

# YSJ

Saint John Airport

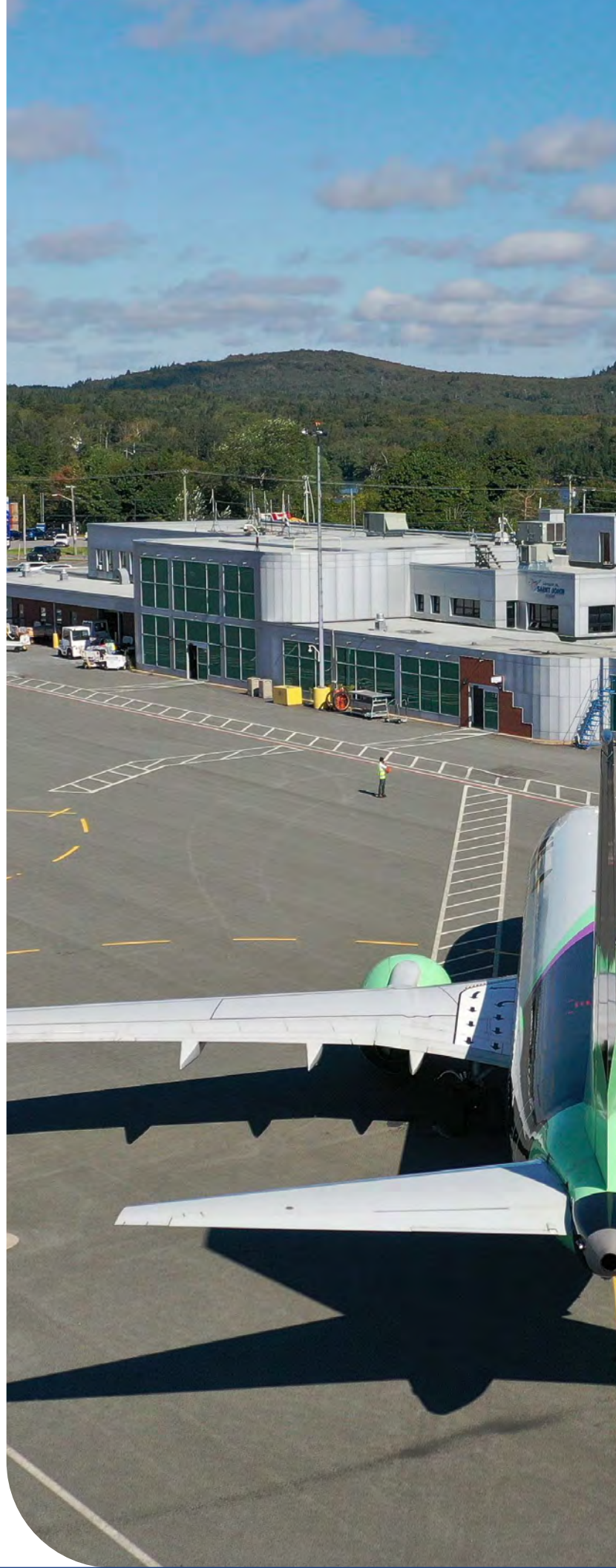
**2022 ANNUAL REPORT**





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# About The Airport

Saint John Airport Inc. (YSJ) is a community-based not-for-profit corporation serving the air travel needs of residents of southern New Brunswick.

The Saint John Airport (YSJ) reinvests all profits back into the airport and local communities.





## Our Values

*Our core values act as guideposts for everything we do.*

### **Safety:**

Safety & security is our first priority.

### **Standards:**

We meet or exceed all Environmental and Regulatory standards

### **Service:**

We strive to exceed passenger expectations.

### **New Brunswick**

We're an active participant in Greater Saint John's vibrant community and a vital gateway to economic growth in New Brunswick.



# OUR MISSION

*To maintain a safe, convenient and modern airport that connects Greater Saint John with the rest of Canada and the World.*



## KEY STRATEGIES

### 4 Pillars of Growth

These four goals must be reached in order to realize the Mission and Vision of our airport.

#### 1 Broaden Air Service and Routes

- Diversify Airline Carriers and Routes
- Post-pandemic YSJ is rebuilding its carrier diversity with the goal of showing consistent passenger growth

#### 2 Diversify our Revenue Stream

- Develop Our Land
- Expand Our Tenant Base
- Optimize Concessions

#### 3 Drive Community Ownership

- Improve Stakeholder Engagement
- Improve Social, Environmental, and Economic Impact on the Region
- Improve Community Engagement

#### 4 Enhance Facilities, Infrastructure Processes and Passenger Experience

- Invest in Ourselves - Modernize and Beautify
- Improve Business Planning, Processes and Procedures
- Improve Employee Engagement
- Measure Passenger Experience
- Improve Safety, Cybersecurity, and Compliance



# Message from the Chair

This will be my last Message from the Chair since I am near the end of my final term on the Board. To borrow from Charles Dickens, YSJ has experienced both the best of times and the worst of times during my tenure as Chair. When I started as Chair in early 2020, the airport was coming off a year of record passenger numbers and stellar financial results. Expectations were that the upward trajectory would continue for the foreseeable future.

Then COVID hit.

I don't need to recount the devastating impact of the COVID-19 pandemic on all of humankind, but it is fair to say that of the business sectors, the air services industry was one of the hardest hit. Passenger traffic literally disappeared for a while at YSJ. However, the combination of a strong pre-pandemic financial position, prudent fiscal management, and financial help from government funding allowed us to weather the storm.



*Now, the situation is looking much brighter. In 2022 we experienced both a rebound in passenger traffic and an improvement in our financial position. Our projection for 2023 is for a further increase in passenger traffic and a return to profitability.*

I want to thank our President and CEO, Sandy Ross, who started in his role in January 2022 and very capably led the airport on the road to recovery. Further, Sandy and his team have laid the groundwork for future business development and growth at YSJ.

I am confident that the Saint John region is poised to enter an extended period of prosperity. I also believe YSJ will play a pivotal and crucial role in attaining that prosperity. The airport is not only a key factor in supporting economic development for Saint John, it is positioned to become a generator of growth for the region! Although still in its early stages, business development at YSJ has the potential to generate significant economic benefits for the region and income for YSJ, which will ultimately translate to improved service for the travelling public. Our primary goal is more and better flight options to and from the Saint John Airport.





Over my nine years on the YSJ Board of Directors, I have been gratified by the consistent support YSJ has received from political and community leaders, local businesses, economic development organizations, and the general public, especially during the tough times. YSJ is a community airport, and our future success will depend on your support. That base of support is the reason that I am optimistic about the future of YSJ.

My positive outlook is also due to the team of extremely capable board members and staff who oversee YSJ's governance and operations. I would like to thank Karen Chantler, Nancy Creamer-Irvin, Chuck Hickey, and Andy MacGillivray, whose board terms ended in 2022, for their leadership and contributions to the success of our airport. I would

also like to welcome Ankit Amin and Tom Gribbons who joined our board. They bring substantial skills and experience that will benefit YSJ in the years to come.

I am leaving the airport in excellent hands.

Mark Bettle

Chair of the Board of Directors



# Message from the CEO

After a slow start in the previous year, 2022 felt a bit more normal with Air Canada, Flair, and new carrier Swoop all returning to full-time operations. Travelers were eager to reacquaint themselves with family, friends, and far-off destinations. The airline industry, however, being one of the hardest hit during the pandemic, struggled to meet the staffing demand. Baggage woes at large airports like Pearson and Heathrow were the headlines, and in July, Air Canada alone canceled 9,500 flights. Those impacts were felt in Saint John where Air Canada flights were cut back to two a day.

YSJ persevered by building and maintaining several key partnerships, reducing operational expenses in several areas, and securing Federal funding for various projects. Our management kept constant communication with the airlines to work through ways we could best continue serving our travelers. We regained our early morning flights and averaged 3 daily flights with Air Canada until the end of the year. We managed to end the year at 55% of 2019



and with prudent spending we wrapped up 2022 in good financial shape.

While the industry continues to find its footing, YSJ has been focusing on the passenger experience. We renovated the ticketing area so all our carriers are in the same front lobby and embarked on a renovation to our departure lounge.

*We added some more "legroom" with additional passenger seating, two additional washrooms and enhanced food and beverage services. The airside **YSJ Market** brings offerings from Connections Bistro, such as sandwiches, coffee, and beer, into the pre-board screening area. Cheers to that!*

In the coming year we are planning additional improvements to the customer experience with a business lounge in the departure area and a covered walkway out of Gate 1. More on this as 2023 progresses.

We also want to celebrate the 1.8 million in Federal funding we received through the Airports Capital Assistance Program (ACAP). This money was used for the purchase of a new fire truck to replace our aging equipment, expansion of the fire hall to accommodate the new truck, apron and airfield lighting upgrades, and a new airfield snowblower. On behalf of everyone at the Saint John Airport Authority, we want to express our sincere appreciation for this greatly needed funding.





We had personnel changes in 2022 as well. Joining me as a newcomer to the team was Lori Carle as Manager of Marketing, Public and Corporate Relations. Lori brings a wealth of experience in the public relations and marketing space and has been a terrific addition.

So, what's on the horizon at YSJ? We have set our sights on new revenue generation avenues, such as land development as a plan for post-pandemic financial stability. By doing so, we will be able to make strategic investments in the passenger experience and get even better at what we are able to deliver now. We have a small, but mighty team at YSJ who are committed to you. Our Board of Directors and management live here, so we are personally invested in making this airport viable with diverse flight options, as well as being an even greater economic generator for Saint John and New Brunswick.

I want to thank our Board of Directors, Senior Leadership Team, and our talented employees for their dedication and loyalty during the last year. I especially want to recognize our retiring Board Chair, Mark Bettle. Over this past year, Mark has been a terrific resource, ally and friend to me as I have acclimatized to the airport. Mark has made a significant contribution to YSJ over his years of involvement. We will all miss him. If you have ideas that could make your airport better, please do not hesitate to reach out to me. Thank you for supporting your Saint John Airport. Remember, the more you use it, the better it will get.

*Alexander (Sandy) Ross, CEO*



# Committees of the Board

## **Finance, Audit & Investment Committee** *Chair – Shilo Boucher*

The committee and senior management meet on a regular basis to review the operational and corporate financial activities, review the annual business plan, capital plan and financial budget and makes appropriate recommendations to the board of directors.

The annual audit is reviewed with the Corporation’s auditors prior to presentation to the board of directors for approval. The Finance, Audit & Investment Committee recommends investment options to the board of directors and, as required, recommends options for the appointment of the Corporation’s auditors.

## **Governance Committee** *Chair – Peter Gaulton*

The committee and senior management meet to review board policies, the Corporation’s by-laws, and the public accountability principles for Canadian airports to ensure compliance with relevant legislation, regulations and current policies and procedures. New board member attraction and orientation is also the responsibility of the committee. This committee evaluates board training options, committee terms of reference, board composition and any potential gaps in board expertise and diversity.



## **Facilities And Air Service Committee** *Chair – Dwayne Stoddart*

The committee and senior management meet as required to determine air service priorities and develop strategies for airline attraction. Committee members also seek and recruit community support for airline attraction activities and expertise for presentation to potential airline partners, all in an effort to broaden our air service options.

The committee also develops for the board of directors, recommendations on infrastructure improvements and development and strategies for commercial development opportunities. They provide guidance on matters related to long-term growth and viability, revenue diversification and land development options.

## **Human Resources Committee** *Chair – Kevin Scott*

The committee and senior management meet on a regular basis to review and make recommendations to the board on the annual salary policy for the CEO and management team (nonunionized), mandates for the negotiation of collective agreements with certified bargaining units, employee benefit plan coverage and benefit rate renewal for management, and plans for recruitment and changes in staffing levels.

The committee also serves to provide general oversight on policies and processes that ensure the Airport’s compliance with occupational and environmental health and safety legislation, and to receive and consider reports and recommendations from the Pension Administration Committee and make recommendations to the board with respect to the design of the pension plan and other pension matters within the authority of the board.





photocredit: ysjaviation

### **Executive Committee**

#### ***Chair – Mark Bettle***

A committee made up of the Chairs of the Board Committees, the Vice Chair and senior management meets between regular meetings of the board to deal with matters pertaining to the direction of the affairs and business of the Corporation, in such manner as it deems best for the interests of the Corporation.

### **Airport Community Consultative Committee (ACCC)**

#### ***Chair – Alexander (Sandy) Ross***

The YSJ Airport Community Consultative Committee's purpose is to provide effective dialogue between the Saint John Airport Authority and community stakeholders, government partners, and other aviation community representatives.

The ACCC is intended to demonstrate YSJ's commitment to transparency and effective engagement with local community stakeholders potentially affected by activities of the Saint John Airport Authority.

The committee shares and discusses issues relating to the ongoing operation and future plans of the Saint John Airport, such as growth plans, flight path changes, or noise issues to name a few, and allow the Airport's management team to hear municipal concerns expressed in a public forum and to take action as agreed and considered appropriate.

## **Community Engagement**

### **A Forum For Dialogue with Our Local Community**

The Airport Community Consultative Committee (ACCC) provides effective dialogue between the airport and our local community stakeholders potentially affected by activities of the Saint John Airport Authority.

The committee shares and discusses issues relating to the ongoing operation and future plans of the Saint John Airport. It allows for any concerns by the local community to be expressed in a public forum and to be heard directly by the airport's management team.

During 2022, the ACCC held a meeting on October 13th. These meetings are representative of the community, particularly the traveling public and organized labour.



# Corporate Governance

## Your Board of Directors (As of December 31 2022)

**Mark Bettle, Chair**

Nominated by: Saint John Region Chamber

**Susan Harley, Vice Chair**

Nominated by: Transport Canada

**Shilo Boucher, Treasurer**

Nominated by: Fundy Regional Service Commission

**Peter Gaulton, Secretary**

Nominated by: Province of New Brunswick

**Kevin Scott, Chair - HR**

Nominated by: Saint John Airport Inc.

**John Wheatley, Director**

Nominated by: Envision Saint John

**Dwayne Stoddart, Chair - Air Services**

Nominated by: Saint John Airport Inc.

**Ankit Amin, Director**

Nominated by: City of Saint John

**Tom Gribbons, Director**

Nominated by: City of Saint John



# Safety and Security

The Saint John Airport is committed to excellence in safety, security, and environmental management. Our primary objective is to build, operate and maintain a safe, secure, and environmentally sustainable airport for our employees, stakeholders and customers.

Currently YSJ has safety, security, and environmental policies to serve as a reminder to each airport authority employee that we are all individually responsible to report hazards and to always look for ways to improve our programs and processes.

The management team leads our endeavor to:

- Meet all applicable safety, security and environmental laws and regulations;
- Train and educate our employees and allocate sufficient resources in support of safety, security and environmental excellence.
- Set specific measurable goals for safety, security and environmental performance and regularly report on these results; and



- Promote a culture whereby employees and stakeholders can:
- Voluntarily self-report any acts, deficiencies, hazards, incidents, or occurrences that threaten safety, security or the environment; and
- Actively and collaboratively identify, seek out report analyze and rectify hazards to prevent or mitigate reoccurrence and maintain a safe, secure and environmentally sustainable airport.

## Reducing Air & Carbon Emissions

At YSJ, we are focused on reducing emissions from our operations.

As we monitor our emissions closely, we needed a plan in place to help us continue to expand as an organization without creating a larger carbon footprint. Our pathway to decarbonization is guided by reducing carbon emissions and improving energy efficiency. Once again, YSJ renewed the Level One Mapping Certification under the Airport Carbon Accreditation Program, and 2024 we plan to apply for level two Reduction Certification accreditation.

Scope 1 emissions represent direct emissions, including fleet vehicles, de-icing operations, and emergency power generators.

Scope 2 emissions represent the indirect emissions from purchased electricity.

To do our part in addressing climate change, our management team works with different teams and organizations to manage carbon emissions from the airfield to the boardroom. As more buildings are constructed on site, we will continue to take a holistic approach to collectively reduce our greenhouse gas emissions.



# Emergency Response Exercises

Safety and security are our main priority, and it is critical that we are prepared should a real emergency occur. Every year we conduct small to medium scale exercises developed to assess the Airport's emergency plan and our ability to quickly coordinate with external emergency response teams. Annually, tabletop exercises are conducted in security, safety, and environmental. A full-scale live security exercise is conducted every two years and a live full-scale safety emergency exercise is conducted every four years.

In 2022, both the full-scale live security and safety exercises were conducted in conjunction with our responders and partner agencies. The exercises provided valuable training and allowed YSJ and our first responding agencies to test interoperability. All exercises highlight procedures that are working well, as well as areas that require improvement.







# Voire Aéroport de Saint-John

YSJ est fier d'être l'un des premiers aéroports du Nouveau-Brunswick à voir ses mesures sanitaires et de sécurité reconnues à l'échelle mondiale. Nous nous efforçons de proposer un aéroport sûr, pratique et moderne qui sache dépasser les attentes des passagers.

[Explorez Saint-John](#)

## Official Languages

Saint John Airport Inc. is committed to ensuring that our customers are able to receive key travel and wayfinding information in both official languages. Some of the updates that have taken place at YSJ include,

- Primary way-finding signage in the airport is available in both official languages.
- YSJ's website provides important information for the travelling public, such as arrival and departure information, airport wayfinding, construction-related information, and urgent travel advisories, in French and English.
- All video and graphics-based content shared on our digital channels includes bilingual captions.
- YSJ's website domain and company e-mail addresses have been changed to ensure compliance with the Official Languages Act.



## Health & Safety

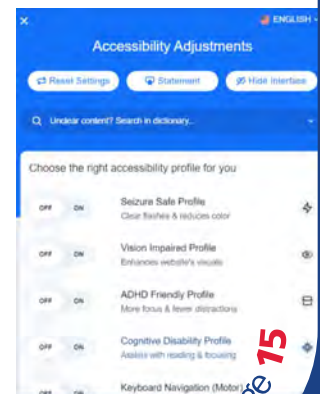
Saint John Airport has an extensive health and safety program to prevent work accidents and injuries. Key to these measures is the Hazard Prevention Program, which allows health and safety committees to identify and assess workplace hazards and to determine appropriate controls for mitigating risks. The Occupational Health and Safety (OHS) committee is responsible for ensuring that employee safety programs are documented, implemented, effective and adapted to realize identified improvements.

## Lost-time Injuries

We measure health and safety performance by tracking any at-work injuries that result in an employee missing work. Our goal is the have zero at-work injuries. In 2022, we had no lost time injuries.

## Website Accessibility

Saint John's website meets all accessibility legislation using a software interface that makes accessibility modifications based on individual needs. All adjustments are compliant with WCAG 2.1 AA and AAA requirements.





# 2022 HIGHLIGHTS



## More comforts for departing passengers

With the trend toward larger-sized aircraft, we knew we needed to make space for our additional passengers. We embarked on an expansion of our secure lounge by first relocating the security office toward the front of the building to a better “public-facing” location. The total lounge area has grown by about 50% with a seating capacity of approximately 250! A feature of the expansion is a new restaurant area with kitchen access and a customer seating area. Next to the restaurant are 2 new washrooms, bringing the total to 4 washrooms

inside security. As a bonus, the extra space has allowed CATSA to make security screening even faster by modifying the screening line. Now 50 more people can make their way through in an hour!

## New role created on YSJ management team

Our management team acquired a new member in June with the appointment of Lori Carle as Manager of Marketing, and Public & Corporate Relations. Born and raised in Saint John, Ms. Carle is a creative connector who has spent her career building relationships through her work in radio broadcasting and Corporate Citizenship. In the newly created position, Lori supports the needs of the Saint John Airport to be positively presented to the community and to expand its business by planning and implementing Public Relations, Communications, and Marketing programs and activities.







## YSJ revved up for Ford of Canada promotion

YSJ was honoured to be the home airport for Ford of Canada's Bronco Raptor and Everglades test drive blitz in August. Over a period of a week and a half, journalists from across Canada flew into Saint John to demo about a dozen new Broncos along our beautiful coastline and off-road terrain, from Cape Spencer to St. Andrews. Our team's Maritime hospitality impressed the organizers and visitors alike.

## Long-term land leases now available

The successful development of YSJ's commercially viable land is the cornerstone to the long-term growth of the airport. In 2022 we applied to Transport Canada to extend our land lease for a period of 56 years until

2079. Now, YSJ can execute leases with commercial entities for a much longer term, allowing the opportunity for investors to depreciate the full economic value of their investment.

## Runway Concert

Anthems and Acres is a musical TV series based in Atlantic Canada that pairs diverse local talent with iconic outdoor locations. A producer of the series reached out with the hopes of filming at Saint John Airport. On a warm evening in August, Lazermortis performed her original synth wave music on 7200 feet of runway. The show is available nationally on Bell TV1.







## Welcome back, students! We Missed you!

We were overjoyed to welcome back students from our partner school, Loch Lomond Elementary School in 2022. The students participate annually in The Marigold Project, growing the flowers from seed and then planting them. For the first time since the pandemic, students made the walk up to the airport to beautify the space in front of the terminal.

In December, we were treated to holiday favorites sung by the Loch Lomond School choir for people anxiously awaiting the arrival of their loved ones.







## Coast to coast A hat trick for our region

2022 was a big year for hockey in Saint John and YSJ was proud to welcome players, coaches, and fans through our terminal. In June, we were the host city for the Memorial Cup hockey tournament putting Saint John on the national stage and generating a much-needed post-pandemic windfall of \$10 to \$12 million for hotels, restaurants and local businesses.

This huge event ended in a dogfight between the OHL champion Hamilton Bulldogs and our Saint John Sea Dogs with a home team win! The Saint John Sea Dogs are champions of the 2022 Memorial Cup!

The third hockey highlight? In December, YSJ welcomed a chartered flight for Team USA for the World Junior Hockey Ice hockey championships! The U13 KV Hurricanes anxiously awaited USA's arrival and were treated to autographs from some up-and-coming NHLers.



# Summary of Capital Expenditures in 2022

(in thousands)

## BY CATEGORY

Wastewater Treatment Plant	1,805
Apron Lighting and Electrical Controls	634
Passenger Holdroom Expansion	387
Firehall Expansion	81
Other	47
	<b>2,954</b>

All contracts awarded in 2025 exceeding \$130,000 (\$75,000 in 1994 dollars adjusted by the Consumer Price Index) were awarded on the basis of a public tendering process

# Executive & Board Compensation

Salary range for Pres. & CEO	150,000 to 200,000
Management Compensation	755,000

## 2022 BOARD PAYOUTS

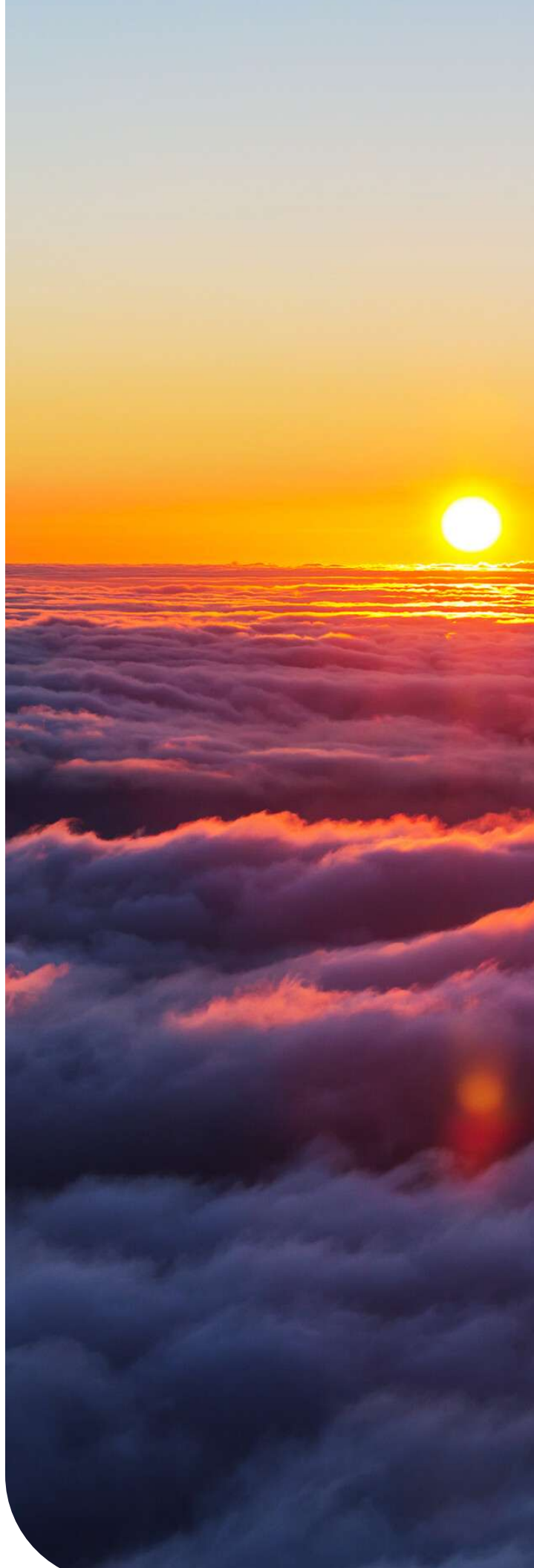
Ankit Amin	1,350
Karen Chantler	4,350
Nancy Creamer-Ervin	4,500
Tom Gribbons	1,800
Charles Hickey	3,450
Andrew MacGillivray	4,900
Kevin Scott	6,550
Dwayne Stoddart	4,350
John Wheatley	4,800
Paulette Hicks *	1,200
Susan Layton*	1,200

## OFFICERS:

Mark Bettle	Chair	17,250
Susan Harley	Vice-Chair	9,400
Shilo Boucher	Treasurer	6,950
Peter Gaulton	Secretary	8,750

\*Ms. Hicks' term ended effective November 30, 2021, final pay occurred in 2022

\*Ms. Layton's term ended on December 31, 2021, final pay occurred in 2022





# 2022 Business Plan vs Actual

(in thousands)

	PLAN	ACTUAL	DIFFERENCE	
<b>Revenue</b>	4,232	4,507	274	Revenue: Passenger numbers exceeded Plan by 1% and landing fee revenue exceed Plan
<b>Expenses</b>	4,687	4,719	(32)	Expenses: Overall were on Plan
<b>Capital Expenditures</b>	5,899	2,954	2,945	Capital Expenditures: Difference is largely due to timing of spend; wastewater treatment plant will be completed in 2023 and a new fire vehicle will be delivered in 2023.

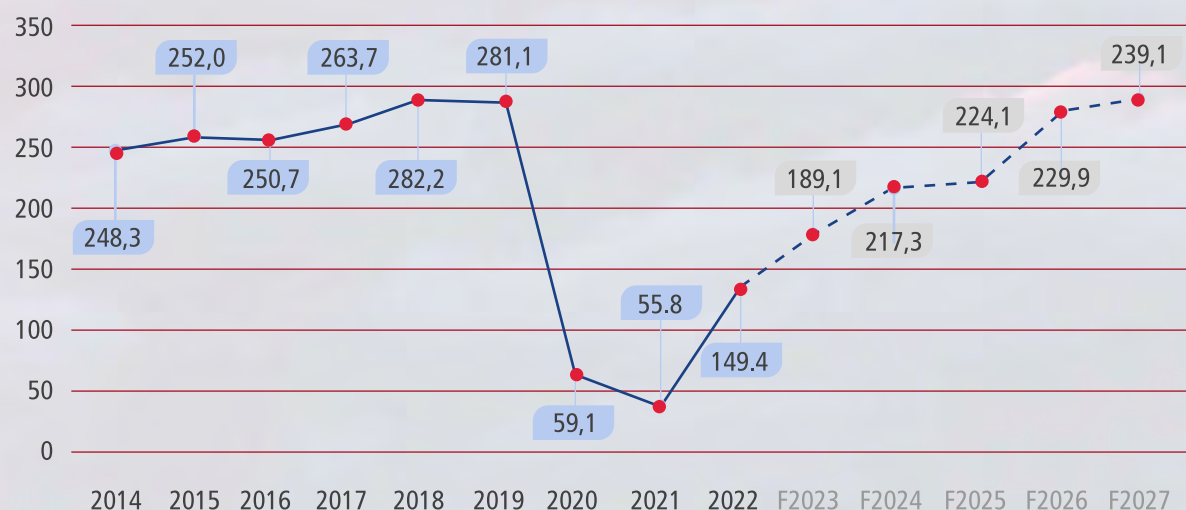
# Business Plan Forecast 2023-2027

(in thousands)

	2023	2024	2025	2026	2027
Revenue (Note 1)	6,719	7,297	7,647	7,945	8,367
Expenses (Note 2)	4,886	5,081	5,250	5,325	5,418
Capital Expenditures (Note 3)	4,100	1,785	2,545	2,782	600

1. Revenue includes Passenger Facility Fees and Operations
2. Expenses include interest and do not include non-cash items of amortization of capital assets and the deferred grant.
3. Capital forecast includes water & waste water treatment centre upgrades, new emergency response vehicle and heavy equipment

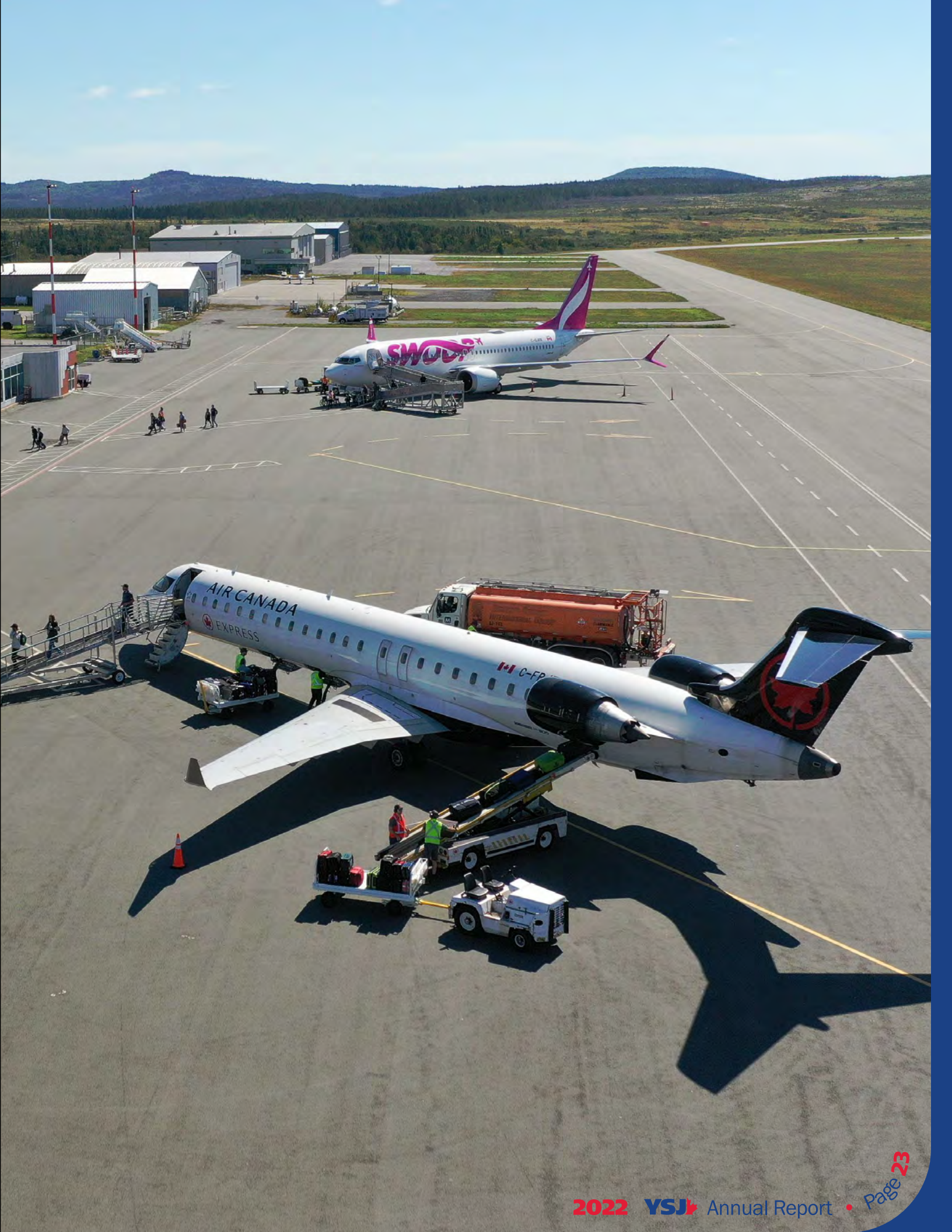
# Passenger Statistics (in thousands)













## Executive Management:

### President & CEO

Alexander (Sandy) Ross  
aross@ysjsaintjohn.ca

### VP of Operations and Finance

Greg Hierlihy  
ghierlihy@ysjsaintjohn.ca

### Director Of Engineering, Facilities and Capital Projects

Brian Wiggins  
bwiggins@ysjsaintjohn.ca

### Director of Operations

Cindy Thorn  
cthorn@ysjsaintjohn.ca

### Manager of Marketing, Public and Corporate Relations

Lori Carle  
lcarle@ysjsaintjohn.ca

## Auditors

Teed Saunders Doyle & Co.  
39 Canterbury Street, Saint John, NB, E2L 4S1

## Legal Counsel

Lawson Creamer  
133 Prince William Street, Saint John, NB, E2L 4S2

## Bankers

RBC Royal Bank  
100 King Street  
Saint John, NB  
E2L 4B3

BMO Bank of Montreal  
2 King Street  
Saint John, NB  
E2L 1G2

## ACI Airport Health Accreditation

The Airports Council International Airport Health Accreditation programme accreditation process is based on guidelines that include cleaning and disinfection, physical distancing (where feasible), staff protection, physical layout, passenger communication and passenger facilities.

We will continue working hard to reassure the travelling public that we are doing everything to ensure our airport is at the top of its game for health and safety – now, and in the future.

## Hotspot Parking

Pay for short-term or long-term parking at YSJ through your phone with HotSpot Parking. Download the app and pay for parking on the go.



### Saint John Airport Inc.

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