

Niagara District Airport Commission

October 17, 2019

2020 Operating & Capital Budget

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Niagara District Airport - Overview

- Originally opened in 1929, on eastern edge of the City of St. Catharines
- Relocated in 1935 to its current location in Niagara-on-the-Lake
- Niagara District Airport Commission created in 1959
- Land ownership transferred to Town of Niagara-on-the-Lake in 1996
- Most recent municipal agreement negotiated in 2013



- Original Commission – St. Catharines, Niagara Falls, Niagara-on-the-Lake, Thorold

Niagara District Airport – Facts

- 5,000 foot runway
- Certified international airport as per Transport Canada
- Can support critical aircraft of Boeing 737 as per runway specifications
- Customs Border Services Agency clearance (24 hours with Canpass)
- Nav Canada on-site
- Main runway, taxiways & apron equipped with full LED lighting for night flying
- 360 acres of land
- 14 business housed at NDA
- 41,000 aircraft movements projected for 2019
- Scheduled service – FlyGTA
 - 2018 - 30% increase in passenger traffic
 - 2019 – 14% increase in passenger traffic



Current State - Governance

- Continued work with Niagara Region with respect to governance of NDA – from three local municipalities to one upper-tier
- CAO Advisory group meeting with Niagara Region staff for continued movement on governance of Niagara District and Niagara Central Dorothy Rungeling Airports
 - CAO's of St. Catharines, Niagara-on-the-Lake, Welland, Wainfleet, Lincoln, Niagara Region and Thorold
- Regional approval on September 19, 2019, for continued work towards a transition date of January 1, 2021.
- Next steps:
 - Potential governance structure
 - Review of a potential master planning exercise
 - Due diligence surrounding financial assets and/or debts of both facilities

Key Themes – 2020 Budget

1. **Status Quo Budget** – Living within means, on both operating and capital budget
2. **Leveraging Partnerships** – Resourceful use of partnerships to renew operating and capital needs (vehicles, infrastructure enhancements, external assessments for governance)
3. **Capital Projects Aligned with Safety & Compliance** – Capital needs are being driven by internal risk assessments and regulatory compliance



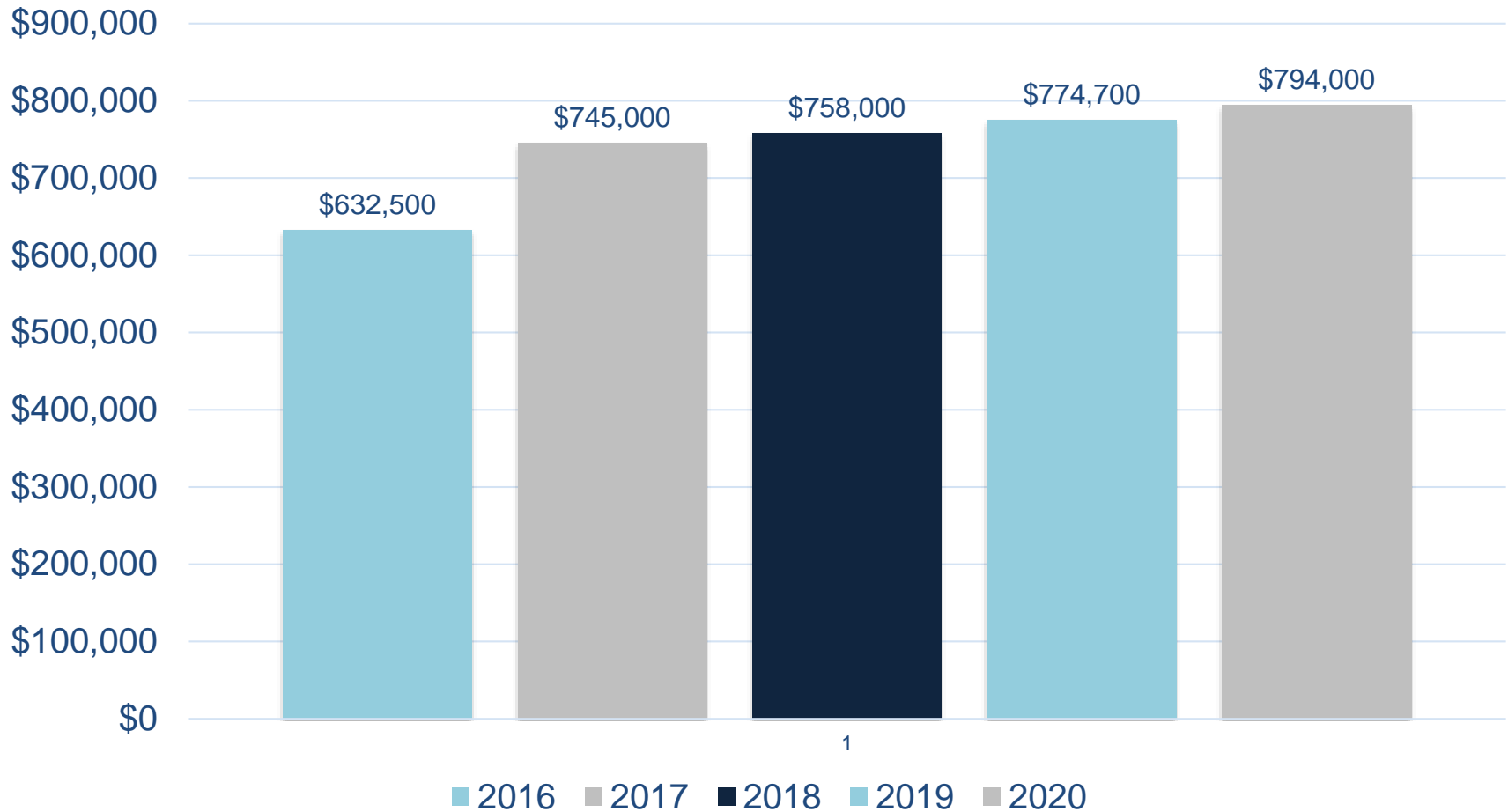
NDA – Accomplishments 2019

- Over 1,025 annual inbound flights from Billy Bishop Airport
- Approximately 8,000 passengers on National Helicopters
- 41,000 overall aircraft movements – a 5% increase over 2018
- Welcomed new tenant to airport terminal – Pegasus Aviation
- Hosted Snowbirds in September of 2019 – over 2,500 in attendance
- Eligibility for Airport Capital Assistance Program (ACAP)
- World Fuels branded fuel service introduced on-site
- Significant internal service enhancements
 - IT security
 - Emergency readiness enhancements
 - Rates & fees review, overhaul for 2020

NDA – Budget Challenges

- Airfield lighting maintenance (\$13k impact in 2019)
- Secondary runway closed (Runway 11/29) since May 2018
- Human resources – low wages, high staff turnover, current salary review – need to outsource aspects of our safety work
- Unrealized revenue – development of existing land
- Partnerships to meet needs – two used plows from City of Niagara Falls; Region funding business case and feasibility study; NOTL construction of emergency access road encircling facility
- Investment in aging infrastructure (eg. water pipes) – currently costly annual repairs
- Enhanced work on identification of safety (obstacle) issues surrounding site leads to increase in needed support

5-Year - Operating Budget History (\$)



Achieving Budget - 2020

	2019 Actual (Projected)	2019 Budget	2020 Budget	Net \$ Change (2019 to 2020)	Net % Increase / (Decrease)
General Revenue	309,086	334,900	339,750	4,850	1.4%
Operating Grant	439,800	439,800	454,250	14,450	3.2%
Expenditures	734,534	774,700	794,000	19,300	2.4%
Total	14,352	0	0	19,300	2.4%

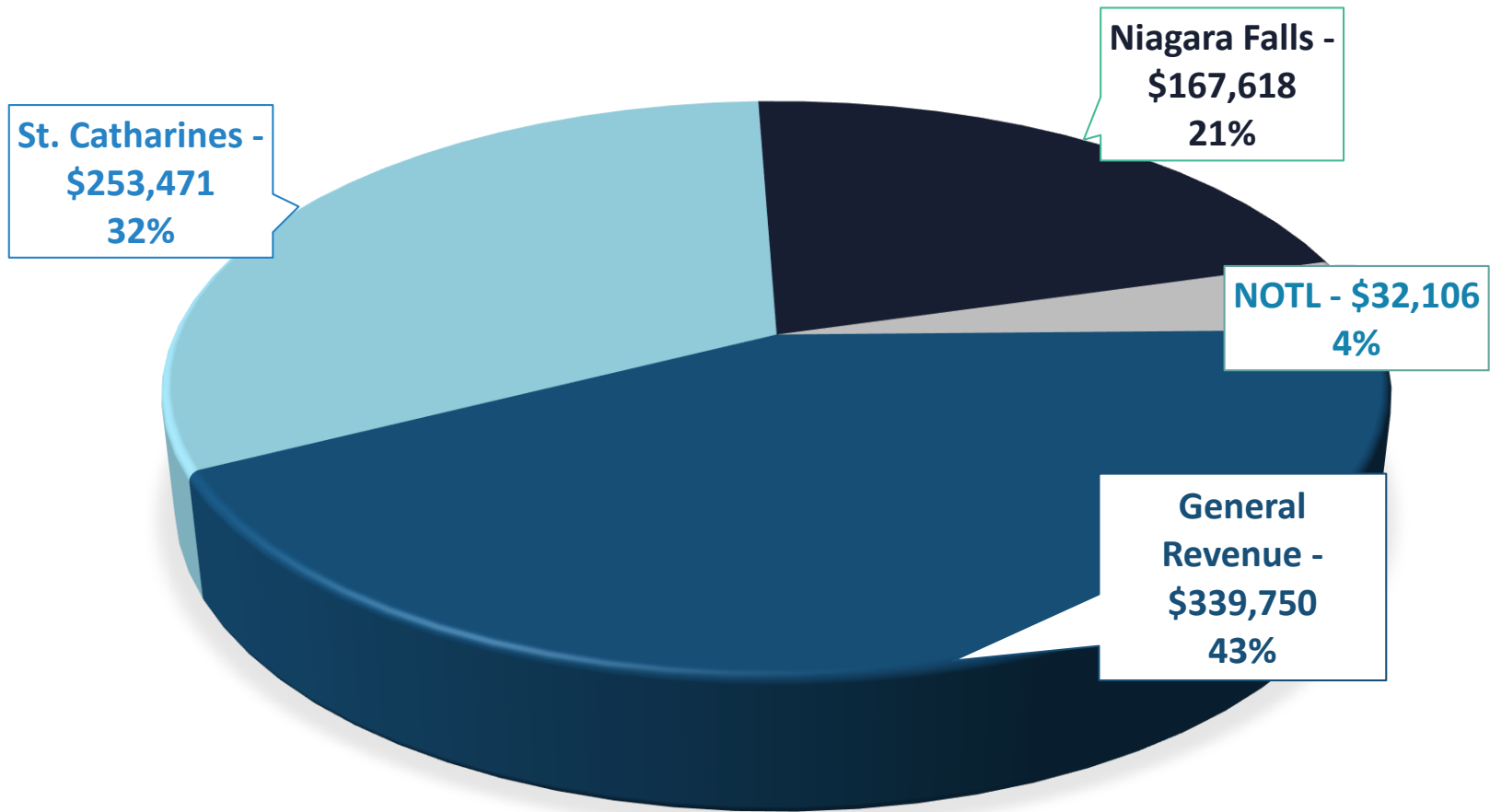
Operating Grant – By Municipality (\$)

Municipality	2019 Grant	2020 Grant	Change	% of Total NDA Op. Budget	Per Capita Cost
St. Catharines	\$245,408	\$253,322	\$7,914	32%	\$1.90
Niagara Falls	\$162,286	\$167,604	\$5,318	21%	
Niagara-on-the-Lake	\$32,106	\$33,324	\$1,218	4%	

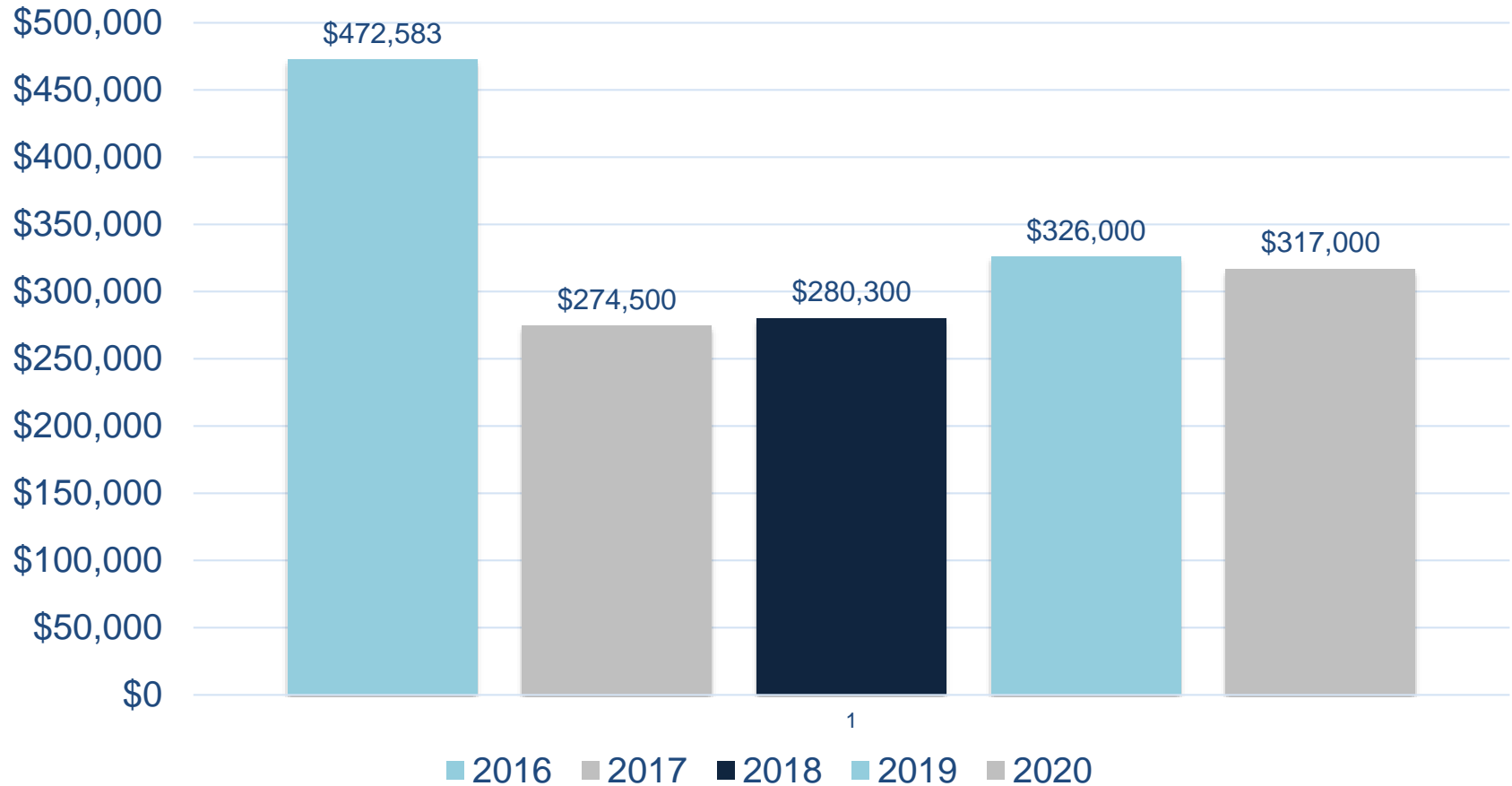
Increases / Savings – 2020

2019 Operating Budget	\$774,700
Savings or Revenue Adjustments (+ / -) <ul style="list-style-type: none"> Landing Fees Scheduled Service Fees Compliance & Regulatory (Consulting) IT Enhancements 	\$5,000 \$6,500 (\$5,500) (\$2,600)
Other One-Time Adjustments (+ / -) <ul style="list-style-type: none"> Runway Chemicals Subcontractor (Janitorial) 	\$5,000 (\$2,000)
Contractual / Inflationary (+ / -) <ul style="list-style-type: none"> Payroll / Personnel <ul style="list-style-type: none"> 0.5 FTE to 1.0 FTE Office Leases Safety Management Systems Audit Miscellaneous (Fuel / Insurance) 	(\$17,000) \$4,000 (\$2,000) (\$3,500)
Proposed 2020 Operating Budget	<u>\$794,000</u>
Year Over Year Change	\$19,300 (2.4%)

2020 Total Revenues - By Source



5-Year – Capital Budget History (\$)



Capital Budget – 2020 Overview (\$)

Catalyst / Cause	Cost
Compliance / Safety	262,000
Sustainability	55,000
Total	317,000

Capital – By Municipality (\$ - 2019 to 2020)

Municipality	2019 Capital	2020 Capital	Change
St. Catharines	181,800	176,781	(4,914)
Niagara Falls	120,285	116,963	(3,312)
Niagara-on-the-Lake	23,915	23,141	(774)

Capital Budget – 2020 (\$)

Catalyst / Cause

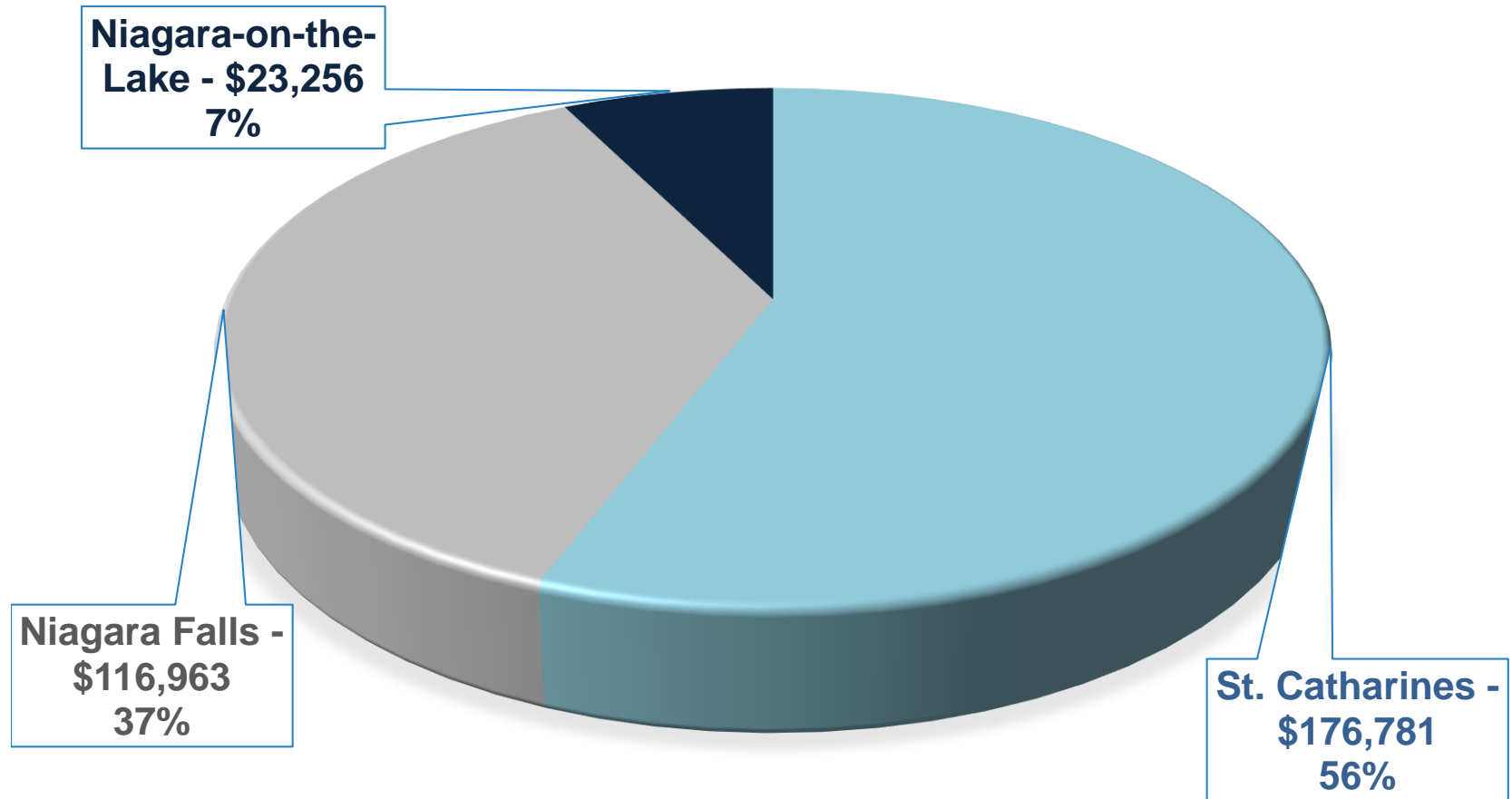
Compliance / Safety	
Project	Cost
Fencing Projects - 06 Runway & 19 Runway (Displacement)	220,000
Field Electrical Centre Equipment / Flight Service Station Equipment	37,000
Wildlife Culverts	5,000
Total	262,000

Capital Budget – 2020 (\$)

Catalyst / Cause

Sustainability	
Project	Cost
Cracksealing (Apron & Runways)	40,000
IT Support / Enhancements	15,000
Total	55,000

2020 Capital – By Municipality



Total Contribution – By Municipality (\$)

Municipality	Operating	Capital	Total	Per Capita Cost
St. Catharines	253,471	176,886	430,357	\$3.23
Niagara Falls	167,618	116,973	284,591	
Niagara-on-the-Lake	33,161	23,255	56,416	