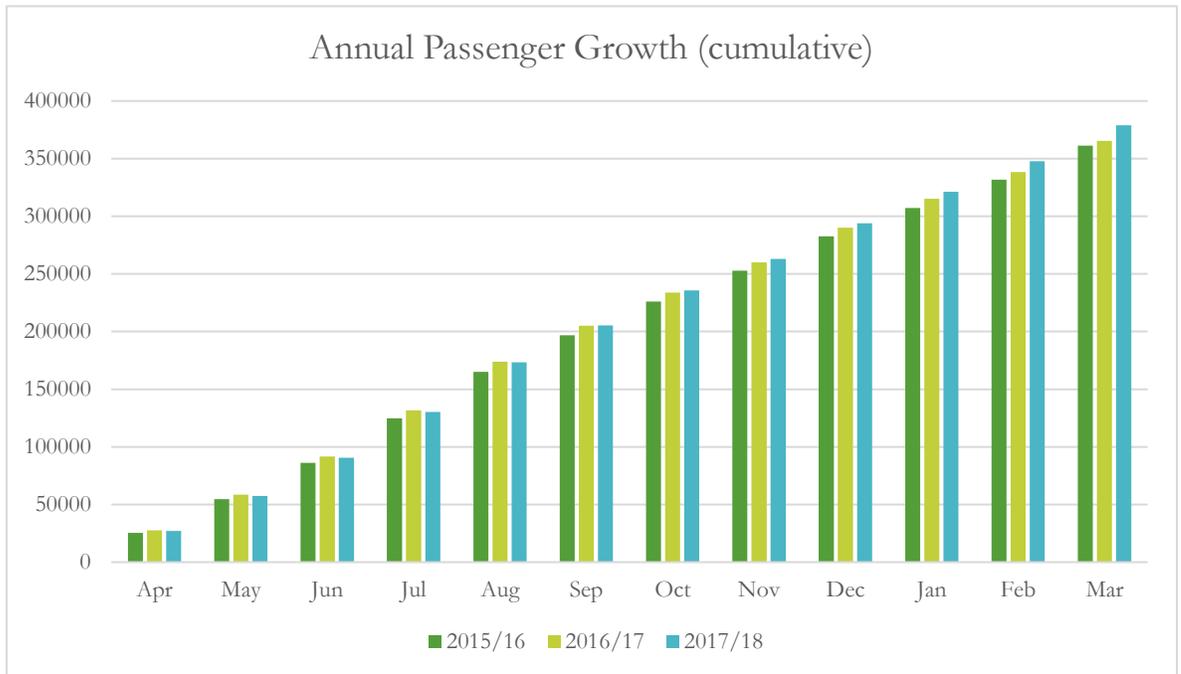
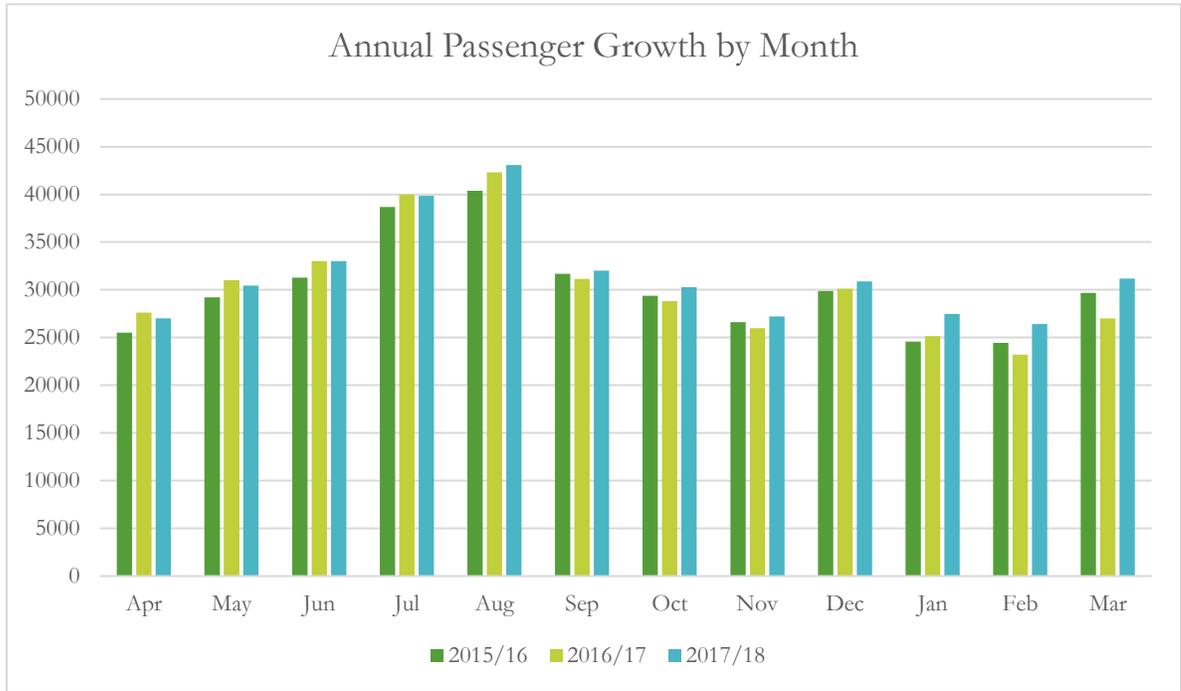
✓ **Canada Celebrates 150:** YQQ volunteers and staff were on-hand to help celebrate Canada's 150<sup>th</sup> birthday with our travellers. In the past year, our volunteer team has accumulated over 3,000 hours of service at the airport.



✓ **Travel Trade Group:** CEO Fred Bigelow addresses a group of professionals from the Travel Trade industry. The group toured the Comox Valley taking in a number of activities easily accessible from YQQ – demonstrating YQQ is the best way on and off the Island!

✓ **Community Groups:** YQQ hosted Comox Valley Remax Real Estate agents to discuss the advantages of our airport to attracting potential home buyers to the Comox Valley.





## 2017/18 Year at a Glance...

**Total Passengers 378,875**

**Year over year  
passenger increase:  
8 consecutive months in FY**

**Passenger traffic up:  
3.7% over 2016/17  
18% over previous 5 years**

**Highest traffic month to date:  
August 2017 - 43,072 passengers**

**Total Volunteer Hours:  
3,072**