



North Bay Jack Garland Airport



**2013
Annual General Meeting
Annual Report
May 8, 2014**





2013 Annual Report

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Chairman's Message

North Bay Jack Garland Airport (NBJGA) completed its eleventh year as a not for profit corporation. Created in February 2003, NBJGA Corporation is overseen by a Board of Directors made up of community leaders representing various aspects of our community with the goal of operating a successful regional airport to serve North Bay and surrounding communities.

On behalf of the Board, I am pleased to report that NBJGA had another successful year. The management and employees of the airport continue to overcome the many challenges faced by regional airports such as NBJGA and can be proud of their accomplishments.

In 2013, airport management continued to focus on the implementation of the Airport Safety Management System (SMS). The SMS Program is required by Transport Canada and the BOD believes that maintenance and enhancement of the system is a critical part of the continued operation of the Airport. This past year, the airport's SMS and operations were reviewed and validated by Transport Canada.



Chairman's Message

The NBJGA Corporation invested \$994,344 into the Airport in 2013. The Corporation received \$283,814 in Airport Capital Assistance Program funding from Transport Canada, \$142,868 from Industry Canada Community Improvement Fund and \$385,016 from the City of North Bay. The balance of capital \$182,645 was internally funded.

Major projects undertaken in 2013 included:

- Airport fleet renewal
- Rehabilitation of airside signage and taxiway lighting
- Hanger upgrades
- Infrastructure improvements to aprons
- Design and engineering for planned Terminal 2 expansion

The airport continued its runway crack repairs program to ensure properly maintained runways and help prolong their life in a cost effective manner. In addition routine repairs to runway, apron and building assets were completed.



Chairman's Message

Occupancy of Terminal 1 remains above 95% in support of the corporation's objective that the terminal be financially self-sustaining.

From a financial perspective the year was a success. In 2013, NBJGA had revenues of \$2,357,666 versus a budget of \$2,327,971. NBJGA realized a net income of \$12,387 versus a budget of \$76,278. The variance in net income versus budget was a result of the completion of a land use plan undertaken after the budget was established and higher amortization charges.

The NBJGA saw over 67,606 air passengers, down 0.6% from 2012, and 41,664 in aircraft movements in 2013, a decrease of 19.9% from the previous year. These decreases can be partly respectively attributed to the economic challenges faced in the region and globally in the aviation industry. For a third consecutive year NBJGA hosted flights to a winter vacation destination.



Chairman's Message

Utilizing the work and opportunities identified by the Investment Attraction, Marketing and Air Services Study (2011) the board and management of NBJGA continued implementation of its 5 year Strategic Plan.

NBJGA completed the review of and the updating of the Airport's Land Use Plan and Noise Exposure Planning Contours. The plan was recently approved by the Board and submitted to the City for consideration for incorporation in the City's Official Plan. The NBJGA views the protection of noise exposure forecasts (NEF Zones), registered zoning, supportive municipal by-laws, approach procedures, 24/7 unlimited access as critical elements for future aerospace development. These elements provide complete advantages to aerospace related businesses for future development at the airport.

Management continues to work closely with the City of North Bay's economic development department to support commercial and industrial development on groundside and airside properties at the recently opened Airport Business Park.

The continued support of the community, its municipal leaders and other levels of government is appreciated and will be necessary as we continue to work to maintain and grow a safe and efficient regional airport.



Chairman's Message

Management continues to make it a priority to work with its current tenants, stakeholders and the community to make the NBJGA a successful regional airport. Its success will depend on the continued dedication of its management and employees.

Moving forward continued implementation of our strategic plan, continued marketing and development of the airport facility, and successful expansion of Terminal 2 are the priorities of the NBJGA Corp.

The Board is pleased with the progress that has been made to date to improve the financial position of the NBJGA. As of the end of 2013, a reserve fund of \$558,105 has been built to help fund future capital projects and replace capital assets as their useful life ends. In addition, the internally restricted future operations fund stood at \$57,142 as of the end of 2013. While challenges remain to ensure the financial and commercial self-sustainability of the airport we believe that the NBJGA has the potential to be a premiere self-sustaining regional airport facility.

In closing and on behalf of the board I would like to thank the management and employees of NBJGA for their dedication and hard work in making the past year a success. I have confidence that with the continued support of all of the stakeholders we will make this airport an important contributor to the economic and social development of North Bay and its surrounding region.



Operating Mandate

The Mission/Mandate

- The corporation shall operate a certified airport in a safe, secure and efficient manner while promoting and developing airport services in order to maximize revenue generation and thus ensure the commercial viability of the airport in support of the overall economic development of the North Bay area.
- In consultation with and approval of the city, the corporation will seek to develop and improve city owned lands within the boundary of the airport.

The North Bay Jack Garland Airport Corporation Vision

- NBJGA Corporation will respond to regional economic development initiatives and pursue a growth strategy that will increase air traffic, build strategic partnerships, increase utilization of current assets and attract new aviation/aerospace businesses.



NBJGAC Board of Directors

Board of Directors

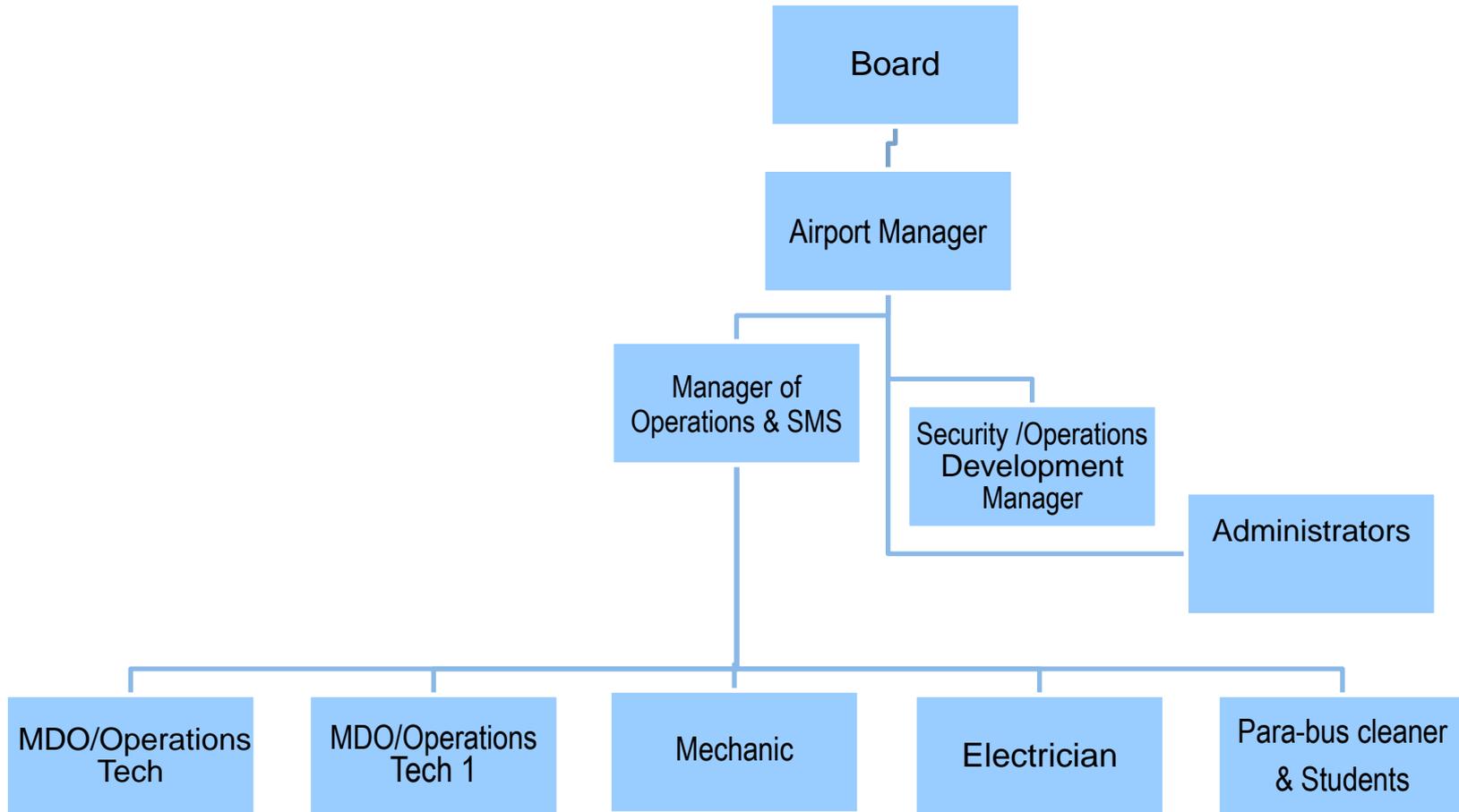
Mr. John Severino	Chairman	Community
Mr. Max Shapiro	Vice-Chair	Voyageur Airways
Mr. Ewen Cornick	Treasurer	Canadore College
Mr. Kevin Donnelly	Secretary	Community
Mr. Ron Miller	Director	Community
Mr. Bill Carswell	Director	Community
Mr. Gord Cardwell	Director	EDC
Mr. Daryl Vaillancourt	Director	City of North Bay
Mr. Peter Argue	Director	Community
Mr. George Burton	Ex Officio	Canadore College

Board Committees

Executive Committee	Chair	Mr. John Severino
Operations/Policy Committee	Chair	Mr. Max Shapiro
Financial/Human Resources Committee	Chair	Mr. Ewen Cornick
Marketing/Property Committee	Chair	Mr. Bill Carswell



North Bay Jack Garland Airport Corporation





Airport Contact Information

- **Mailing Address**
 - North Bay Jack Garland Airport Corporation
50 Terminal St., Suite 1
North Bay, ON
P1B 8G2
- **Telephone:** (705) 474-3026
- **Fax:** (705) 472-9867
- **Email:** airportmanager@northbayairport.com
- **Website:** www.yyb.ca



Airport Facilities

- The North Bay Jack Garland Airport is a full service airport offering all the conveniences of a modern regional airport.
- The municipally owned airport is served by several air carriers and charter operators with daily scheduled flights, providing national and international connector service for North Bay and other Northern Ontario communities.
- The airport is certified by Transport Canada for day and night IFR (Instrument Flight Rules) and VFR (Visual Flight Rules) operations.
- The main 10,004 foot runway is serviced by a parallel taxiway for efficient airport operations.
- Category 1 Instrument Landing System (ILS), Canada Customs, and Flight service Station attract and accommodate a diverse range of aircraft.
- The 4,492 foot cross wind runway and the 2,000 foot turf runway provide alternates for airport users.
- The pavement loading rating of 11 on the main runway will support all types of aircraft
 - light trainers
 - wide-bodied planes such as the Boeing 747 and Air Bus 330
 - Military operations C-130, F-18, C-17
- With attractive noise exposure forecasts (NEF Zones), registered zoning, supportive municipal by-laws and approach procedures the airport offers 24-hour unlimited access with no curfew restrictions.
- The North Bay Airport offers protected flight test corridors and flight test areas in close proximity.



2013 Year In Review

Operations

Safety Management System:

- February 2013 Transport Canada approval of the Airport's SMS plan
- June 2013 External Quality assurance audit of all the airport operation components and documents by WSP-Canada. Five minor findings were reported and corrected
- August 2013 Transport Canada on site validation of the Airport's Safety Management System and Operations. Three minor items were noted and corrected.

Airport Security Plan:

- The Airport developed a Security Plan and Awareness Training Program to meet the amended legislation as per the Canadian Aviation Regulations

Maintenance:

- Tree removal to meet Obstacle Limitation System requirements
- Airfield maintenance projects included crack sealing of Lima taxiway and Apron III, and line painting on all hard surface areas.
- Repairs and upgrades to all buildings.
- Site clean up and fence repairs



2013 Year In Review

Operations

Land Use and Airport Protection Plan update

The Airport contracted EBA TETERA TECH to review the Airport's Land Use Plan and Noise Exposure Planning Contours to recommend a long-term plan to ensure the Airport is protected for today and the future. The draft document was approved by the Board and submitted to the City to be incorporated in the City's Official Plan this past February.

Emergency Preparedness

October 16th, 2013 the Airport conducted a full scale emergency exercise in conjunction with its community partners. This type of exercise is required every four years to comply with our operating Certificate to ensure the protocols put in place remain effective in case real emergency.

Major construction projects and capital expenditures in 2013 included:

- Rehabilitate the Sand Storage Building
- Fleet renewal
- Hanger doors Alert Hangers
- Servicing of Apron III (Hydro , Gas, Water and Sewer)
- Rehabilitate Airfield signs and lights.
- Convert closed section of 31 to an active section of Apron III
- Terminal Expansion Planning

All works were completed to enhance service, safety and the financial viability of the airport.

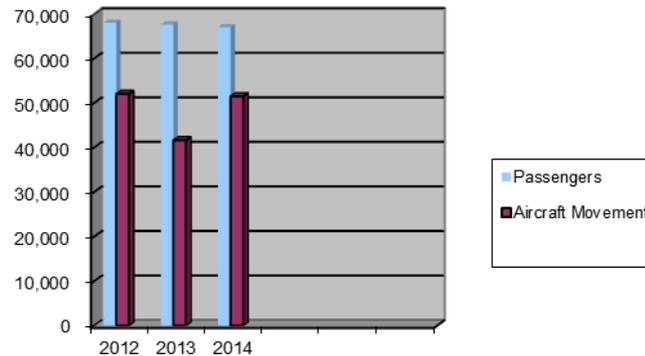


2013 Year In Review

Traffic Activity 2013

- 67,606 airline enplaned/deplaned passengers used the North Bay Airport. In addition 12,388 persons used the facilities for itinerant and private flights.
- Aircraft activity for the year was down 20% from 2012 with 41,664 recorded aircraft movements. This change was mostly due to less training flights and weather conditions
- We expect 2014 to remain constant with traffic numbers.

	2012	2013	2014
Passengers	68,016	67,606	67,000
Aircraft Movement	52,028	41,664	51,500





2013 Year In Review

Capital Program

In 2013 a capital program of \$994,344 was completed. The Airport committed \$182,645 and the City of North Bay provided \$385,016. The balance was secured through grant applications from:

- Transport Canada Airport Capital Assistance program \$283,814
- Industry Canada (FedNor) Community Improvement Fund \$142,868

Major capital projects in 2013 included:

- Multi-purpose 1-ton truck
- Rehabilitate Sand Dome
- Airport fuel pump control system
- Replace Runway Sweeper





2013 Year In Review

Capital Program – continued

Major capital projects that were undertaken during 2013 included;

- Replacement of Alert Hanger Doors
- Rehabilitation of Airport Signage and conversion of Lima East Taxiway Lights to LEDs
- GA Apron Servicing





2013 Year In Review

Business Development

North Bay Jack Garland Corporation and airport management recognize the need for a competitive and self-sufficient organization designed to serve the needs of the travelling public, airport tenants and the North Bay and area community.

Two new business were established in the new Airport Commercial/Industrial Park.

- Comsatec started land preparation for a new 20,000 square feet hanger to be completed in 2014.
- Die Corp (Drillers Edge) set up shop groundside.





2012 Year In Review

The Airport and City's Economic development team continue to work together to market and grow the airport. Meetings to attract new services and business are on-going. The next clip is part of our current marketing program.





2013 Year In Review

Special Events

Airport facilities were utilized by several community groups during 2013:

- Canadore Aviation College Air Cadet Program
- Canada Armed Forces Day
- Local School Tours
- Air Cadet Gliding Program
- Community Emergency Preparedness Exercise





Financial Summary

		2013
	Actual	Budget
Revenues	\$ 2,357,666	\$ 2,327,971
Expenses	<u>\$ 2,247,056</u>	<u>\$ 2,218,693</u>
Operating Income	\$ 110,610	\$ 109,278
Land Use Plan	\$ 42,858	\$ -
Amortization	<u>\$ 55,365</u>	<u>\$ 33,000</u>
Net Income	\$ 12,387	\$ 76,278

In 2013 the NBJGA Corporation was able to generate a net profit of \$12,387.

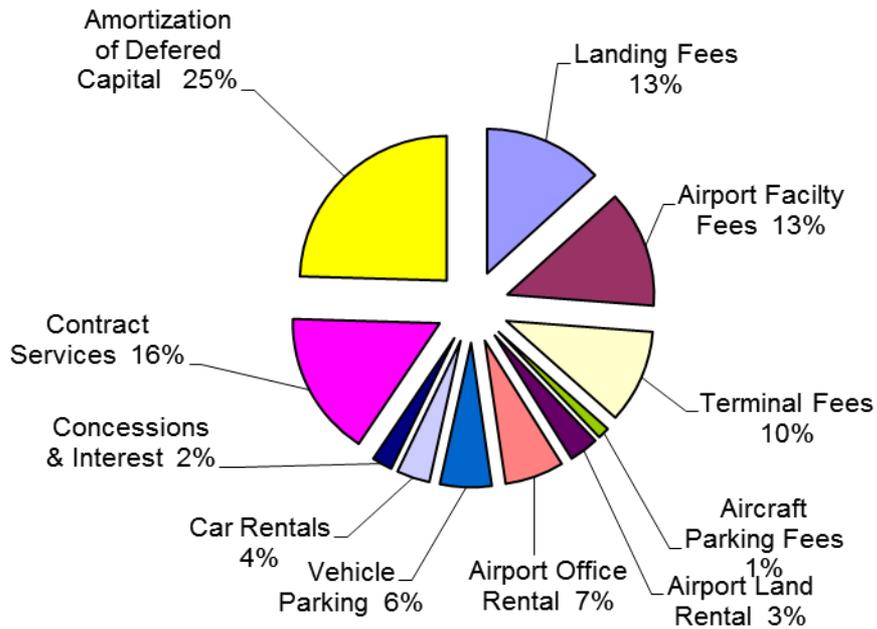
Actual net income versus Budget were impacted by:

- Increased revenues generated by minor increase in a number of budget items.
- Operational expenses were slightly over budget due to winter operations.
- The cost associated with up-dating the Airport Land Use & Protection Plan and the year-end accounting entries to capture the amortization of deferred contributions and capital assets.

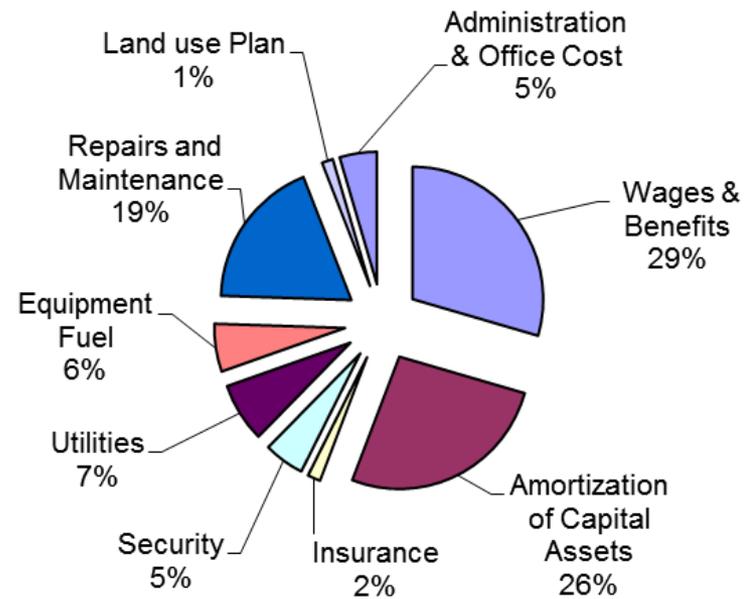


Financial Summary

Revenues by Type



Expenses by Type





Financial Statements of
**NORTH BAY JACK GARLAND
AIRPORT CORPORATION**
Year ended December 31, 2013



KPMG LLP
Chartered Accountants
925 Stockdale Road
North Bay ON P1B 9N5

Telephone (705) 472-5110
Fax (705) 472-1249
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of North Bay Jack Garland Airport Corporation

We have audited the accompanying financial statements of North Bay Jack Garland Airport Corporation which comprise the statement of financial position as at December 31, 2013, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of North Bay Jack Garland Airport Corporation as at December 31, 2013, and its results of operations and the changes in its net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

May 8, 2014
North Bay, Canada



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Statement of Financial Position

December 31, 2013, with comparative information for 2012

	2013	2012
Assets		
Current assets:		
Cash	\$ 97,912	\$ 353,074
Accounts and grants receivable (note 2)	512,700	248,767
Inventories	75,249	74,756
Prepaid expenses	5,489	5,112
	691,350	681,709
Restricted cash (note 3)	357,042	586,024
Capital assets (note 4)	13,547,230	12,528,951
Less accumulated amortization	(3,996,409)	(3,174,573)
	9,550,821	9,354,378
	\$ 10,599,213	\$ 10,622,111

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 162,425	\$ 244,842
Prepaid fees (note 5)	25,967	24,063
	188,392	268,905
Deferred capital contributions (note 6)	8,851,710	8,806,482
	9,040,102	9,075,387
Net assets:		
Unrestricted	244,753	406,698
Equity in capital assets (note 7)	699,111	547,896
Internally restricted (note 3)	615,247	592,130
	1,559,111	1,546,724
Commitments (note 8)		
	\$ 10,599,213	\$ 10,622,111

See accompanying notes to financial statements.

On behalf of the Board:

_____ Director

_____ Director



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Statement of Operations

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
Revenue:		
Fees and services	\$ 2,337,548	\$ 2,389,627
Contract	9,090	9,218
Interest	11,028	11,949
Government assistance (note 10)	-	65,832
Amortization of deferred capital contributions (note 6)	766,471	713,604
	<u>3,124,137</u>	<u>3,190,230</u>
Expenses:		
Salaries and benefits	916,536	900,206
Amortization of capital assets	821,836	757,664
Repairs and maintenance	575,484	630,404
Utilities	225,006	195,120
Equipment fuel	181,753	167,441
Security services	154,811	148,400
Insurance	49,893	46,601
Land use plan (note 11)	42,858	-
Professional fees	40,845	24,719
Telephone	33,347	40,542
Advertising	24,535	16,484
Office and general	17,584	16,612
Travel	8,540	9,297
Interest and bank charges	5,993	8,671
Consulting fees	5,565	14,501
Materials and supplies	5,149	9,213
Office equipment rentals	2,015	1,928
Bad debts	-	9,064
	<u>3,111,750</u>	<u>2,996,867</u>
Excess of revenues over expenses	\$ 12,387	\$ 193,363

See accompanying notes to financial statements.



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Statement of Changes in Net Assets

Year ended December 31, 2013, with comparative information for 2012

	Unrestricted	Internally Restricted (note 3)	Equity in Capital Assets (note 7)	2013 Total	2012 Total
Net assets, beginning of year	\$ 406,698	592,130	547,896	\$ 1,546,724	\$ 1,353,361
Excess (deficiency) of revenue over expenses	67,752	-	(55,365)	12,387	193,363
Net changes in investments in capital assets (note 7)	(206,580)	-	206,580	-	-
Internally imposed restrictions - capital (note 3)	(217,190)	217,190	-	-	-
Internally imposed restrictions - capital (note 3)	151,215	(151,215)	-	-	-
Internally imposed restrictions - operations (note 3)	42,858	(42,858)	-	-	-
Net assets, end of year	\$ 244,753	615,247	699,111	\$ 1,559,111	\$ 1,546,724

See accompanying notes to financial statements.



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Statement of Cash Flows

Year ended December 31, 2013, with comparative information for 2012

	2013	2012
Cash flows from operating activities:		
Excess of revenue over expenses	\$ 12,387	\$ 193,363
Adjustments for:		
Amortization of capital assets	821,836	757,664
Amortization of deferred contributions related to capital assets	(766,471)	(713,604)
	67,752	237,423
Change in non-cash working capital:		
Accounts and grants receivable	(263,933)	335,959
Inventories	(493)	(11,816)
Prepaid expenses	(377)	631
Accounts payable and accrued liabilities	(82,417)	(244,850)
Prepaid fees	1,904	(3,546)
	(277,564)	313,801
Cash flows from financing activities:		
Repayment of obligation under capital lease	-	(25,055)
Deferred contributions related to capital assets	811,699	745,860
	811,699	720,805
Cash flows from capital activities:		
Purchase of capital assets	(1,018,279)	(833,712)
Cash flows from investing activities:		
Decrease (increase) in restricted cash	228,982	(29,441)
Increase (decrease) in cash	(255,162)	171,453
Cash, beginning of year	353,074	181,621
Cash, end of year	\$ 97,912	\$ 353,074

See accompanying notes to financial statements.



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

North Bay Jack Garland Airport Corporation (the "Corporation") is incorporated without share capital under the laws of Ontario. The Corporation has entered into an operating agreement with the Corporation of the City of North Bay (the "City") to manage Jack Garland Airport until December 31, 2018. This agreement may be terminated by either party without cause, upon one-hundred eighty days notice.

1. Significant accounting policies:

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards including the 4200 standards for government not-for-profit organizations. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

(a) Revenue recognition:

Fees, services and expense recoveries are recognized when fees are earned and services provided respectively, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

The Corporation accounts for contributions, which include government grants, under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grants approved but not received at the end of a period are accrued. Grants relating to future periods are deferred and recognized in the subsequent period when the related activity occurs.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

(b) Inventories:

Inventories are stated at the lower of average cost and net realizable value.



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

1. Significant accounting policies (continued):

(c) Capital assets:

Capital assets are stated at cost less accumulated amortization. Amortization is provided for over the estimated useful lives of the assets using the following bases:

Asset	Basis	Years
Equipment	Straight-line	12 - 15
Computer hardware and software	Straight-line	5
Building improvements	Straight-line	10
Vehicles	Straight-line	5
Land improvements	Straight-line	5
Airfield infrastructure	Straight-line	20
Groundside infrastructure	Straight-line	20

(d) Employee future benefits:

Defined contributions plan accounting is applied to a multi-employer defined benefit pension plan for which the Corporation has insufficient information to apply defined benefit plan accounting.

(e) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and valuation allowances for receivables. Actual results could differ from these estimates.

2. Accounts and grants receivable:

	2013	2012
Accounts receivable	\$ 232,142	\$ 204,381
Capital asset contributions receivable:		
Industry Canada	15,852	44,386
Transport Canada	214,985	—
Corporation of the City of North Bay	49,721	—
	\$ 512,700	\$ 248,767



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

3. Internally restricted net assets and restricted cash:

	2013	2012
Future capital expenditures	\$ 558,105	\$ 492,130
Future operations	57,142	100,000
	<u>\$ 615,247</u>	<u>\$ 592,130</u>

The Corporation restricted \$217,190 (2012 - \$72,079) for future capital expenditures. Annually, the Corporation sets aside 3% of gross revenue, excluding amortization of deferred capital contributions for future capital expenditures, and any further amounts as determined by the Board of Directors.

The Corporation utilized \$151,215 (2012 - \$Nil) from the reserve for future capital expenditures and \$42,858 (2012 - \$Nil) from the reserve for future operations.

The Corporation has restricted cash in the amount of \$357,042 (2012 - \$586,024) related to the above.

4. Capital assets:

	2013		2012	
	Cost	Accumulated Amortization	Net book Value	Net book Value
Equipment	\$ 3,265,216	\$ 936,379	\$ 2,328,837	\$ 2,170,950
Computer hardware and software	146,835	88,808	58,027	55,585
Vehicles	151,994	133,806	18,188	30,850
Building improvements	2,270,890	1,116,755	1,154,135	1,083,357
Airfield infrastructure	7,625,725	1,714,169	5,911,556	5,929,230
Groundside infrastructure	86,570	6,492	80,078	84,406
	<u>\$ 13,547,230</u>	<u>\$ 3,996,409</u>	<u>\$ 9,550,821</u>	<u>\$ 9,354,378</u>

5. Prepaid fees:

Under the terms of airport use agreements with various customers, the Corporation receives prepayments for the use of airport assets in the future. These prepayments will be recognized as revenue when the services are provided.

NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

6. Deferred capital contributions:

Deferred capital contributions represent the unamortized balance of grants received for capital asset acquisitions. The amortization of capital contributions is recorded as revenue in the Statement of Operations.

	2013	2012
Balance, beginning of year	\$ 8,806,482	\$ 8,774,226
Contributions received	811,699	745,860
Amortization of deferred capital contributions	(766,471)	(713,604)
	<u>\$ 8,851,710</u>	<u>\$ 8,806,482</u>

7. Investment in capital assets:

(a) Investment in capital assets is calculated as follows:

	2013	2012
Capital assets	\$ 9,550,821	\$ 9,354,378
Amounts financed by:		
Deferred contributions	(8,851,710)	(8,806,482)
	<u>\$ 699,111</u>	<u>\$ 547,896</u>

(b) Change in net assets invested in capital assets is calculated as follows:

	2013	2012
Excess of revenues over expenses:		
Amortization of deferred contributions related to capital assets	\$ 766,471	\$ 713,604
Amortization of capital assets	(821,836)	(757,664)
	<u>\$ (55,365)</u>	<u>\$ (44,060)</u>
Net change in investment in capital assets:		
Purchase of capital assets	\$ 1,018,279	\$ 833,712
Amounts funded by:		
Deferred capital contributions	(811,699)	(745,860)
Repayment of capital leases	—	25,055
	<u>\$ 206,580</u>	<u>\$ 112,907</u>



NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2013

8. Commitments:

The Corporation has entered into a four year contract for janitorial and restaurant services, which consists of the following payments:

2014	\$ 142,800
2015	148,000
2016	149,900
2017	154,000
	<u>\$ 594,700</u>

Commitments related primarily to the purchase of capital assets amounted to approximately \$1,432,100.

9. Employee future benefits:

The Corporation makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of all permanent, full-time and qualifying part-time members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on length of service and rates of pay. During the year, the Corporation contributed \$58,319 (2012 - \$52,274) to the plan.

10. Related party transactions:

The Corporation is controlled by the Corporation of the City of North Bay (the "City") in accordance with the terms of an operating agreement dated December 19, 2007.

The Corporation provided the City with maintenance services amounting to \$185,705 (2012 - \$178,150). The City provided the Corporation with the corporate services, including information technology support and server access amounting to \$15,065 (2012 - \$14,200).

The City provided the Corporation with capital contributions of \$385,016 (2012 - \$205,426) for the acquisition of capital assets and \$Nil (2012 - \$65,832) for general operating costs.

These transactions are in the normal course of operations and are recorded at their exchange amount which is the amount agreed to by the related parties.

11. Land use plan:

In 2013, the Corporation began a land use plan, expected to be completed in 2014. The plan is expected to be used for 5 years and will be financed through the internally restricted - future operations net asset reserve.

12. Comparative information:

Certain 2012 comparative information has been reclassified to conform to the financial statement presentation adopted for the current year.

North Bay Jack Garland Airport Corporation



JACK GARLAND AIRPORT



AEROSPACE/AVIATION PARK



DEVELOPMENT OPPORTUNITIES