

COMOX VALLEY AIRPORT COMMISSION
2015 ACCOUNTABILITY REPORT

MESSAGE FROM THE CHAIR AND CEO

Thanks to a successful 2014, the coming year is expected to be a fruitful one for the Comox Valley Airport with projected growth in our passenger numbers, thanks to increased capacity and improved connections.

Our first major milestone came in the summer of 2014, with the early adoption of new Transport Canada Regulations that allowed YQQ to return to regular operational procedures. Thanks to perseverance and the cooperation of our partners at 19 Wing Comox, our airport is once again one of the most reliable in the province.

In September 2014, we were pleased to announce increased capacity and scheduling improvements with WestJet Encore. An additional flight and changes to the schedule were implemented in January, which opened up about 14 additional WestJet markets that were not previously served by Comox in at least one direction. We are already seeing positive results with an 10 per cent increase in WestJet traffic for the first quarter of 2015.

In the same year, Canada Border Services Agency granted our request and designated the Comox Valley Airport an Airport of Entry and relocated its offices to the YQQ terminal, resulting in the elimination of customs fees on International flights for six months out of the year. This enables YQQ to provide customs clearance free of charge to our airlines and increases our competitive advantage in attracting carriers for international routes.

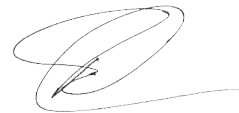
In December, the Comox Valley Airport was thrilled to announce the return of Air Canada to YQQ with a twice-daily service to Vancouver beginning May 1, 2015. This new service means that passengers can enjoy the convenience of checking in for their flight at our airport and then seamlessly connect to destinations in Asia, Australia, Europe and across North America; all on the same ticket.

As we look forward to 2015, we anticipate passenger growth thanks to the increased capacity offered by Air Canada and WestJet. We will continue our efforts to fill these planes and keep these routes viable. We also will work to identify any routes that continue to be under-served at our airport.

It is with great pleasure that we operate in the Comox Valley and we look forward to another successful year at YQQ, with positive contributions to the community in which we live and work.

Sincerely,

Frank van Gisbergen
Chair of the Board



Fred Bigelow
Chief Executive Officer



Frank van Gisbergen



Fred Bigelow



OUR VISION

To develop and expand our scheduled air services network.



OUR MISSION

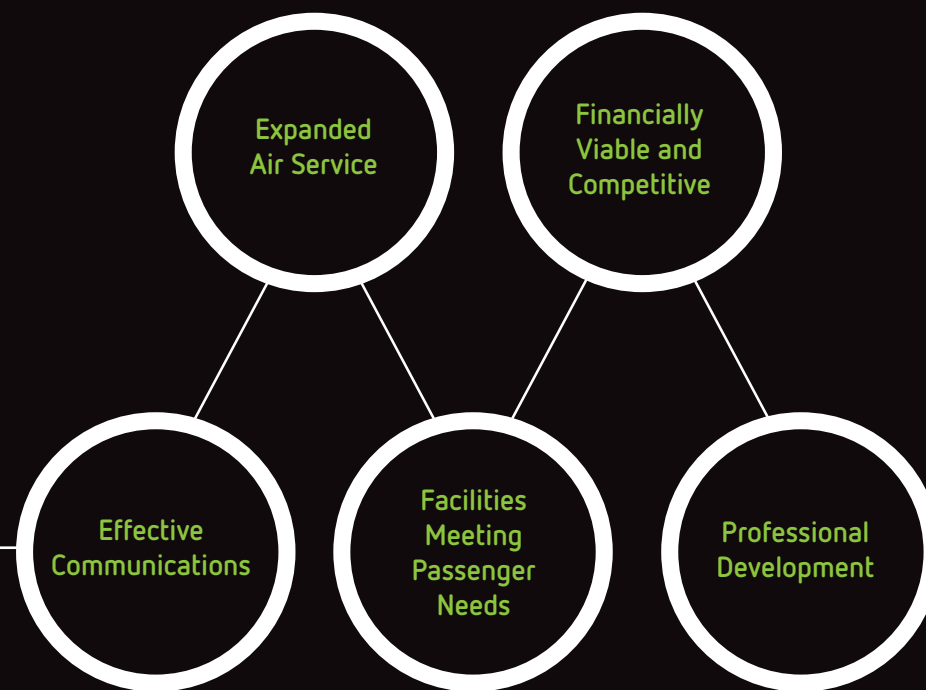
To exceed
the expectations
of our customers
and our communities.



VALUES



OUR GOALS



AIR SERVICE DEVELOPMENT

- Air Canada announced service from Comox to Vancouver, increasing capacity and frequency of flights into Vancouver that should result in improved connections with Star Alliance partners.
- WestJet increased frequency and capacity on its Calgary route with the addition of Encore to improve connectivity into the WestJet network. This flight opened up about 14 WestJet markets that were not previously served by Comox in at least one direction.
- Pacific Coastal began offering service to/from Bella Bella four times per week from YQQ. This new route improves access for companies looking to do business in this remote community. It also provides more options for Bella Bella residents looking to access services on Vancouver Island.
- Canada Border Services Agency relocated its offices to the Comox Valley Airport, enabling YQQ to provide customs clearance free of charge to its airlines.



About **36**
commercial flights
take off and land
each day at YQQ



AIR CANADA BRINGS THE WORLD TO COMOX

On May 1, 2015, Air Canada arrived to the Comox Valley Airport with a twice-daily non-stop service from Comox to Vancouver.

Mayors and community leaders were on the ramp to greet the arriving plane and later celebrated with a reception following the departure of the flight en route to YVR. Passengers on board were travelling to Vancouver or making connections into Air Canada's expansive network, which includes 190 destinations around the world.

"This new service provides access to destinations around the world starting right from Comox," said Comox Valley Airport CEO, Fred Bigelow. "Passengers can enjoy the convenience of checking in for their flight at our airport and then seamlessly connect to destinations in Asia, Australia, Europe and across North America, all on the same ticket."

The Comox schedule has been carefully planned to provide comprehensive connection options within the Air Canada route network. Possible same-day connections from Comox with Air Canada include: all points within B.C., Calgary, Edmonton, Saskatoon, Regina, Winnipeg, Toronto, Montreal, Ottawa, Seattle, Portland, San Francisco, Los Angeles, Hong Kong, Seoul, Tokyo-Narita, Osaka, Beijing, Shanghai, Honolulu, Maui, Sydney Australia and London Heathrow.

All Air Canada flights offer Aeroplan accumulation and redemption benefits. Air Canada and Central Mountain Air will also continue their code-share arrangement, enabling those travelling on an Air Canada ticket to fly the Vancouver leg of their trip with Central Mountain Air.



From Left to right: Paul Ives, Mayor of Comox; Fred Bigelow, Comox Valley Airport; Manno Theos, Comox Valley Regional District; Michelle Rempel, Minister of State for Western Economic Diversification; John Duncan, Member of Parliament for Vancouver Island North; Eamonn Horan-Lunney, Air Canada; Erik Erikson, City of Courtenay; Frank van Gisbergen, Comox Valley Airport Commission; Hugh MacKinnon, Town of Comox

AIR CANADA BRINGS THE WORLD TO COMOX

Where can you go with just one connection starting from Comox?



AIR CANADA

YQQ YVR

Domestic

- 1 Calgary
- 2 Edmonton
- 3 Saskatoon
- 4 Regina
- 5 Winnipeg
- 6 Toronto
- 7 Montreal
- 8 Ottawa
- 9 Fort McMurray
- 10 Whitehorse
- 11 Kelowna
- 12 Fort St. John

United States

- 1 Seattle
- 2 Portland
- 3 San Francisco
- 4 Los Angeles
- 5 Honolulu
- 6 Kahului
- 7 Anchorage
- 8 Houston
- 9 Denver
- 10 Chicago

International

- 1 Hong Kong
- 2 Auckland
- 3 Beijing
- 4 Sydney
- 5 Munich
- 6 Tokyo
- 7 Shanghai
- 8 London

OPERATIONS

- Worked with the Royal Canadian Air Force on the early adoption of new Transport Canada regulations to end the temporary landing restrictions placed on YQQ in 2011.
- The lowering of landing limits allowed the airport to return to regular operational procedures, once again making YQQ one of the most reliable aerodromes in the province.
- Received the 2014 Shell Operational Excellence “Double Platinum” Goal Zero Award for the second year in a row. This award is based on performance in the areas of Health and Safety, Training, Operations, Sales and Leadership.
- In response to customer feedback about cell phone service at the airport, CVAC agreed to lease land to Rogers for the construction of a new cell phone tower. Passengers on both Telus and Rogers networks now have access to a high quality signal in and around the airport terminal.
- Installed a second free Wi-Fi system for Shaw users to enhance service for passengers in the terminal building.
- Conducted a successful live emergency response exercise which allowed CVAC staff to practice their coordinated emergency management skills in a joint scenario with the RCMP and the 19 Wing Explosive Disposal Force (EDF).
- Teamed up with 19 Wing Comox and the Comox Fire Hall for a major fuel spill response exercise as part of BC Shake-Out earthquake preparation drills. The exercise resulted in the implementation of improved procedures at the airport and was an excellent demonstration of cooperation between the airport, the Wing and local civil authorities.
- Successfully completed phase one of the Aerodrome Security Program in accordance with new Transport Canada legislation. The program is designed to align Canada with international standards and practices and enhance the security of Canadian civil aviation.



YQQ fuel team members: Randy Doyle, Ray Negenman, Ash Mohtadi, Craig Ballington, Scott Harlock, Tanya Liebich, George McGill, Alex Robertson



Our fuel team put 2.6 million litres of fuel safely into aircraft last year



COMMUNICATIONS

- Delivered an information campaign to advise passengers about landing limits returning to normal at YQQ, including assurance about all-weather capability.
- Implemented marketing programs to educate passengers about Air Canada's new service to Vancouver and additional connections available through WestJet as the result of increased frequency to Calgary with Encore.
- Supported regional tourism and economic development by partnering on joint marketing initiatives with local tourism providers.

The Comox Valley Airport has the longest runway on Vancouver Island at **10,000 feet**



COMMUNITY CONTRIBUTIONS

- Provided 15 airport tours for schools, children's clubs, and day care centres.
- Supported the Angel Flight program by waiving terminal fees for pilots who volunteer their time to transport cancer patients to medical appointments.
- Donated approximately \$6,257 to a variety of charitable organizations in 2014/15 including: You Are Not Alone, The Children's Health Foundation of Vancouver Island, the Children's Miracle Network, the Sharing the Christmas Spirit Hamper Program and the Comox Valley Food Bank.

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PROFESSIONAL DEVELOPMENT

- The Comox Valley Airport places an emphasis on the professional development of its employees. Monthly training sessions ranging from first-aid to biohazard response were implemented, with many staff members also attending safety, anti-discrimination and supervisory skills workshops.
- Management staff and team leaders participated in 11 individual professional development opportunities ranging from air service development, safety, security and fuel training.

Volunteers
donate their
time to improve
the passenger
experience at YQQ



WESTJET ENCORE IMPROVES CONNECTIONS FOR COMOX PASSENGERS

WestJet responded to the Comox Valley Airport's request for scheduling improvements by adding additional frequency to its Calgary hub from Comox in January 2015. A new daily flight departing YQQ at 6 a.m. opened up about 14 additional WestJet markets that were previously not served from Comox in at least one direction. An additional evening flight now departs Calgary for Comox at 8:15 p.m. This new service ensures a minimum of three daily non-stop departures from Comox to Calgary at any time of the year.

"We have been lobbying WestJet to provide us with a daily early morning flight and we really saw an opportunity to make this happen with the introduction of the Q400s," explained Comox Valley Airport CEO, Fred Bigelow. "They agreed there was a market for more service and now we are happy to offer our passengers same-day access to destinations like Varadero, Orlando and Cabo San Lucas."



Sunny Escapes from Comox with WestJet

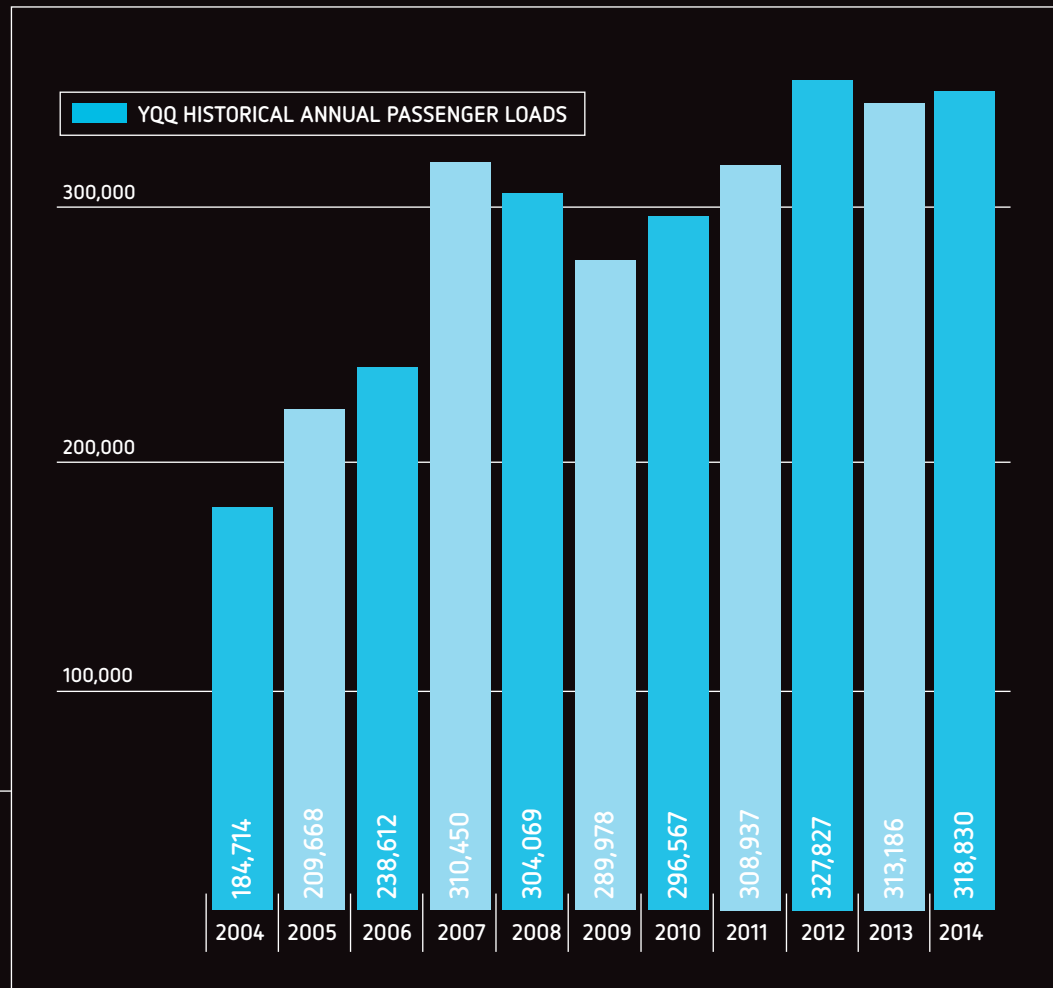


Same day connection destinations list:

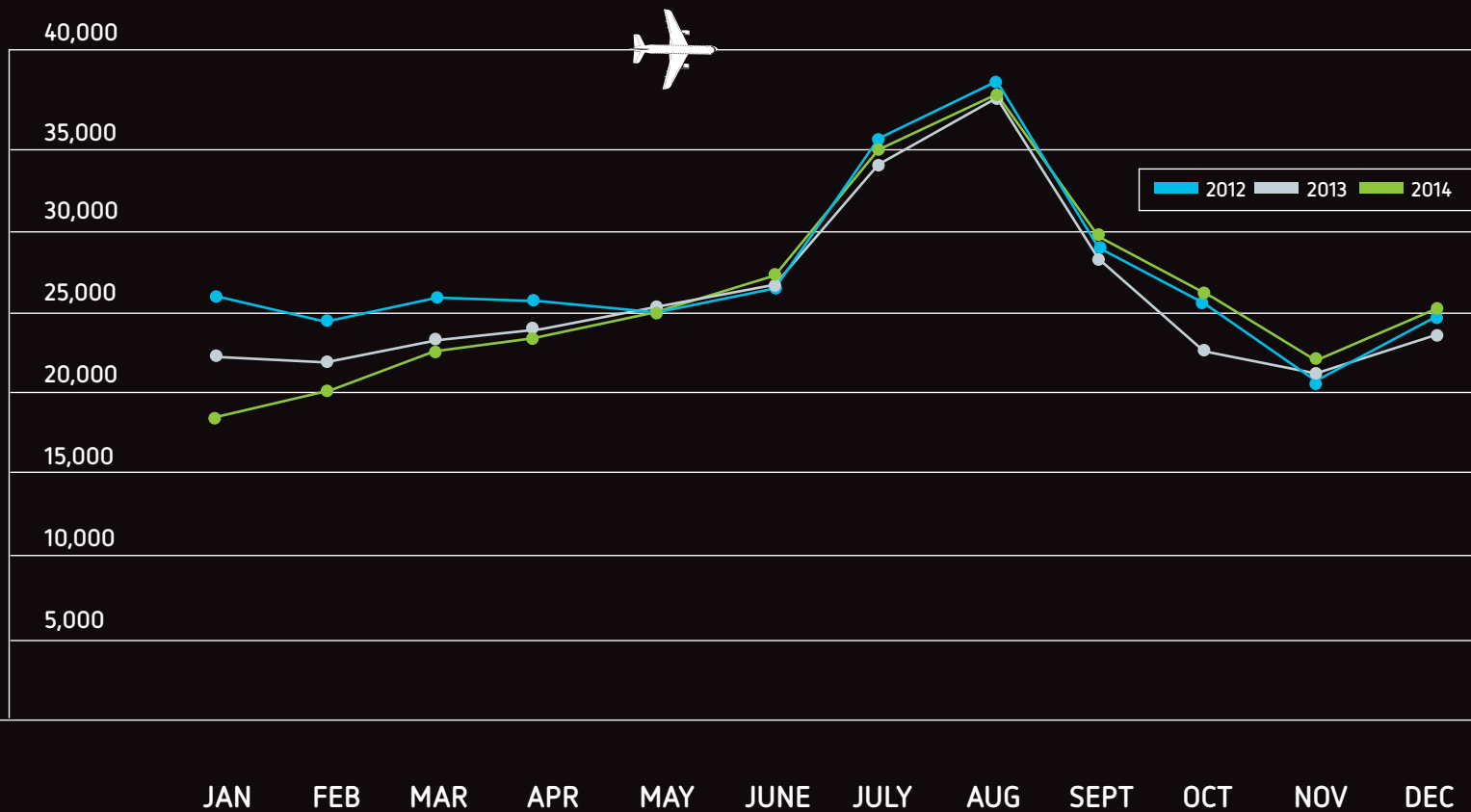
- 1 Los Angeles, California
- 2 Las Vegas, Nevada
- 3 Palm Springs, California
- 4 Phoenix, Arizona
- 5 Varadero, Cuba
- 6 Mazatlan, Mexico
- 7 Cancun, Mexico
- 8 Cabo San Lucas, Mexico
- 9 Loreto, Mexico



ANNUAL PASSENGER TRENDS



MONTHLY PASSENGER TRENDS



MONTHLY PASSENGER BREAKDOWN

	2012	2013	2014
JANUARY	25,322	21,714	18,811
FEBRUARY	22,884	21,341	20,353
MARCH	26,222	24,217	23,804
APRIL	26,103	25,298	24,697
MAY	25,700	26,097	26,153
JUNE	26,777	26,793	27,718
JULY	36,094	34,805	35,407
AUGUST	38,074	36,730	36,985
SEPTEMBER	27,228	26,449	29,194
OCTOBER	25,457	22,265	26,412
NOVEMBER	21,645	22,184	22,856
DECEMBER	26,321	25,293	26,440
TOTAL	327,827	313,186	318,830



2,874 Packs of gum sold last year at Mid Island Gifts



874 Passengers travel through YQQ each Day



GOVERNANCE

The Comox Valley Airport Commission (CVAC) is the governing authority for the operation of the Comox Valley Airport (YQQ). CVAC is a federally incorporated, non-profit entity that was established through letters patent in 1996. It successfully transitioned to the Canada Not-for-profit Corporations Act (NFP Act) in 2014.

CVAC operates civilian aviation facilities at the Comox Valley Airport. YQQ is located on Vancouver Island in the Town of Comox at 19 Wing Comox. CVAC's facilities are located on land that is leased from the Department of National Defence (DND).

DND maintains responsibility for YQQ's airfield and associated systems, which are provided for the use of civil aviation at the discretion of DND in exchange for landing fees.

Comox Valley Airport Commission Structure



BOARD OF DIRECTORS

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 Plan, making major decisions for the Commission and overseeing the management of the Commission's business and affairs.



2015 CVAC Board Members from left to right:
 Back Row - Andy Frost, Jay Oddleifson, Keith Tatton, Fred Bigelow, Fred Bates, Joe Schommer
 Front Row - Richard Clarke, Susan Toresdahl, Frank van Gisbergen, Linda Oprica

Director Compensation 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	Appointed	Committees	Compensation
Local Governments			
Richard Clarke	2013	Audit, Executive	\$3,938
Andy Frost	2014	Audit, Finance	\$3,000
Jay Oddleifson	2007	Audit, Finance	\$3,000
Linda Oprica	2007		\$3,000
Joe Schommer	2014	Governance	\$3,000
Comox Valley Chamber of Commerce			
Keith Tatton	2013	Executive, Finance	\$3,938
Comox Valley Economic Development Society			
Frank van Gisbergen	2012	Audit, Executive, Finance, Governance	\$7,125
Comox Valley Airport Commission			
Fred Bates	2012	Governance	\$3,000
Susan Toresdahl	2012	Executive, Governance	\$6,750

Meeting Attendance

Director	Position	Board Meeting /11	Executive Committee /11	Audit Committee /3	Finance Committee /6	Governance Committee /6
Frank van Gisbergen	Chair	10	3	3	6	4
Richard Clarke	Vice-Chair	8	3	3	3	
Jay Oddleifson	Chair, Audit	7		3	3	
Keith Tatton	Treasurer	8	2	1	6	
Susan Toresdahl	Secretary	8	3	1		5
Fred Bates	Director	9	1	1		4
Andy Frost	Director	9		3	6	
Linda Oprica	Director	9		1		3
Joe Schommer	Director	10		1		5



REVENUE

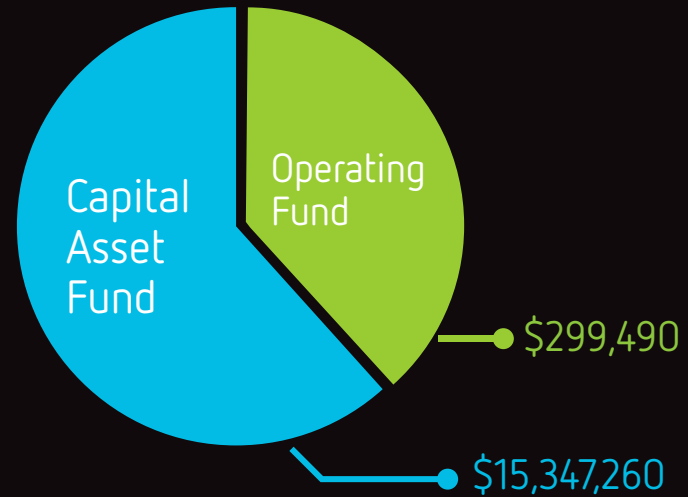


Financial Performance			
	2013/14	2014/15	% Increase
Total Revenue	\$3,887,280	\$4,014,631	3%
Total Expense	\$3,231,015	\$3,197,706	-1%



ASSETS

NET Assets:
\$15,646,750



Assets	2013/14	2014/15
Operating Fund	\$1,049,361	\$299,490
Capital Assets	\$13,780,464	\$15,347,260
NET Assets	\$14,829,825	\$15,646,750



CONTACT



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