



# North Bay Jack Garland Airport



**2015  
Annual General Meeting  
Annual Report  
May 12, 2016**





## 2015 Annual Report

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## Chairman's Message

North Bay Jack Garland Airport (NBJGA) completed its thirteenth 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 they can be proud of their accomplishments.

The Airport Safety Management System (SMS) now in its fourth year forms an integral part of our daily operation and is actively supported by employees and the Board.

The Security Operation Program established in 2014 was enhanced to meet the second phase of the program and new regulation early in 2015. The program was reviewed by Transport Canada in June of 2015 and meets all requirements.

The Airport Security Committee met twice during the year and held a table top emergency exercise in May.



## Chairman's Message

The NBJGA Corporation committed to invest \$557,528 into the Airport in 2015. The Corporation received \$369,588 from the City of North Bay. The balance of capital \$187,940 was internally funded from airport reserves.

Major projects undertaken in 2015 included:

- Completion of the Terminal expansion
- Airport ground equipment fleet renewal
- Rehabilitation of the Maintenance Garage roof
- HVAC control replacement in the Administration Building
- Project development for the rehabilitation of the airport main power systems
- Project development for the rehabilitation of runway 18-36 and approach lights

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

From a financial perspective the year was a success. In 2015, NBJGA had revenues of \$2,518,267 versus a budget of \$2,371,889; NBJGA realized an operational income of \$150,367 versus a budget of \$126,187. The variance in operational income versus budget was a result of the changes in air service fees and increased passenger traffic.



## Chairman's Message

72,035 scheduled service passengers used NBJGA which is up 8.86% from 2014, and 19,274 itinerant aircraft movements in 2015, an increase of 7% from the previous year. These increases are attributed to additional passenger service by Bearskin and Porter airlines and more competitive fares by all carriers.

NBJGA in conjunction with the City of North Bay Planning Staff held public presentations in regards to the updated Airport Land Use Plan and Noise Exposure Planning Contours. As of June 2015 the Airport Land Use Plan and Protection Zone were included in the City's Official Plan.

Following presentations of proposed windfarms to be developed within 15 km radius of the airport, the Board and Community Partners spent a significant amount of time to oppose this development within the airport zone and were successful in convincing the proponent to remain outside the 15 km radius for their project proposal.

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 in 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, on-going priorities will be: continued implementation of our strategic plan, continued marketing and development of the airport facility, and rehabilitation of the cross wind runway (18-36) and airport power systems.

The Board is pleased with the progress that has been made to date to improve the financial position and physical plant of the NBJGA. As of the end of 2015, \$16,189,129.00 has been invested in the physical plant and a reserve fund of \$509,407 is in place to help leverage future projects. 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

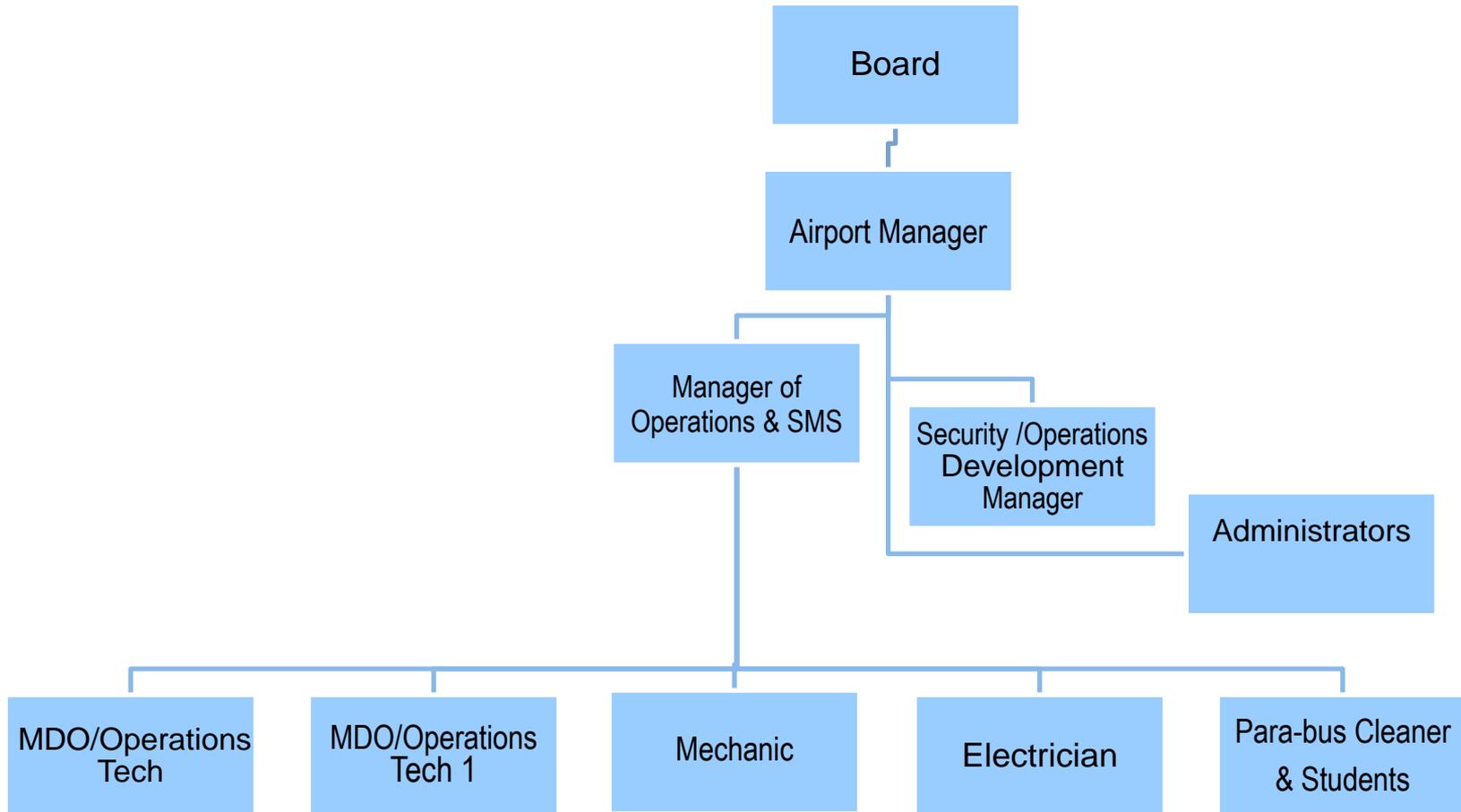
Mr. Ewen Cornick	Chairman	Community
Mr. Max Shapiro	Vice-Chair	Voyageur Airways
Mr. George Burton	Treasurer	Community
Mr. Kevin Donnelly	Secretary	Community
Mr. Ron Miller	Director	Community
Mr. Gord Cardwell	Director	Community
Mr. Daryl Vaillancourt	Director	City of North Bay
Mr. Peter Argue	Director	Community
Mr. Karl Neubert	Director	Community

### Board Committees

Executive Committee	Chair	Mr. Ewen Cornick
Operations/Policy Committee	Chair	Mr. Max Shapiro
Financial/Human Resources Committee	Chair	Mr. George Burton
Marketing/Property Committee	Chair	Mr. Ewen Cornick



# 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](mailto:airportmanager@northbayairport.com)
- **Website:** [www.yyb.ca](http://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 767 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.



## 2015 Year In Review

### Operations

#### **Safety Management System:**

#### **NORTH BAY AIRPORT SAFETY POLICY**

- Safety at North Bay Jack Garland Airport (North Bay Airport), and maintaining the confidence of the traveling public in the safety of the aviation industry, is vital. Consequently, North Bay Airport provides a systematic, explicit and comprehensive process for managing airside safety risks.
- The SMS Program reinforces safety as an integral part of North Bay Airport culture by:
  - Establishing an embedded safety culture in all our Airport activities, recognizing that safety is paramount;
  - Minimizing the risks associated with airport operations to a point as low as reasonably achievable;
  - Actively developing and continuously improving upon our safety processes and performance;
  - Identifying hazards, assessing risks, and implementing necessary control measures;
  - Establishing an information system for document and records management and data control;
  - Establishing the means for planned, system wide audits and assessments; and
  - Complying with and, where possible, exceeding CARs requirements.



## 2015 Year In Review

### **Airport Security Plan:**

- January 2015 Security Program amended to meet phase 2 and regulations changes.
- May 2015 Emergency table top exercise with airport tenants and community partners
- June 2015 Transport Canada Inspection noted one deficiency which required an updated sign for the Holdroom entrance.

### **Maintenance:**

- Tree removal to meet Obstacle Limitation System requirements for runway 18 and the turf strip.
- Airfield maintenance projects included crack sealing of runway 08-26, Taxiway Lima, Apron 1, and line painting for all hard surfaces
- Repairs and upgrades to all buildings.
- Site clean up and fence repairs
- Hot water tank replacements in the terminal
- AC unit replacement in the Administration building



## 2015 Year In Review

### Operations

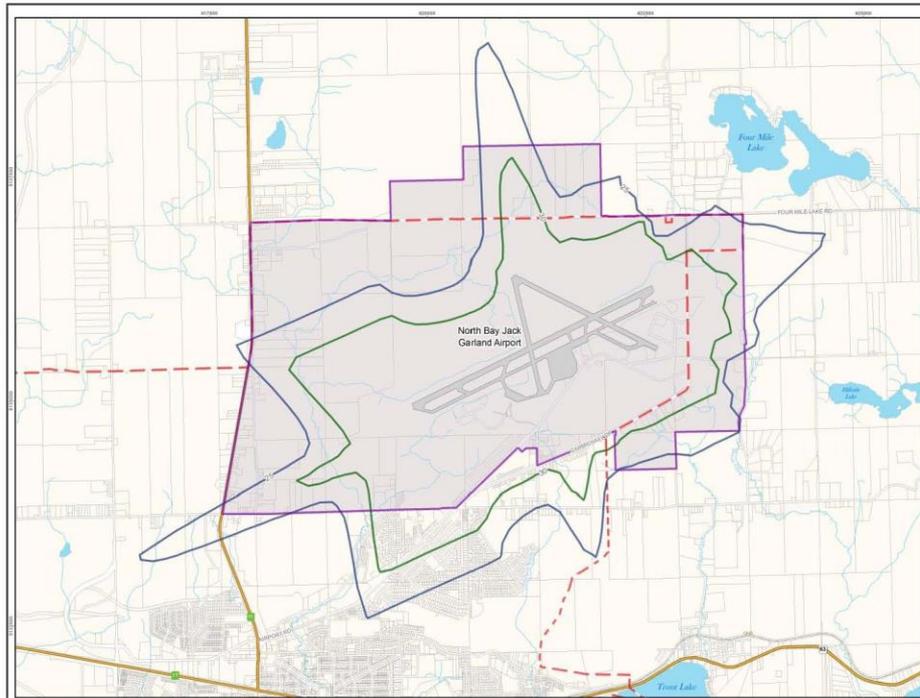
#### Land Use and Airport Protection Plan

Final public consultation process held in April 2015.

June 2015 the City approved the Airport Protection zone using the 2032 NEF Day Night Operations Contours noted below in the purple box.

### Schedule C

Proposed Airport Protection Zone and new NEF Contours





## 2015 Year In Review

### Operations

#### **Major construction projects and capital expenditures in 2015 included:**

- Completion of the Terminal expansion
- Airport ground equipment fleet renewal
- Rehabilitation of the Maintenance Garage roof
- HVAC control replacement in the Administration Building
- Project development for the rehabilitation of the airport main power systems
- Project development for the rehabilitation of runway 18-36 and approach lights

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

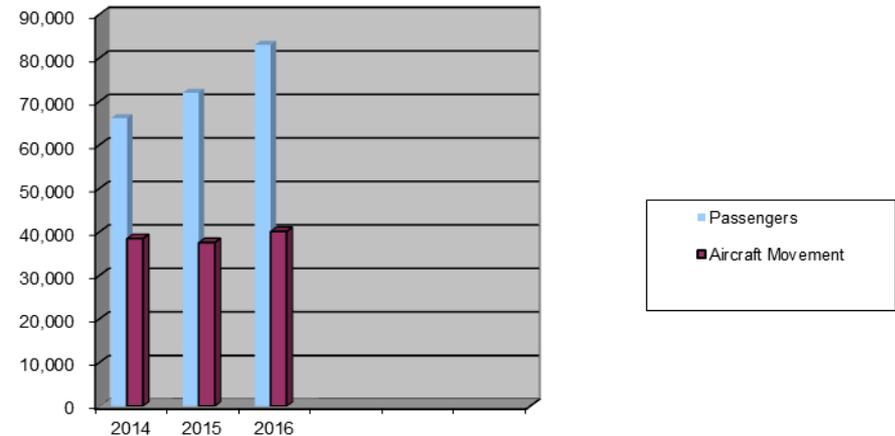


## 2015 Year In Review

### Traffic Activity 2015

- 72,035 airline enplaned/deplaned passengers used the North Bay Airport. In addition 11,283 people used the facilities for itinerant and private flights.
- Aircraft activity for the year were 37,584 movements which was down 2.5 % from 2014
- Itinerant aircraft movements were 19,274 up by 7% over the previous year
- Local aircraft movements were 18,310 which was down 11% and due to less training flights and local activity .
- As noted below we expect minor growth in 2016 and based on current numbers we should meet these numbers.

	<b>2014</b>	<b>2015</b>	<b>2016</b>
Passengers	66,171	72,035	83,000
Aircraft Movement	38,514	37,584	40,150





## 2015 Year In Review

### Capital Program

In 2015 a capital program of \$557,528 was undertaken with funding provided from the following sources:

- City of North Bay \$369,588
- North Bay Jack Airport Corporation \$187,940

### Major capital projects in 2015 included:

- Completion of the Terminal Expansion





## 2015 Year In Review

### Capital Program – continued

#### **Other capital projects that were undertaken during 2015 included;**

- Airport ground equipment fleet renewal
- Rehabilitation of the Maintenance Garage roof
- HVAC control replacement in the Administration Building
- Project development for the rehabilitation of the airport main power systems
- Project development for the rehabilitation of runway 18-36 and approach lights





## 2015 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.
- New passenger services with Porter Airlines October 2015.
- Flight information display system for the terminal and web-site





## 2015 Year In Review

### Special Events

Airport facilities were utilized by several community groups during 2015:

- Canadore Aviation College Air Cadet Program
- Canada Armed Forces Day
- Local School Tours





## Financial Summary

	Actual	2015 Budget
Revenues	\$ 2,518,267	\$ 2,371,889
Expenses	<u>\$ 2,367,900</u>	<u>\$ 2,245,702</u>
Operating Income	\$ 150,367	\$ 126,187
Amortization	<u>\$ 91,253</u>	<u>\$ 77,500</u>
Net Income	\$ 59,114	\$ 48,687

In 2015 the NBJGA Corporation generated an operational profit of \$150,367 and a net profit of \$59,114 once amortization cost were factored in.

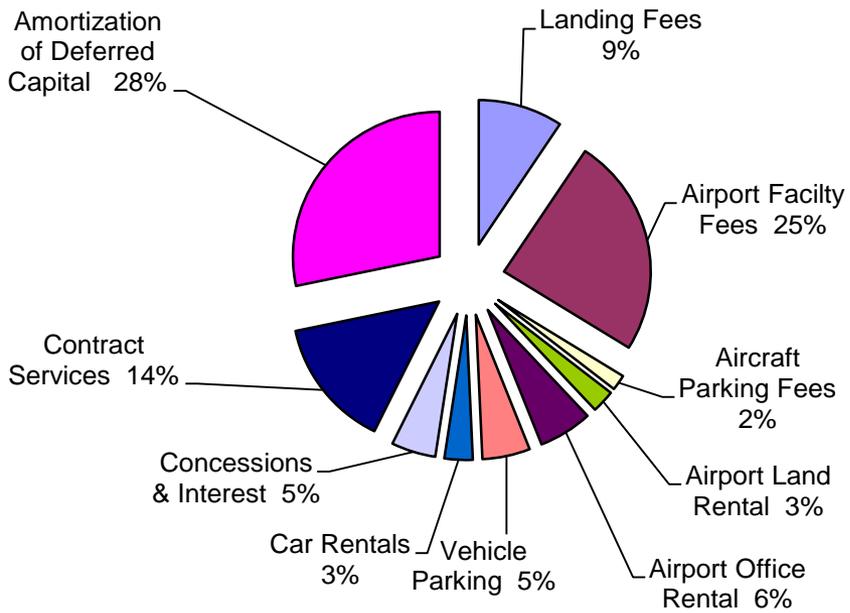
Actual net income versus Budget were impacted by:

- Increased passengers and Itinerant traffic.
- Changes in user fees.

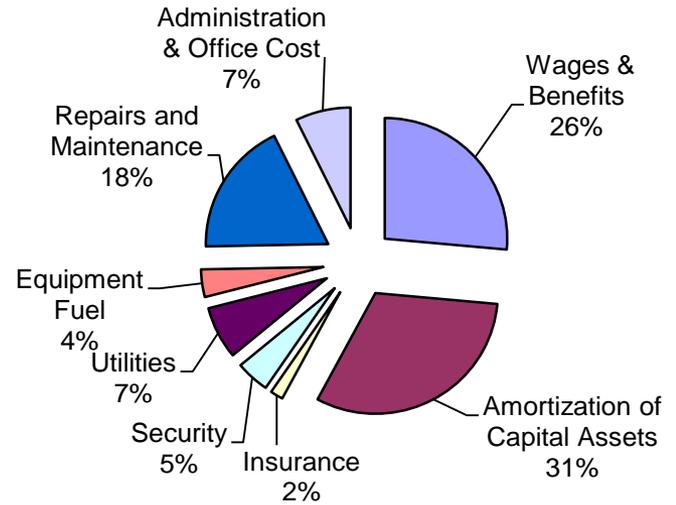


# Financial Summary

## Revenues by Type



## Expenses by Type





Financial Statements of  
**NORTH BAY JACK GARLAND  
AIRPORT CORPORATION**  
Year ended December 31, 2015



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North Bay ON P1B 9N5

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## 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, 2015, 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, 2015, and its results of operations, its changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



*Comparative information*

Without modifying our opinion, we draw attention to note 13 to the financial statements which indicates that the comparative information presented as at and for the year ended December 31, 2014, has been restated and that the comparative information presented as at January 1, 2015, has been derived from the financial statements as at and for the year ended December 31, 2014.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

April 14, 2016

North Bay, Canada



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

Statement of Financial Position

December 31, 2015, with comparative information for 2014

	2015	2014
		(as restated - note 13)
<b>Assets</b>		
Current assets:		
Cash	\$ 204,531	\$ 498,138
Accounts and grants receivable (note 2)	372,025	559,673
Inventories	89,582	77,869
Prepaid expenses	5,218	5,489
	<u>671,356</u>	<u>1,141,169</u>
Restricted cash (note 3)	493,136	229,063
Capital assets (note 4)	16,189,129	15,598,451
Less accumulated amortization	(5,905,022)	(4,821,203)
	<u>10,284,107</u>	<u>10,777,248</u>
	<u>\$ 11,448,599</u>	<u>\$ 12,147,480</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 386,209	\$ 523,558
Prepaid fees (note 5)	25,268	24,354
	<u>411,477</u>	<u>547,912</u>
Deferred capital contributions (note 6)	9,573,646	10,195,206
	<u>9,985,123</u>	<u>10,743,118</u>
Net assets:		
Unrestricted	243,608	93,240
Equity in capital assets (note 7)	710,461	582,042
Internally restricted (note 3)	509,407	729,080
	<u>1,463,476</u>	<u>1,404,362</u>
Commitments (note 8)		
	<u>\$ 11,448,599</u>	<u>\$ 12,147,480</u>

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, 2015, with comparative information for 2014

	2015	2014
		(as restated - note 13)
Revenue:		
Fees and services	\$ 2,499,625	\$ 2,245,163
Contract	11,293	13,920
Interest	7,349	9,784
Gain on sale of capital assets	-	3,600
Amortization of deferred capital contributions (note 6)	992,565	793,214
	3,510,832	3,065,681
Expenses:		
Salaries and benefits	912,639	971,811
Amortization of capital assets	1,083,819	854,005
Repairs and maintenance	622,351	536,170
Utilities	242,222	223,982
Equipment fuel	127,800	170,793
Security services	153,308	151,574
Insurance	58,271	52,386
Telephone	34,970	37,146
Professional fees	24,577	22,865
Office and general	12,630	15,672
Travel	9,602	12,989
Advertising	148,938	9,121
Land use plan (note 11)	-	7,093
Consulting fees	5,696	6,518
Interest and bank charges	5,682	5,880
Materials and supplies	7,044	5,573
Office equipment rentals	2,169	2,101
	3,451,718	3,085,679
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 59,114</b>	<b>\$ (19,998)</b>

See accompanying notes to financial statements.



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

### Statement of Changes in Net Assets

Year ended December 31, 2015, with comparative information for 2014

	Unrestricted	Internally Restricted (note 3)	Equity in Capital Assets (note 7)	2015 Total	2014 Total (as restated - note 13)
Net assets, beginning of year	\$ 93,240	729,080	582,042	\$ 1,404,362	\$ 1,424,360
Excess (deficiency) of revenue over expenses	150,368	-	(91,254)	59,114	(19,998)
Net changes in investments in capital assets (note 7)	(219,673)	-	219,673	-	-
Internally imposed restrictions - capital (note 3)	219,673	(219,673)	-	-	-
<b>Net assets, end of year</b>	<b>\$ 243,608</b>	<b>509,407</b>	<b>710,461</b>	<b>\$ 1,463,476</b>	<b>\$ 1,404,362</b>

See accompanying notes to financial statements.



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

### Statement of Cash Flows

Year ended December 31, 2015, with comparative information for 2014

	2015	2014
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenses	\$ 59,114	\$ (19,998)
Adjustments for:		
Amortization of capital assets	1,083,819	854,005
Amortization of deferred contributions related to capital assets	(992,565)	(793,214)
Gain on sale of capital assets	-	(3,600)
	150,368	37,193
Change in non-cash working capital:		
Accounts and grants receivable	187,648	(46,973)
Inventories	(11,713)	(2,620)
Prepaid expenses	271	-
Accounts payable and accrued liabilities	(137,349)	361,133
Prepaid fees	914	(1,613)
	190,139	347,120
Cash flows from financing activities:		
Deferred contributions related to capital assets	371,005	2,001,959
Cash flows from capital activities:		
Purchase of capital assets	(590,678)	(2,080,432)
Proceeds on sale of capital assets	-	3,600
	(590,678)	(2,076,832)
Cash flows from investing activities:		
Decrease in restricted cash	(264,073)	127,979
Increase (decrease) in cash	(293,607)	400,226
Cash, beginning of year	498,138	97,912
Cash, end of year	\$ 204,531	\$ 498,138

See accompanying notes to financial statements.



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2015

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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, 2015

### 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 basis:

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:

	2015	2014
Accounts receivable	\$ 192,129	\$ 259,808
Capital asset contributions receivable:		
Northern Ontario Heritage Fund Corporation	—	128,214
Corporation of the City of North Bay	179,896	171,651
	\$ 372,025	\$ 559,673



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2015

### 3. Internally restricted net assets and restricted cash:

	2015	2014
Future capital expenditures	\$ 446,971	\$ 666,644
Future operations	62,436	62,436
	\$ 509,407	\$ 729,080

The Corporation restricted \$Nil (2014 - \$123,539) for future capital expenditures. In 2014, 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 restricted \$Nil (2014 - \$12,387) for future operations.

The Corporation utilized \$219,673 (2014 - \$15,000) from the reserve for future capital expenditures and \$Nil (2014 - \$7,093) from the reserve for future operations.

The Corporation has restricted cash in the amount of \$493,136 (2014 - \$229,063) related to the above.

### 4. Capital assets:

	2015		2014	
	Cost	Accumulated Amortization	Net book Value	Net book Value
Equipment	\$ 3,410,972	\$ 1,397,759	\$ 2,013,213	\$ 2,099,653
Computer hardware and software	156,558	131,707	24,851	32,709
Vehicles	156,366	129,893	26,473	39,118
Building improvements	4,666,989	1,753,561	2,913,428	2,999,750
Airfield infrastructure	7,711,674	2,476,952	5,234,722	5,530,269
Groundside infrastructure	86,570	15,150	71,420	75,749
	\$ 16,189,129	\$ 5,905,022	\$ 10,284,107	\$ 10,777,248

### 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, 2015

### 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.

	2015	2014 (Restated)
Balance, beginning of year	\$ 10,195,206	\$ 8,986,461
Contributions received	371,005	2,001,959
Amortization of deferred capital contributions	(992,565)	(793,214)
	<u>\$ 9,573,646</u>	<u>\$ 10,195,206</u>

### 7. Investment in capital assets:

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

	2015	2014 (Restated)
Capital assets	\$ 10,284,107	\$ 10,777,248
Amounts financed by:		
Deferred contributions	(9,573,646)	(10,195,206)
	<u>\$ 710,461</u>	<u>\$ 582,042</u>

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

	2015	2014 (Restated)
Excess of revenues over expenses:		
Amortization of deferred contributions related to capital assets	\$ 992,565	\$ 793,214
Amortization of capital assets	(1,083,819)	(854,005)
	<u>\$ (91,254)</u>	<u>\$ (60,791)</u>
Net change in investment in capital assets:		
Purchase of capital assets	\$ 590,678	\$ 2,080,432
Amounts funded by:		
Deferred capital contributions	(371,005)	(2,001,959)
	<u>\$ 219,673</u>	<u>\$ 78,473</u>



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2015

### 8. Commitments:

In 2014, the Corporation has entered into a four year contract for janitorial and restaurant services. Remaining payments are due as follows:

2016	\$ 149,900
2017	154,000
	\$ 303,900

### 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 \$55,084 (2014 - \$60,307) 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 \$209,723 (2014 - \$218,684). The City provided the Corporation with the corporate services, including information technology support and server access amounting to \$15,517 (2014 - \$15,065).

The City provided the Corporation with capital contributions of \$371,005 (2014 - \$1,201,959) for the acquisition of capital assets.

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 which was 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. There were no transactions during 2015 in relation to the land use plan.

### 12. Comparative information:

Certain comparative information have been reclassified from those previously presented to conform to the presentation of the 2015 financial statement.



## NORTH BAY JACK GARLAND AIRPORT CORPORATION

Notes to Financial Statements

Year ended December 31, 2015

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### 13. Restatement for prior period:

A correction was made in relation to the amortization of deferred capital contributions. The following table summarizes the impact of adjustment made to opening net assets as of December 31, 2014:

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Equity in capital assets:	
As previously reported as of December 31, 2013	\$ 716,793
Impact of adjustment to deferred capital contributions	(134,751)
<b>Restated, January 1, 2014</b>	<b>\$ 582,042</b>

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This adjustment also impacted the deferred capital contributions as of January 1, 2014 in the amount \$134,751.

See notes 6 and 7 for additional information.

# North Bay Jack Garland Airport Corporation

