

COMOX VALLEY AIRPORT

ANNUAL REPORT 2023

In the Climb

COMOX
VALLEY
AIRPORT

YQQ





The Comox Valley Airport Commission respectfully acknowledge that the land we gather on is on the Unceded Traditional Territory of the K'ómoks First Nation, the traditional keepers of this land.

PHOTO: Jordan Dyck - I-Hos Gallery



Message from the Board Chair

Our airport is a gateway connecting the Comox Valley, Central and Northern Vancouver Island to the international aviation system of airlines and airports, big and small.

That vast system has seen three turbulent years. With the 2020 onset of the COVID-19 pandemic, demand for air travel promptly collapsed. A rocky recovery followed, with many airlines and airports facing financial and logistical difficulties with staffing and equipment, some needing government support. Passengers experienced unstable service as airlines had to keep re-jigging routes and schedules. In Canada, over last winter's holiday season, heavy snow and ice multiplied the strain at Canada's largest airports and passengers endured sudden, prolonged delays.

At the Comox Valley Airport, as our financial year closed in March 2023, a whisper of relief could be heard around the board table. Locally, we had managed to meet many of the challenges seen in the wider system. While the pandemic's effects weren't all gone — we were unable to shelter passengers from the instability of air service — we'd clearly passed through the crisis with no damage to our own operational capacity. Thanks to the efforts of Canadian Forces Base Comox, the runways were well cleared of ice and snow. Importantly, we enhanced our longstanding reputation for service, offering a friendly, convenient air terminal with a staff and volunteer team who really care about their passengers.

How was that achieved? First, we'd avoided layoffs: our loyal team stayed with us through the pandemic and after. CEO Mike Atkins led them to respond nimbly to shifting government guidelines and regulations. We are proud of the entire team as they truly embrace the 'We Care' philosophy ensuring the best possible passenger experience.

Second, in the past year, we refreshed our passenger facilities for more space and convenience. A \$2 million project, half funded by the Federal Government, was finished on time and on budget. It streamlined security screening, added roomier, softer seating with charging stations, and installed a licensed café inside the secure area.

The aviation industry is one of the hardest to decarbonize. It must be done, but exactly how and what cost? Locally, this imperative has our full attention: our airport's aim is for Net Zero carbon emissions by 2035. This and other strategic issues we addressed in revising the strategic plan.

During the year we said farewell to board members Richard Hardy, Andy Frost and Richard Clark. We thank them for their service. Having advertised the vacancies in local media, we were gratified when many qualified candidates stepped forward. In January we were pleased to welcome Bruce Bell, David Drummond, John Madden and Maxine Montgomery to our Board.

In closing, I encourage you to reach out to any member of the Board if you have ideas or concerns to discuss. In the end, we are here to serve you, the passenger, to ensure that your Comox portion of the journey is safe, efficient and enjoyable.

CVAC Chair Martin Crilly



Message from the CEO

While the pandemic is a fading memory for most, the aviation industry continues to have challenges returning to full operational capability.

For the Comox Valley Airport specifically, the last year was marked by a fairly aggressive recovery to 80% of pre-pandemic passenger levels that then leveled off as our carriers struggled to return capacity and schedule to meet demand. As an 'initial departure/final destination' airport, issues elsewhere in the system often impacted passengers at our terminal, either with cancelled flights departing or delayed baggage on the return. Through it all, the team at the Comox Valley Airport strived to provide the best possible service assisting our passengers through an often-frustrating travel experience. I know that staff and passengers alike hope that the worst is behind us.

The passenger numbers story of the past year has been one of volatility. With travel advisories being lifted in the Spring, traffic recovered quickly, but with limited notice the relaunch of international service to Puerto Vallarta was curtailed to the fall. With the addition of new ultra-low-cost carriers Flair and Swoop Airlines and increased capacity on WestJet, Air Canada and Pacific Coastal's routes volumes ramped up rapidly. All told, the Comox Valley Airport handled 323,429 passengers over the fiscal year, just over 80% of pre-pandemic passenger volume.

The corollary to passenger recovery was the financial recovery. After two years of pandemic related losses, increased passengers meant that revenue exceeded expenses even after considering the \$1 million plus capital investment in the Terminal Enhancement Project. While most fees have remained unchanged since the terminal opened in 2004, we continue to accumulate excess revenue for future capital expenditures. However (and unsurprisingly), inflation is creating an expense pressure on our budget as it is across the wider environment. Regardless, we continue to maintain our philosophy of being a low-cost airport for carriers and passengers alike.

Our major focus over the past year has been the Terminal Enhancement Project, delivering a larger, more functional Pre-Board Screening (PBS) area and an expanded Hold Room. With the majority of the project conducted on the 'secure' side of the terminal building, staff worked tirelessly to ensure that we could remain operational throughout construction. I want to commend our entire team for enabling this project and thank our tenants and passengers for enduring any inconvenience during construction. I know you will enjoy the changes.

We continue to pursue initiatives across the Environmental, Social and Governance (ESG) spectrum. Following the release of our GHG Reduction Strategy, we evaluated BC options for carbon credits as we prepare to declare Carbon Neutral on our way to Net Zero by 2035. In keeping with CVAC's values, we sought and were granted Living Wage status recognizing our ongoing commitment to fair remuneration for our employees. We regularly updated our policies and procedures to ensure compliance with the latest Labour Code and best practices, ensuring that we have a robust and transparent framework upon which to base our decisions. We sought ways to give back to the community through charitable donations and participation in community events such as the Christmas Hamper program, Coldest Night and Grand Parade.

While the past year was one of exceptional turbulence for the industry, challenging passengers and airport staff alike, I believe the worst is behind us. The airport has returned to profitability, with refreshed facilities and full staffing as experience levels continue to build. As we settle into the 'new normal', I remain confident that carrier schedule and capacity will soon stabilize before growing to meet renewed passenger demand. I hope that the team at the Comox Valley Airport will have the pleasure of speeding you along on your next journey.

CVAC CEO Mike Atkins

19 Wing – CFB Comox



The Comox Valley Airport Commission (CVAC) operates the civilian aviation terminal located on land that is leased from the Department of National Defense (DND). DND maintains responsibility for the airfield and associated systems – IATA code YQQ, which are provided for the use of civil aviation at the discretion of DND in exchange for landing fees.

The shared use of the capital-intensive aerodrome provides the region with cost efficient civilian air service, maximizing the utility of the federally funded infrastructure while providing a low-cost advantage that appeals to increasingly cost-conscious air carriers.



CVAC is a proud corporate sponsor of the RCAF Vampire Project which will enhance the Historic Air Park, situated at 19 Wing, adjacent to the terminal.

www.comoxairportmuseum.ca/vampire-pavillion



Management, staff and team leaders participated in individual professional development opportunities ranging from environmental assessment, safety, security, fuel systems training and conferences. CVAC is proud to be recognized as a Living Wage Employer by Living Wage for Families BC.



The Comox Valley Airport works with local community organizations to provide opportunities for individuals with special needs to gain work experience at the airport.



The Comox Valley Airport Commission understands its most valuable assets are the people it employs. Monthly in person training sessions for non-management staff were re-implemented following a hiatus imposed by COVID protocols.



Safety is always the top priority and CVAC was awarded Gold 2022: Shell Goal Zero HSSW Award – Excellence in Operational Health Safety and Security Environmental.



CVAC staff member Tanya Liebich advanced to Lead Hand Maintenance and Fueling, receiving accolades for training staff and oversight of fuel tank installation.

YQQ Ambassadors

A dedicated team of nearly 50 volunteers donate their time to improve the passenger experience at the Comox Airport. Often the first impression for passengers is a friendly greeting with a smile, providing guidance and assistance for departing and arriving passengers.



CVAC was proud to introduce the Sunflower Lanyard Program to the terminal to aid passengers with hidden disabilities as they navigate the Comox Airport, and other participating airport locations, helping passengers that might need assistance or a little extra time.



Experience Comox Valley sponsored two Visitor Experience training sessions to aid Ambassadors in communicating tourism information to visitors.



Social events included the annual Golf Tournament and luncheon at The Park, and the popular Holiday Celebration with senior management, Board and many of the terminal tenants on hand to personally thank the volunteers for providing vital support to elevate the passenger experience.

Partners



Gains in non-aeronautical revenue surpassed passenger growth with parking and rental car revenues exceeding pre-pandemic volumes as demand outpaced supply for rental cars during peak periods



On The Fly Café welcomed new owners Lyle and Rachel Smith taking over on July 1st. The hold room expansion provided a second satellite unit, which together with increased passenger volumes saw revenues surpass pre-pandemic, with December 2022 setting a new sales record.

The Comox Airport is a community of companies proud to provide our passengers with friendly and reliable service.



Above wing service provider Menzies Aviation wrapped up operations with duties handed over to Canadian based supplier Executive Aviation.



Allied Universal Security took over G4S as the CATSA service provider, retaining the staff and local manager. The transition to a larger, more efficient pre-board screening area coincided with passenger recovery, avoiding many of the challenges experienced at Canadian hubs.



North Island Aviation provides ground support services to all air carriers at YQQ.

Vision

Gateway of Choice: We will be the preferred Island gateway by providing affordable, friendly, access to desirable destinations with convenient connections.

Mission

Connecting with the world: We are a gateway that welcomes business, family and leisure travel, enables community and economic development and brings Vancouver Island closer to the world. The possibilities are endless.

Values

Safe & Secure Ensuring that the health, safety and security of our passengers, staff, tenants, volunteers, and operations remain our most important priority.

Adaptive & Responsive Remaining adaptable and responsive to the changing needs of our passengers, our community, and our industry.

Innovative & Proactive Providing optimum customer experience by adopting proactive and innovative approaches to our work.

Honest & Respectful Ensuring that all relationships are founded on integrity, honesty, and mutual respect.

Ethical & Sustainable Remaining environmentally responsible, socially conscious, financially sustainable, and ethically governed

Strategic Objectives

Optimal airport facilities and customer experiences.

Meeting demands of measured and responsible growth.

Reinforcing relationships with governments, First Nations, and stakeholders.

Attract and retain a talented and motivated team



CVAC Board and senior management participated in a series of strategic planning sessions to produce a new plan, incorporating the lessons learned and the changes necessary to manage future growth in response to global demand and climate change. Steady, incremental changes will be necessary to align current and future operations with the new strategic objectives.

Air Service Development



YQQ saw massive capacity increases with the return of all pre-pandemic routes: Calgary, Edmonton, Vancouver, Toronto, and Puerto Vallarta.

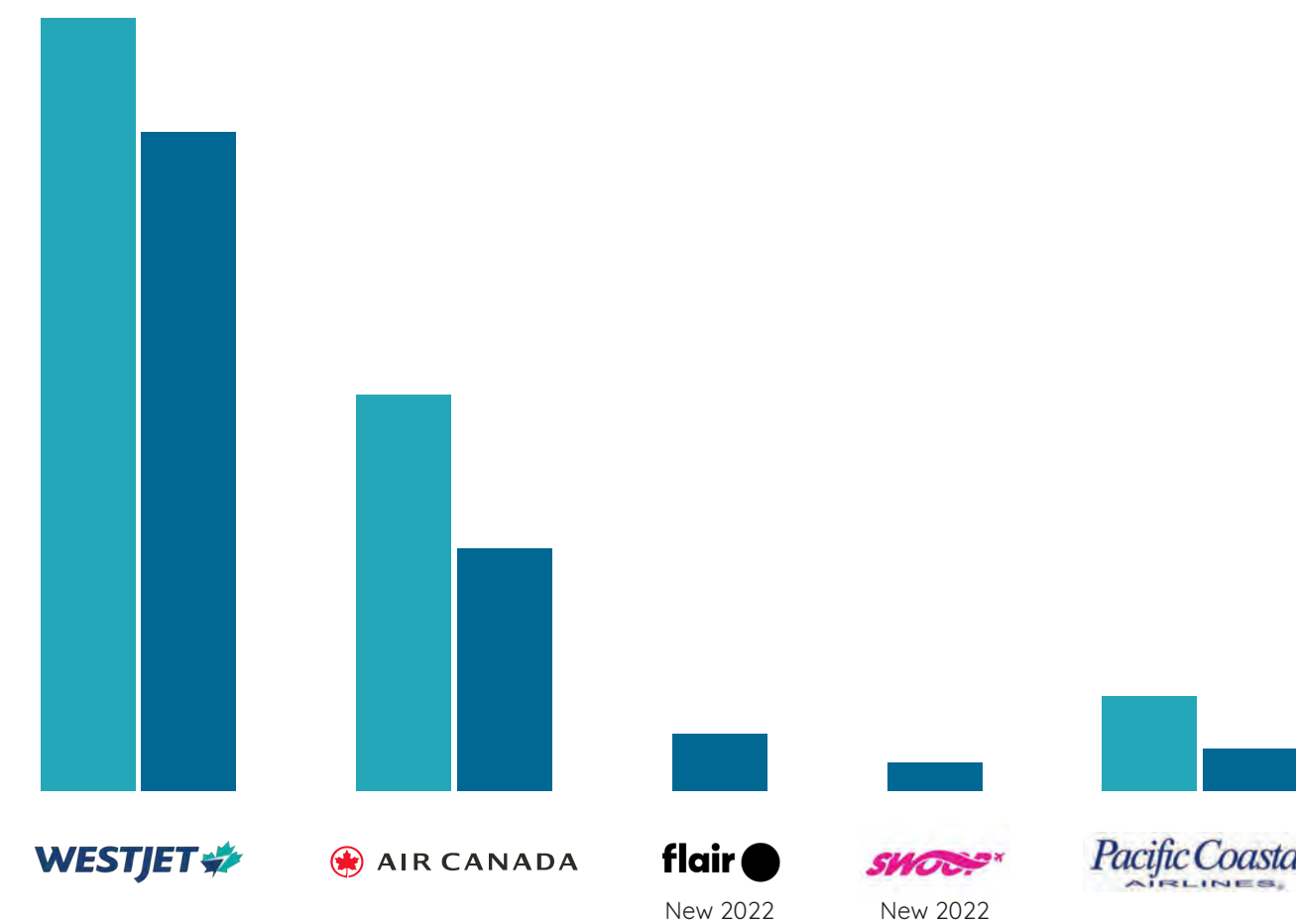
YQQ's pace of recovery soared with the continuation of service from Air Canada, WestJet and Pacific Coastal on all pre-pandemic routes. The capacity recovery was supplemented by two new ULC carriers looking to fill planes with domestic service, due to the uncertainty of international travel resultant of pandemic restrictions.

Crew shortages necessitated the cancellation of the non-stop Toronto service immediately after re-launch, but the increases in capacity via the hubs allowed domestic connectivity to surpass pre-pandemic levels.

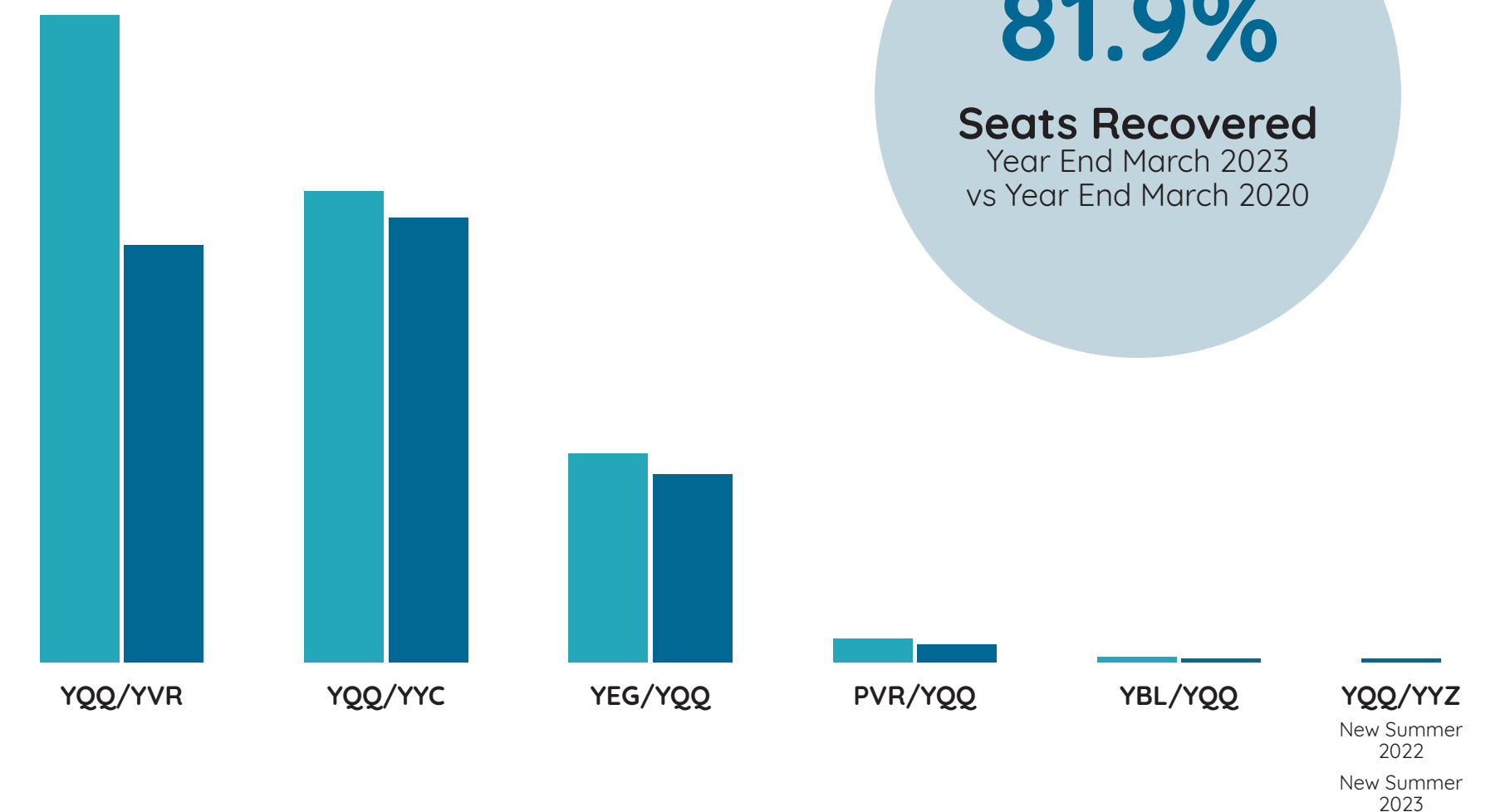
The summer heralded the addition of the airport's first Ultra Low Cost carrier Flair Airlines 2x weekly service to Calgary and Edmonton and by early June a second ULC - Swoop Airline brought in cost competitive service to Edmonton. Delay's in aircraft delivery forced the early withdrawal of Flair, with Swoop service was maintained into September, completing the summer season, but exiting a few weeks earlier than planned.

Year End March 2023 vs. Year End March 2020 Capacity Comparison

- YE March 2020
- YE March 2023

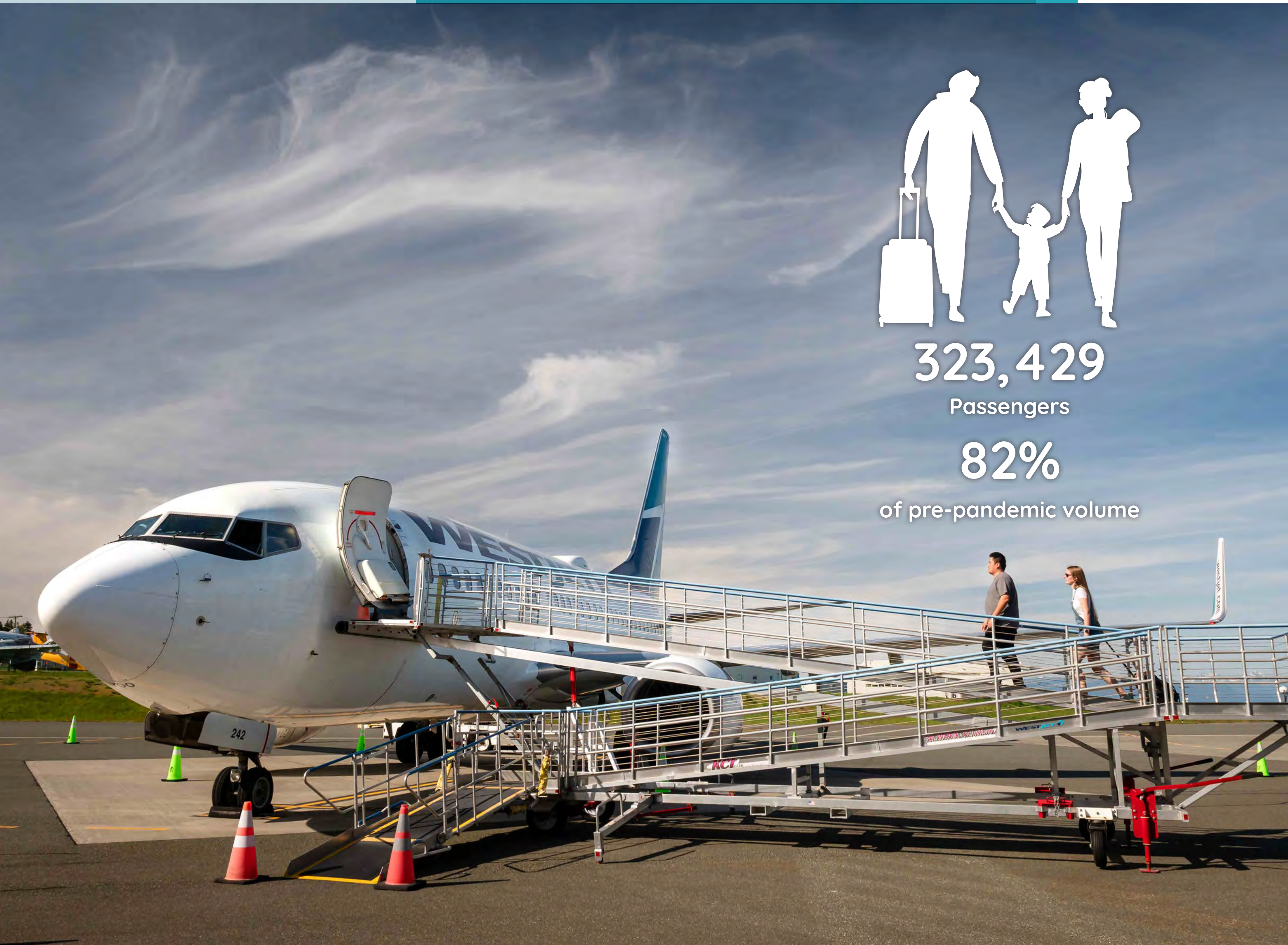


YQQ Total Seat Capacity, Both Directions, by Airline
YE March 2020 vs YE March 2023



YQQ Total Seat Capacity, Both Directions, by Market
YE March 2020 vs YE March 2023

81.9%
Seats Recovered
Year End March 2023
vs Year End March 2020



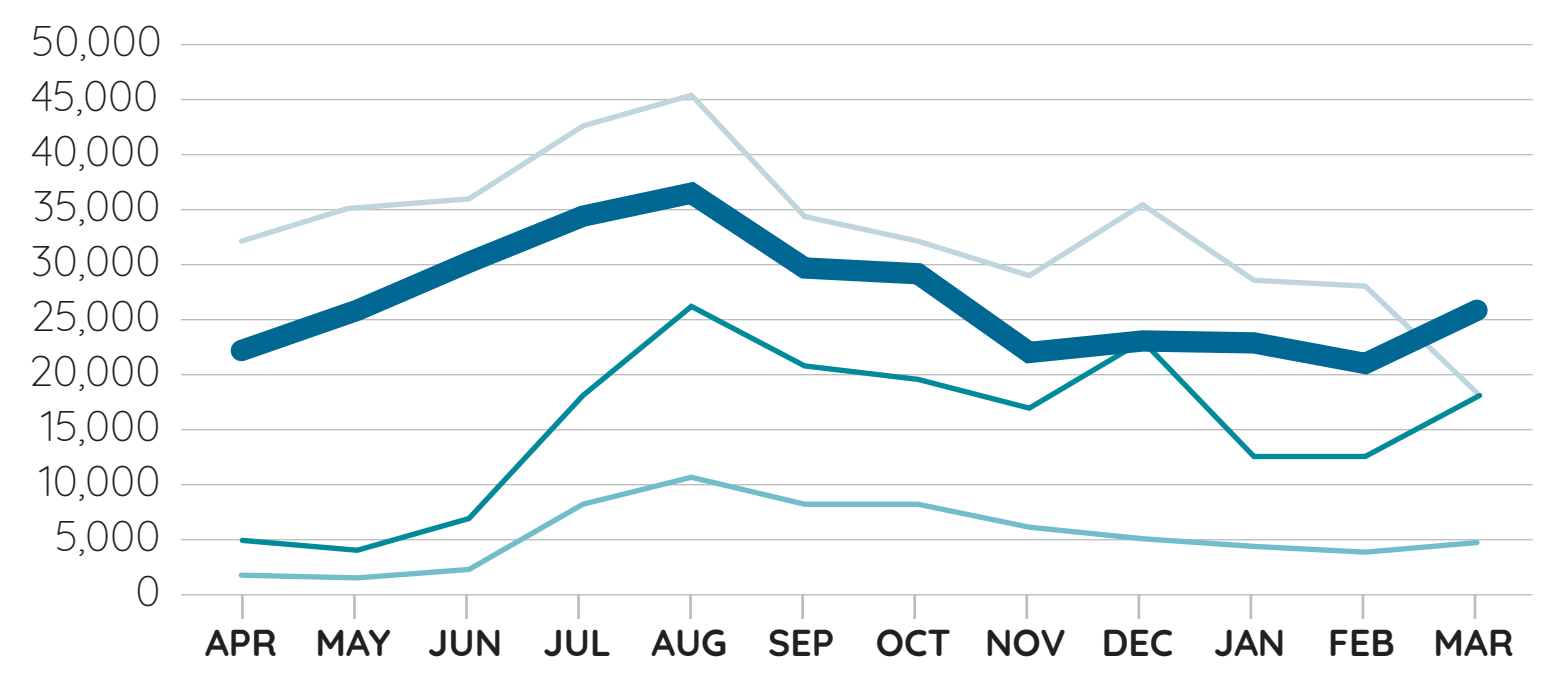
323,429

Passengers

82%

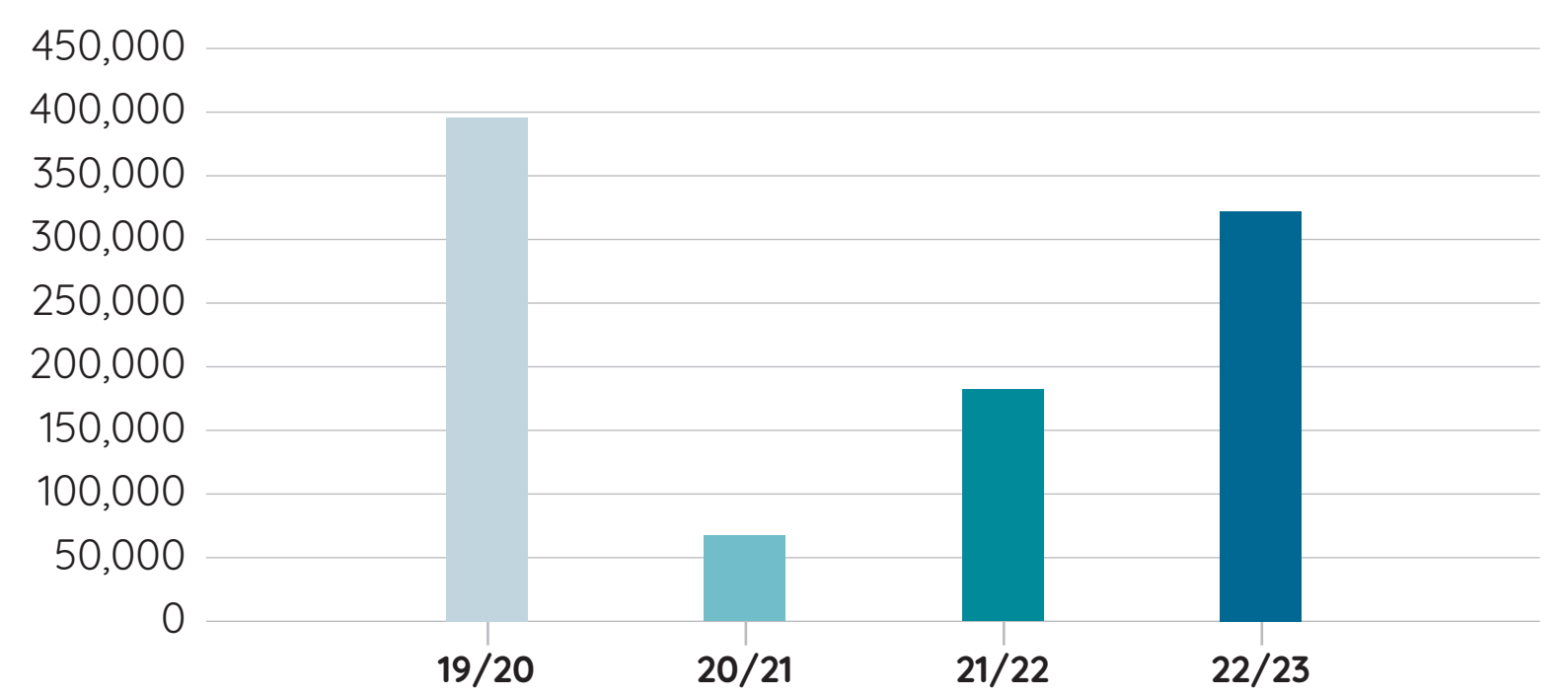
of pre-pandemic volume

Passenger Numbers



YQQ Passenger Totals by Month
2019 to 2023

● 19/20 ● 20/21 ● 21/22 ● 22/23



YQQ Total Passengers
2019 to 2023

See <https://www.comoxairport.com/publications>
for Audited Financial Statements

Financials



Revenues showed a marked increase with the return of passenger volume, while our mainly fixed-cost expenses showed some increase with rising inflation.

Forecasting was extremely conservative due to the vast uncertainty of travel and air carrier recovery, which continues to be volatile. Comox Valley Airport was able to recover to over 80% of pre-pandemic volume in a year when many small and regional airports in Canada were challenged to meet 50% of pre-pandemic levels. Increases in non-aeronautical revenue paired with better than anticipated passenger recovery resulted in excess revenues of \$1.3 million, indicative of an organization that is prepared to put aside the challenges of the pandemic to progress into the climb of a new aviation era.

Revenue	2021/22	2022/23
Total Rev	\$ 3,759,555	\$ 5,373,523
Total Exp	\$ 3,912,729	\$ 4,041,931
Canada Emergency Wage Subsidy	\$ 341,571	
Surplus (Deficit)	\$ 309,285	\$ 1,143,270

Assets	2021/22	2022/23
Operating Fund	\$ 1,739,991	\$ 1,038,577
Capital Fund	\$ 20,447,964	\$ 22,292,648
Net Assets	\$ 22,187,955	\$ 23,331,547

Charitable Giving

CVAC annually allocates funds to support local charitable initiatives and encourages staff participation by sponsoring Team YQQ Flyers to participate in two outdoor walks:



- Coldest Night, with funds raised directed to Dawn to Dawn and the Transition Society
- The Grand Parade in support of Glacier View Lodge, with several members also completing the Fred Bigelow 100K.
- Staff, volunteers and members of the CVAC Board all contribute to the Holiday Hamper Program supporting four large families.
- Donations and gifts in kind were contributed to BC's Angel Flight, Comox Valley Food Bank, URoC – United Riders of Cumberland, Cumberland Community Forest, Comox Valley Wheelchair Sports and others.
- CVAC took an active role in community events sponsoring the Comox Business Improvement Association's Halloween Costume Parade, The Campbell River Chamber's Golf Tournament, MusicFest and the Comox Seafood Festival.

Providing timely information on changing travel requirements and COVID 19 protocols continued to be the priority for website and social media messaging. Digital, print and radio advertising was utilized to promote and support new and returning service.

Start here, fly anywhere

Open up the world from your back door. Comox Airport offers WestJet, Air Canada, Pacific Coastal, Flair and Swoop Airline departures connecting you to anywhere you want to travel.

COMOX VALLEY AIRPORT YQQ

visit [comoxairport.com](https://www.comoxairport.com)

Edmonton (the quick way)
↑ Gate 3

COMOX VALLEY AIRPORT YQQ

Daily non-stop service to Edmonton.

FIND OUT MORE

More serene in real life.

COMOX VALLEY AIRPORT YQQ

WESTJET

YQQ collaborated with WestJet and Experience Comox Valley to promote the Comox Valley to YQQ's inbound tourist market in print and digital campaigns.

Don't miss Puerto Vallarta.

Non-stop flights from Comox Airport are back.

COMOX VALLEY AIRPORT YQQ

WESTJET

Book at [westjet.com](https://www.westjet.com) or call your travel agent.

WestJet's seasonal non-stop to Puerto Vallarta re-launched Fall 2022, celebrating the return of international travel. A fall campaign targeting outer catchment was used to remind travellers of YQQ's Edmonton frequency and flight availability following the departure of the ULC's.

COMOX VALLEY AIRPORT YQQ

WELCOMING **SWOOP** TO COMOX

CANADA'S ULTRA-NOT-EXPENSIVE AIRLINE

WITH DIRECT FLIGHTS FROM EDMONTON

Arriving June 9th
Summer 2022

www.comoxairport.com

June saw the launch of a second ULC with Swoop's 2x weekly service to Edmonton celebrated.

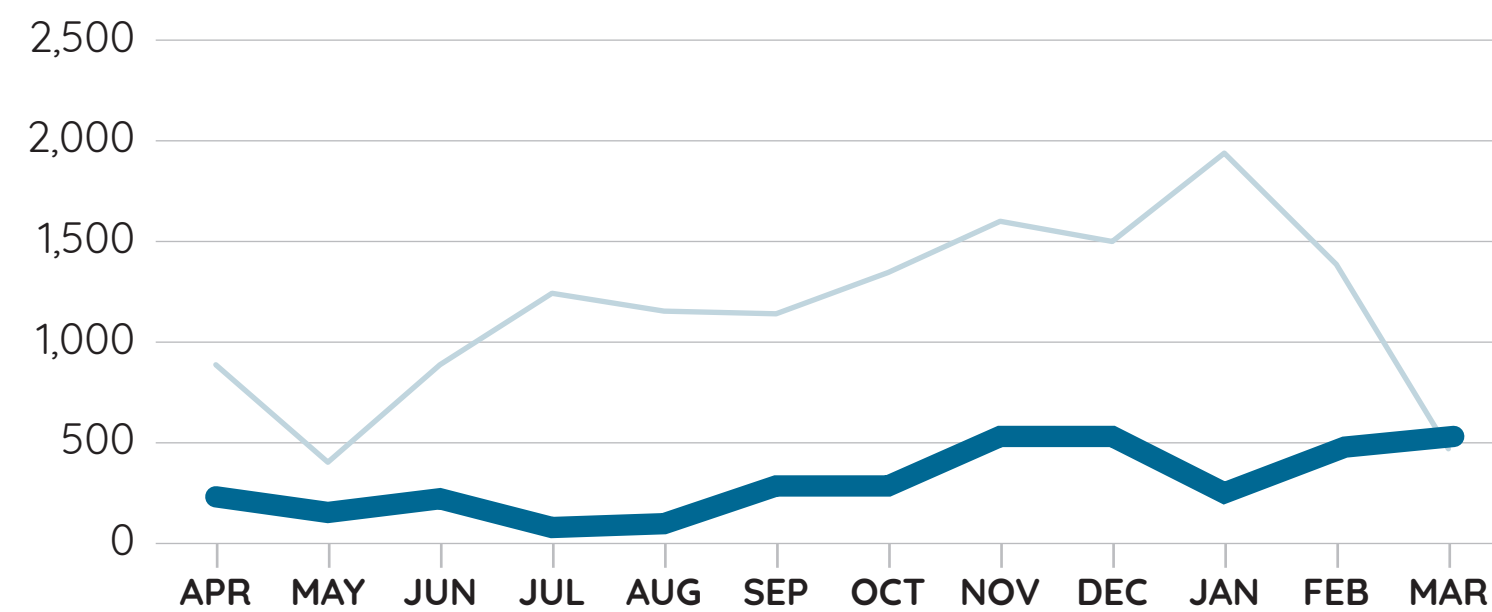
Climate Action



Ethical and Sustainable values require immediate and ongoing actions to reduce emissions and resource usage to minimize activities that are contributing to climate change.

CVAC's climate action is being led by Facility Manager Ash Mohtadi and Deputy Manager Francis Laplante. They formed a Green Committee to take the lead on GHG reduction, drafting CVAC's first Green House Gas Reduction Strategy and Path to Carbon Zero.

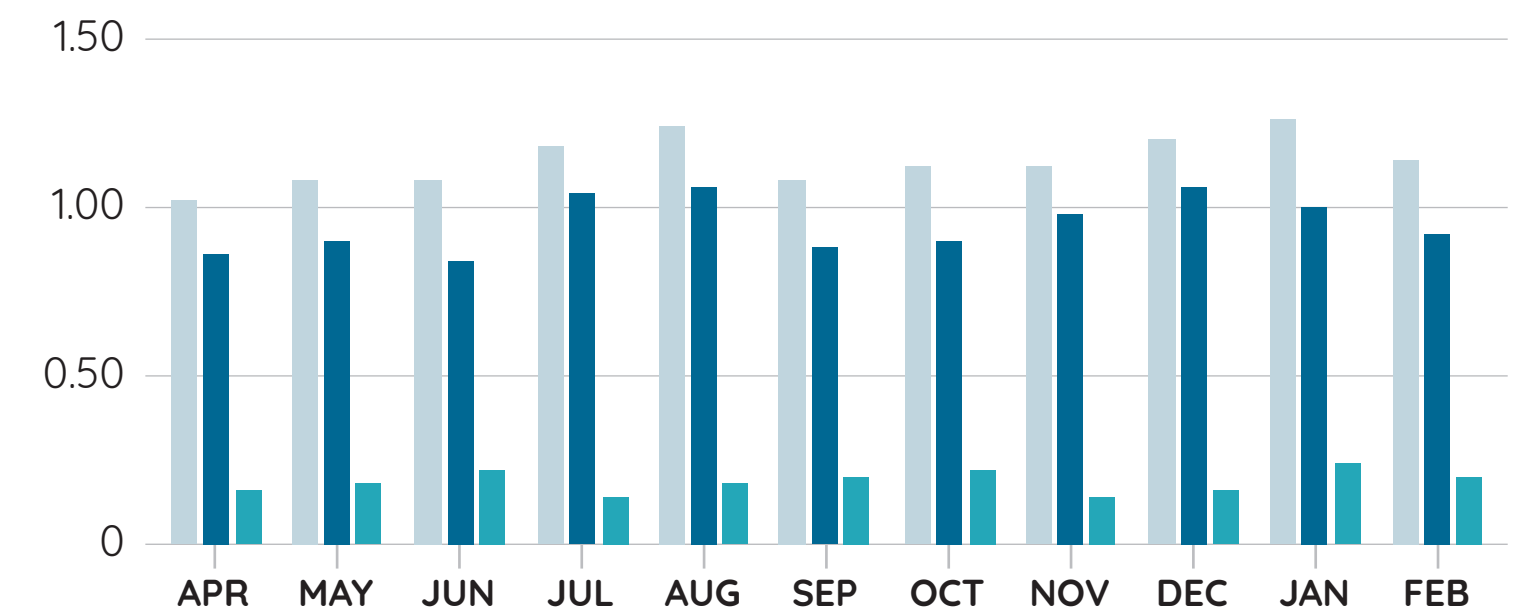
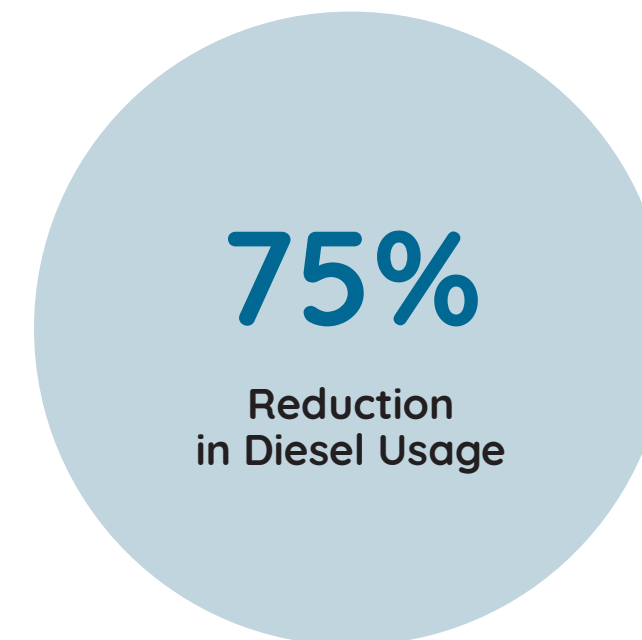
Continuing work from the initial GHG Emissions inventory completed in 2022 as part of Climate Smart Certification, CVAC is currently seeking Airport Carbon Accreditation (ACA) certification – the only institutionally-endorsed, carbon management certification standard for airports.



Diesel GPU Usage

● 19/20 ● 22/23

Upgrades to extend electrification to airline ground support (GPU) resulted in a 75% reduction diesel usage.



CVAC Scope 2 BC Hydro GHG Emissions (tCo2e)

● 19/20 ● 22/23 ● Reduction in GHG Consumption

Retrofitting lighting to efficient LED fixtures, adding motion controlled sensors and timers helped to reduce electricity usage in the terminal significantly.

Regional Air Transportation Initiative



The Regional Air Transport Initiative awarded funds for a significant terminal enhancement in Summer of 2021 – with preliminary work coordinated to minimize disruption to operations and passengers.



The final phase of the enhancement project continued into the busy 2022 summer season to complete the new Operations Office along with hold room improvements to create a satellite café, new and additional seating with convenient power outlets.



Additional digital screens were added to aid in visual communications, along with a hearing loop to assist those with current hearing devices to monitor departure information more clearly by utilizing this acoustic upgrade.

Public Arts and Culture Program



The Airport is proud to sponsor two annual art exhibits featuring curated works from local artists. Travellers were welcomed to the terminal by the ArtWrx Collective's vibrant Spring installation, followed by an exhibit exploring the theme of Mindful Travel, coordinated in collaboration with CVArts.

ARTIST: Joanne Nemeth

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:



Bill Anglin, Vice-Chair
Audit, Finance



Nancy Arsenault
Governance



Bruce Bell
Finance



Martin Crilly, Chair
Ex-officio all committees



David Drummond
Audit, Governance



Wendy Lewis, Treasurer
Finance



John Madden
Audit, Finance



Maxine Montgomery
Governance



Miriam Myers, Secretary
Governance



Mike Atkins, CEO
Ex-officio all committees

- 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;
- Three members are appointed by the Board

Meeting Attendance

Director	Appointment	Position	Board Meetings/5	Audit Committee/2	Finance Committee/5	Governance Committee/3
Bill Anglin	2020	Vice Chair	5	2	5	1
Nancy Arsenault	2019	Director	5		2	3
Bruce Bell	2023	Director	*		2	1
Martin Crilly	2016	Chair	5	2	5	3
David Drummond	2023	Director	*		1	1
Wendy Lewis	2019	Treasurer	5		5	
John Madden	2023	Director	*		2	
Maxine Montgomery	2023	Director	*		1	1
Miriam Myers	2021	Secretary	5		2	3

* Appointed Q4



Nota Bene: Last year, the CVAC Board commissioned a stained glass insert to honour past CEO Fred Bigelow, who passed away too soon in 2020. The new window is based upon an image of Fred enjoying one of his many outdoor pass times and now adorns the arrival doors, inviting visitors to explore and enjoy the beautiful Comox Valley.

see <https://www.comoxairport.com/board-members-and-bios> for more information

CONTACT

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www.comoxairport.com

