



# VICTORIA AIRPORT AUTHORITY

2024 Annual Report







# Land Acknowledgement

Victoria Airport Authority (VAA) acknowledges that it operates on the ancestral homelands of the W̱SÁNEĆ People, whose historical and spiritual connection with this land has endured since time immemorial. As settlers, we express gratitude to the W̱SÁNEĆ People for their continued stewardship and care. VAA is committed to further strengthening our relationships with the WSÍ,KEM (Tseycum), W̱JOŁŁP (Tsartlip), STÁUTW (Tsawout), and BOKEĆEN (Pauquachin) First Nations, finding meaningful ways to engage and incorporate First Nations’ perspectives in the airport’s future operational and developmental goals. We are deeply invested in continuing to learn, understand, and action reconciliation.

**Dr. Charles W. Elliott, OBC RCA, “TEMOSEŦET”**  
Coast Salish Master Carver (1943 – January 29, 2023)

Dr. Charles W. Elliott was a globally recognized Master Carver and artist in the Coast Salish tradition. A proud member of the Tsartlip First Nation, he was born and raised on the Tsartlip Reserve in Brentwood Bay, BC, where he lived with his wife, Myrna, and their children.

Charles began his artistic journey as a young boy, carving designs into cottonwood bark, totem poles, and model canoes. His dedication to Coast Salish art and woodworking spanned a lifetime, leading to private and corporate collections worldwide. Deeply inspired by Salish traditions, he recreated ceremonial and utilitarian objects, alongside contemporary works that upheld the integrity of Coast Salish design.

YYJ is honoured to permanently display Dr. Elliott’s work, including the totems and swimming salmon that greet arriving passengers at the Departures entrance. His legacy lives on in the artistry and traditions he so passionately preserved.

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# Message from Board Chair and President & CEO

As we reflect on 2024 and look ahead to the opportunities of 2025, the Victoria Airport Authority (VAA) is proud to report a year of resilience, momentum, and meaningful progress. Despite ongoing global uncertainty, VAA has demonstrated strong leadership, operational excellence, and a steadfast commitment to serving our community and region.

### Building on a Strong Foundation

The past year began with a continued recovery from the pandemic and concluded with robust performance across key areas. Passenger traffic rebounded, operational efficiencies improved, and we made targeted infrastructure investments to enhance the overall airport experience. Highlights include the launch of new wheeled service from Harbour Air to Vancouver, doubling of frequencies to Seattle by Alaska Airlines, and promising opportunities with Porter, WestJet, Air Canada and Pacific Coastal —clear indicators of growing confidence in YYJ’s market.

### Organizational Growth and Leadership

Our success is rooted in the strength of our people. In 2024, we enhanced our leadership and operational capacity by bringing in expertise in revenue development, project management, and human resources. These strategic investments are already delivering results. We also welcomed new Board directors and extend our sincere gratitude to those whose terms concluded. Their insights and leadership have helped shape the airport’s path forward.

### Operational and Capital Excellence

VAA maintained its focus on operational excellence throughout the year. Our team delivered strong results in the face of challenges, including maintaining smooth operations during adverse weather and guiding terminal improvements through customer experience metrics. Victoria International Airport has been recognised as one of only two airports with a high overall satisfaction score for airports under 2 million passengers in North America by Airports Council International (ASQ: Airport Service Quality). Major infrastructure projects—such as the completion of the Runway End Safety Area (RESA), delivery of a new airport emergency response fire truck and taxiway improvements were

completed on time and under budget, exemplifying disciplined asset and risk management.

### Sustainability and Community Partnerships

Sustainability continues to be a key pillar of our strategic direction. In 2024, we made steady progress on environmental initiatives focused on carbon reduction and operational sustainability. Years of effort to restore the habitat for fish in TĒNTEN (Tenten Creek) and KĒLSET (Reay Creek) running across the airport has started to reap benefits with salmon fish fry having been found in 2024. With great excitement, VAA also supported the arrival of the Hawaii Mars for permanent display to the BC Aviation Museum.

### Looking Ahead

VAA is preparing a spring refresh of its strategic plan to reaffirm our values and ensure alignment with future needs. Priorities for the year ahead include the development of non-aeronautical revenue streams, planning for terminal and airfield capacity enhancements, and maintaining the momentum of our Master Plan—an essential guide for optimizing our infrastructure and supporting long-term growth.

### Thank You

We are deeply grateful to our team, airline and business partners, Board of Directors, and the broader capital region for their continued trust and support. Together, we are building an airport that is more than a transportation hub—it is a catalyst for regional growth and a source of pride for our community.

We look forward to the year ahead and to continuing our work with a shared vision for YYJ’s future.

**Elizabeth Brown**  
President & CEO

**Dave Cowen**  
Chair, Board of Directors

2024

# STRATEGIC DIRECTION & GOALS





#### IMMACULATE ENVIRONMENT

"Victoria Airport consistently impresses with its pristine condition. Customers have praised it as one of the cleanest and most attractive airports they have ever visited. The attention to cleanliness and aesthetic appeal creates a welcoming and pleasant environment for all travelers."

#### HIGHLIGHTS

**1.87m**  
PASSENGERS  
IN 2024

**↑ 7.4%**  
INCREASE  
IN TRAVEL

**\$0**  
IN DEBT

## Our Strategic Direction & Goals

Victoria International Airport (YYJ) is Canada's 11th busiest airport, serving 1.87 million passengers in 2024—a 7.4% increase over 2023. With steady growth, YYJ remains optimistic that passenger traffic will continue trending toward pre-pandemic levels in the coming year.

YYJ is managed and operated by Victoria Airport Authority (VAA), a financially independent, non-share capital corporation. Revenue is generated from three sources: land leasing, passengers, and concessions and commercial activity. As a not-for-profit, all earnings are reinvested into the airport's development. YYJ ended 2024 debt-free.

#### OUR MISSION

To provide a safe, secure, and efficient airport that creates prosperity for our region by connecting Greater Victoria with the world.

#### OUR VISION

To be the best airport anywhere.

#### OUR GOALS



##### A Safe and Secure Airport

YYJ remains committed to the highest standard of safety and security, ensuring a seamless experience for our passengers, employees, and partners through continuous investment in technology, infrastructure, and training.



##### Air Service Development

VAA works closely with airline partners to enhance route offerings and frequency that strengthen connections between Greater Victoria and beyond.



##### A Talented, Engaged, and Diverse Team of Employees

YYJ's success is driven by our dedicated and diverse workforce, and fostering an inclusive, dynamic workplace that supports professional growth, collaboration, and innovation.



##### A Financially Responsible Airport

As a not-for-profit entity, VAA remains fiscally responsible and financially independent, reinvesting revenue into infrastructure, service enhancements, and future growth while ensuring fiscal responsibility.



##### Exceptional Airport Facilities and Customer Experience

YYJ prioritizes efficiency, comfort, and accessibility, ensuring our customer service is responsive to travellers' needs.



##### Leadership in Environmental Management and Sustainability

VAA is committed to sustainable airport operations, advancing environmental initiatives such as carbon reduction, energy efficiency, and green infrastructure to minimize ecological impact. In 2024, a reduction of emissions was demonstrated, with the goal of becoming a carbon neutral airport by 2030.



# 2024 Accomplishments and Highlights

## Reinforcing Our Culture — VAA Values Launch

In 2024, VAA introduced new core values —People, Excellence, Integrity, and Community— to reinforce a culture of teamwork, integrity, and excellence. Developed through a collaborative process from March to September, the values emphasize supporting one another, leading with accountability, and fostering meaningful community relationships through service and responsible stewardship. These principles guide every aspect of our operations so VAA can continue to be a workplace built on respect, innovation, and a shared commitment to delivering exceptional experiences to our guests.

### OUR VALUES



## BC Top Employer for the Fifth Year

For the fifth consecutive year, YYJ has been recognized as one of BC's Top Employers—a testament to our ongoing commitment to fostering an exceptional workplace. This year, this commitment was with the continued implementation of our KUDOS online recognition program, allowing employees to celebrate their peers with redeemable points. Whether through tuition subsidies, educational leave, or comprehensive retirement planning, VAA continues investing in our people—not just for their careers today, but for their future beyond work.

## YYJ wins 2024 Airport Service Quality (ASQ) Award

YYJ is proud to be recognized as a Best Airport in North America for the under 2 million passengers category in the 2024 Airport Service Quality (ASQ) Awards. Chosen by passengers, this award reflects the dedication of our entire team to delivering an outstanding customer experience. As part of the world's leading airport benchmarking program, this achievement underscores our commitment to excellence. The airport shares this recognition with our staff, partners, and community, whose teamwork makes YYJ a world-class airport for travellers.

**WON: BEST AIRPORT UNDER 2 MILLION PASSENGERS IN NORTH AMERICA**



## Hawaii Mars Lands at BC Aviation Museum

A legendary aircraft found its final home at the BC Aviation Museum. The Hawaii Mars, the largest water bomber of its kind, took its last flight on August 11, 2024, escorted by the Snowbirds before landing in Pat Bay. The complex operation to move the aircraft involved our operations team, Nickel Brothers Moving, Coulson Aviation, Cold Water Divers, and the Coast Guard, who worked together to transport and position the plane. Now the crown jewel of the BC Wildfire Aviation exhibit, it officially opened to visitors on September 28, 2024.



### EXCEPTIONAL AIRLINE SERVICE:

"Passengers have commended WestJet for its excellent service at Victoria Airport. The friendly and professional demeanor of the airline staff has left a lasting positive impression. Travelers appreciate the seamless and efficient service provided, which contributes to a smooth and enjoyable travel experience."



## ✈️ Harbour Air Takes Off at YYJ

As part of ongoing efforts to expand our travel services out of YYJ, Harbour Air launched its first-ever wheeled flight service between YYJ and Vancouver’s YVR South Terminal on November 4, 2024. The expanded service offers three daily round-trip flights for business and leisure travellers, further strengthening our flight connections between Vancouver and Victoria.

## 👤 Launch of Hidden Disabilities Sunflower Program

On November 14, 2024, YYJ introduced the globally recognized Hidden Disabilities Sunflower program at YYJ, reinforcing our commitment to inclusive and accessible travel. This initiative allows individuals with non-visible disabilities—such as autism, ADHD, or chronic conditions—to discreetly signal their need for support with a Sunflower lanyard. These lanyards are now available for free at Customer Service in Departures, the Arrivals Information Desk, and the Airport Authority Office.

## 🌿 VAA Leadership Participates in Drum-Making Session

As part of our ongoing journey of reconciliation, VAA’s Management Team took part in a drum-making session led by Sandy and Charity Morris from Tsartlip Nation on June 25, 2024. Held in recognition of National Indigenous History Month, this hands-on experience provided insight into the cultural significance of drum-making and its deep-rooted traditions. The session created a space for VAA to learn, converse, and connect with local First Nations members through meaningful, respectful engagement.



## 👤 YYJ Celebrates Airport Workers Day

YYJ proudly took part in the inaugural Airport Workers Day to celebrate our tireless workers in the aviation industry. Observed on June 26, 2024, this national initiative led by the Canadian Airports Council recognized the dedication of over 200,000 employees across the country, from ground crews to customer service teams. It was an opportunity to honour and spotlight the incredible people who make air travel safe and convenient every day.

## 🌿 Partnering With Goats to Restore Dickson Woods

Restoring native ecosystems takes time—but sometimes, a little help goes a long way. To tackle invasive English ivy in Dickson Woods, VAA hired the Vancouver Island (V. I.) Goatscaping, bringing in a hardworking herd to clear the forest floor. In just days, the goats accomplished what would have taken months by hand, reducing the need for chemical treatments and their adverse environmental consequences. This innovative approach to land stewardship was led by our Environmental Officer. The team earned VAA a finalist spot for the 2024 Ecostar Awards and showcases our excellence in ecological sustainability.



## 👤 YYJ Hosts 2nd Autism Aviation Day

VAA partnered with the Canucks Autism Network (CAN) and the Air Canada Foundation to host Autism Aviation Day on April 21 and 28, 2024, creating a safe and supportive space for Autistic individuals and their families at YYJ. Over 100 participants had the opportunity to rehearse their travel experience—checking in, passing through security, boarding, and taxiing down the runway on an Air Canada Express aircraft. This initiative was designed to help reduce stress, build confidence, and make air travel more accessible for Autistic passengers and their loved ones.







### **YYJ Joins Sidney Sparkles Parade**

Embracing the holiday spirit, YYJ participated in the Sidney Sparkles Holiday Parade on December 8, 2024. The parade, organized by the Peninsula Celebrations Society, lit up Beacon Avenue with vibrant floats, music, and holiday cheer. Thousands of spectators lined the streets to celebrate the season, and YYJ was right there in the action—bringing smiles, spreading cheer, and celebrating the connections that make our community shine.



### **Groundbreaking of NAV Canada Control Tower**

On May 14, 2024, VAA joined NAV CANADA in marking the occasion on NAV Canada breaking ground on a new, state-of-the-art air traffic control tower at YYJ. Standing 27.7 metres tall, the six-story facility is scheduled for completion in 2027 and will enhance our airport's aviation safety with improved sightlines and modern technology. It will also be NAV CANADA's first LEED-certified tower, operating with zero greenhouse gas emissions using BC Hydro's green power. Surrounding the site, VAA will also restore the endangered Garry Oak Meadow ecosystem, ensuring that innovation goes hand in hand with sustainability.

### **New Hotel Groundbreaking**

A major addition is coming to YYJ, with the construction of a 129-room TownePlace Suites by Marriott. Developed by the Kothari Group, the hotel will offer studio, one-bedroom, and two-bedroom suites with full kitchens, along with amenities like a fitness centre, heated saltwater pool, and full-service restaurant. Located on 3.5 acres at Highway 17 and Beacon Avenue West, VAA joined in celebrating the groundbreaking on October 2, 2024. Once completed, this project will boost the local economy while also enhancing convenience for our travellers.



## 2024 Operational Highlights

### Overall

- August CFL charter which resulted in the BC Lions hosting the Ottawa REDBLACKS at Royal Athletic Park in Victoria, as part of the inaugural Touchdown Pacific event
- Conducted full-scale live Exercise combining Safety and Security regulatory requirements
- Successfully passed Transport Canada lease audit, and no findings (0 violations) related to Safety and Security regulatory inspections

### Terminal

- Deployment of a new Airstairs
- Build and deployment of Non-Passenger Primary Screening (NPST) in the terminal
- New air services by Harbour Air, with Alaska Airlines increasing flight frequency to Seattle by four times per day

### Airside

- Delivery of a new fire truck, 6x6 Oshkosh fire apparatus, will go into service Q1 2025
- Coordinated multiple runway closures, displacements, and downgrades to complete 2024 capital plan specifically Runway End Safety Area (RESA) and taxiway Echo rebuild
- Lead the conversion of our Diesel supplies from conventional diesel to R50 Renewable Diesel

### People

- Retirement of one of VAA's longest tenured employees (almost 40 years), Jeff Peters, Mechanic Supervisor



## 2024 CAPITAL PROGRAM

In 2024, the Victoria Airport Authority (VAA) successfully completed a range of capital projects focused on regulatory compliance, safety enhancements, and asset restoration across the airfield, landside areas, and the terminal building. Total capital additions for the year amounted to \$16.4 million under the Airport Improvement Fee (AIF) program and \$1.7 million under the non-AIF program. Notable projects completed during the year included:

### RUNWAY 09-27 RUNWAY END SAFETY AREA (RESA)

**\$ 3,266,100**

RESAs are areas at the ends of runways that are prepared for the safe, infrequent, use by aircraft in the event that the aircraft unintentionally lands before the paved portion of the runway or exits the paved portion of the runway before coming to a stop. At 120 meters wide, the areas are twice the width of the runway and extend 150 meters beyond the paved surface. The use of RESAs has been regulated by Transport Canada and was required to be in place by the end of 2024. Total cost of the project over two years was \$ 4,424,800.

### TAXIWAY ECHO REHABILITATION

**\$ 5,742,300**

A full reconstruction of Taxiway Echo, between Taxiway Whiskey and Taxiway Sierra, was completed in 2024. In addition, a mill-and-pave program was carried out on Taxiway Whiskey and on Taxiway Echo between Runway 09 and Taxiway Golf. These improvements are expected to significantly extend the service life of the pavement infrastructure.

### HVAC MODERNIZATION

**\$ 305,000**

This project involved the replacement or upgrade of several critical systems within the Terminal Building, the Airport Services Centre, and the Power House. Many of these systems had reached the end of their useful life, making replacement essential to ensure the continued operation of the airport and the maintenance of established safety standards.

### APRON IV JOINT SEALANT

**\$ 722,000**

Apron IV, the primary aircraft operating apron, is constructed primarily of interlocked concrete panels, each approximately 6 metres by 6 metres in size. Joint sealant is applied along all panel edges to prevent moisture infiltration beneath the surface. In 2024, the existing sealant was removed and replaced to preserve the service life of the apron surface and to ensure the continued safe operation of aircraft.



# Environmental & Sustainability Impact

Sustainability is at the core of our long-term vision for YYJ. Our dedication to environmental responsibility was demonstrated through our proactive initiatives towards reducing carbon emissions, restoring ecosystems, and improving water conservation and waste management. In 2024, VAA renewed the Sustainability Plan to guide efforts through 2030, advanced carbon reduction initiatives, and strengthened partnerships that support habitat restoration. Whether transitioning to renewable fuels, enhancing biodiversity, or leading community-driven projects, YYJ remains focused on implementing forward-thinking solutions that balance operational growth with environmental stewardship.

## Our Roadmap to Carbon Neutrality by 2030

Achieving carbon neutrality by 2030 at YYJ requires a strong, adaptable plan. Our first five-year Sustainability Plan (2020-2024) set key milestones, including fleet electrification and Level 2 Airport Carbon Accreditation. Now, the next phase will be mapped out, taking a deeper look at our progress—what worked, what didn't, and where it can be improved.



## OUR PROGRESS TO DATE

2024 was a big year for VAA, with many initiatives completed towards achieving carbon neutrality. The following are our key accomplishments to date.

### GHG REDUCTION & ACA PROGRAM:

Airport Carbon Accreditation (ACA) is a global program that independently assesses and recognizes airports' efforts to manage and reduce their carbon emissions. In 2024, VAA continued advancing through the program, with key activities including:

- Obtained ACA Level 2 Renewal (Fiscal Year 2022 and 2023 data)
- Initiated internal VAA Carbon Management Committee
- Completed remaining tasks in ACA Level 3 workplan in preparation for applying for Level 3 upgrade.
- ACA Level 3 stakeholder mapping & key stakeholder engagement (ACA Level 3 requirement): Air Canada, WestJet, Amazon, NAVCanada
- Created Stakeholder Engagement Plan.
- Completed Energy Management Assessment funded by BC Hydro
- Since 2018, a formal 5-year creek stewardship plan was implemented to guide ongoing restoration and habitat protection for our fish-bearing streams, renewing it for 2024–2028 with a focus on major remaining projects—like the east bank landfill capital project—and ongoing maintenance, all as part of our broader sustainability goals related to water quality and conservation.
- Partnership with Peninsula Stream Society to obtain Federal EcoAction funding for freshwater ecosystem stewardship within the Saanich Peninsula
- Coho salmon fry observed in KELSET Creek
- Juvenile cutthroat trout observed in TENTEN Creek – Fall/Winter 2024
- Upgraded water quality monitoring telemetry equipment and improved system design and procurement



## BIODIVERSITY & ECOLOGY

- Developed Biodiversity Action Plan
- Implemented Forestry Management plan
  - Obtained a BC Tourism Climate Resiliency Initiative Microgrant for conducting two goat-scaping pilot projects in Dickson Woods to help reduce invasive plant species.
  - Completed a quantitative 2024 Pollinator Monitoring Study to quantify impact of biodiversity enhancement
  - Western Bumble Bees (*Bombus occidentalis*), a threatened species, was observed in the Pollinator Garden on three occasions in 2024
- Public outreach and education: Pollinator Garden signage project features individual species with a focus on Indigenous cultural significance of specific native plants

## WASTE

- Initiated Zero Waste Planning: YYJ Terminal Facility Assessment and Waste Composition Study
- Expanded organics collection into Upper Hold Room and Improved terminal washroom waste signage for improved waste diversion

## SOCIAL IMPACT

- Destination Greater Victoria Sustainability Committee Participation
- Organized by Carbon Neutral at VAA volunteer employee group that collaborates with the Environmental team to advance sustainability initiatives such as invasive species removals, biodiversity education
- Top 3 Finalist for 2024 Ecostar Awards: Ecological Stewardship



### MODERN AND EFFICIENT FACILITIES:

"Victoria Airport is highly regarded for its modern design and excellent services. Visitors have highlighted the airport's state-of-the-art facilities, which enhance the overall travel experience. The efficient layout and contemporary amenities make navigating the airport a breeze, ensuring a stress-free journey for passengers."

## Sole Sources Contracts Over \$75,000

In accordance with Board Policy, as a general practice, contracts for goods, services, and construction services over \$75,000\* are awarded through a competitive process to the lowest bidder or the proposal offering the best overall value. Board Policy requires the disclosure of any sole contracts over \$75,000\* that were entered into during the year. In 2024, no contracts over \$75,000\* were awarded outside of the competitive process.

\*75,000 in 1994 dollars adjusted for the change in CPI

2024 Actual vs. Business Plan (Shown in Thousands \$)

Annual revenues are directly tied to passenger and airline activity. In 2024, VAA saw a 5.2% increase in passengers against budget, this resulted in an increase to revenue over budget. Expenses were lower than budgeted due to certain program costs coming in lower than budgeted.

Spending on capital projects was less than planned due to the timeline for certain projects being extended due to supply chain changes and certain projects coming in less than budgeted.

	Actual	Plan	Difference
Revenue (note 1)	\$ 48,759.1	\$ 45,923.1	\$ 2,836.0
Expenses (note 2)	\$ 26,577.1	\$ 27,475.3	\$ (898.2)
Capital	\$ 18,489.4	\$ 20,500.0	\$ (2,010.6)

## Business Plan Forecast 2025 - 2029

Airport revenues are heavily dependent on passenger and aeronautical activity. As such future revenue and expense forecasts will fluctuate based on the passenger and aeronautical activity achieved, combined with any changes to passenger or aeronautical related fees.

The most recent airport master plan identified major capital developments of approximately \$600m over the 20-year planning period. Management continues to review the requirements and phasing of future capital investments within the terminal building and the airport lands. As a result the total yearly capital spend will fluctuate depending on the timing and phasing of future capital investments.

	2025	2026	2027	2028	2029
Revenue (note 1)	\$ 55,706.2	\$ 57,115.9	\$ 61,131.9	\$ 65,343.3	\$ 72,480.5
Expenses (note 2)	\$ 31,440.4	\$ 31,482.8	\$ 32,617.8	\$ 33,793.5	\$ 35,365.4
Capital	\$ 27,000.0	\$ 22,600.0	\$ 21,218.0	\$ 21,855.0	\$ 22,511.0

Notes: 1. Operations revenue includes all revenues earned from airport operations excluding non-cash items such as deferred capital contributions  
2. Expense items do not include non-cash items such as amortization



# GOVERNANCE

Our Board of Directors provides oversight to ensure our purposes and objectives are met and that Victoria International Airport operates safely, efficiently, and reliably. As a governance board, all Directors are required to have a high level of expertise in fiscal management and governance best practices to support our long-term success.

### DIRECTOR CODE OF CONDUCT

Our Board members must comply with the Board Policy and Procedures Manual and sign an annual Code of Conduct attestation, acknowledging their understanding and commitment to the policies and bylaw requirements. Each Director also submits an annual disclosure statement to the Corporate Secretary, identifying any real or perceived conflicts of interest. Directors must abstain from discussions or votes where a conflict may arise. In 2024, there were no violations of the Code of Conduct.

### BOARD COMPOSITION

Victoria Airport Authority is governed by a 12-member Board of Directors representing the following nominating entities within the Capital Regional District and various levels of government:

Nominating Entry	# of Board Positions
Government of Canada	2
Province of British Columbia	1
Town of Sidney	2
District of North Saanich	2
District of Central Saanich	1
District of Saanich	1
City of Victoria	1
Capital Regional District	1
Greater Victoria Chamber of Commerce	1

Board of Directors has the ability to appoint up to 3 additional Directors at Large





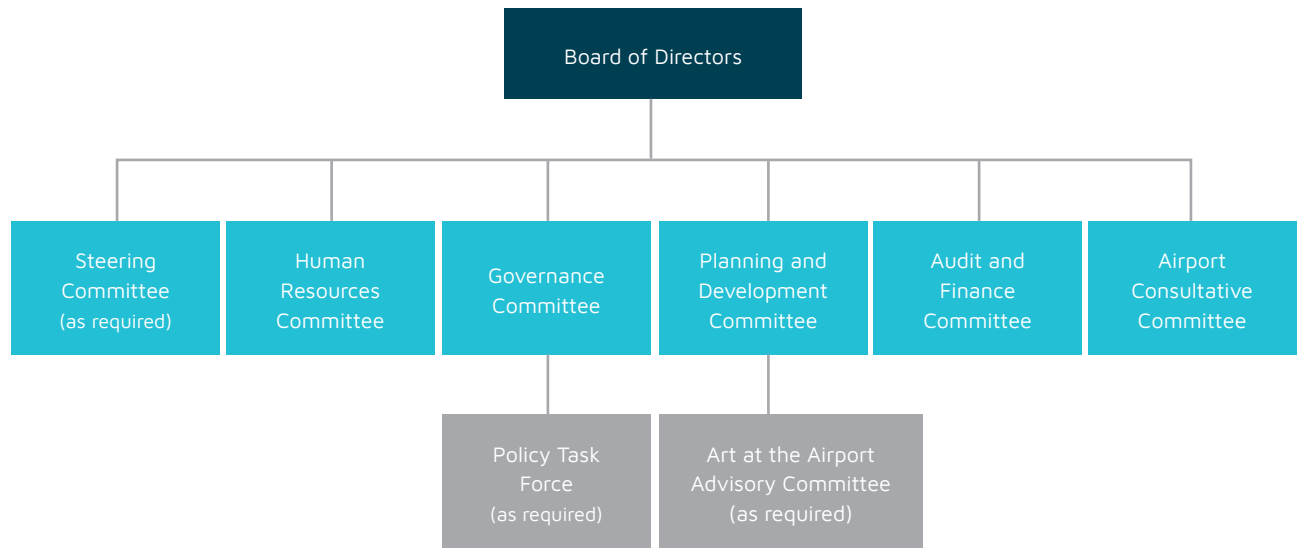


### TERM LIMITS

VAA may appoint up to three additional directors at the discretion of the Board. Each term shall be up to three years, and each member may again be nominated. A Director may serve up to three terms, up to a maximum of nine years in total. Once a member has served the allotted term, the member may not be renominated.

### BOARD COMMITTEES

The board has six standing committees as well as ad-hoc committees, sub-committees and task forces, as required.



### BOARD ATTENDANCE

The Board of Directors met fourteen times for committee and board discussions. The Annual Public General Meeting was held to invite feedback from stakeholders and community members. The Board also participated in several public and private events, and fundraisers as airport ambassadors.

#### Average attendance at Board and Committee meetings for 2024:

Board Meetings: **98%** Committee Meetings: **97%** Public Meetings: **92%**

### BOARD OF DIRECTORS’ AND EXECUTIVES’ COMPENSATION

Compensation of Victoria Airport Authority’s board of directors is reviewed annually. In 2024, the officers of the corporation and directors were compensated as follows:

Officer/Director	Compensation
Carol Brown, Committee Chair	\$ 17,000
David Cowen	\$ 22,800
Erik Djukastein	\$ 17,900
Paul Gerrard, Committee Chair	\$ 22,300
Allan Haynes	\$ 17,300
Frank Leonard	\$ 20,800
Margaret Lucas, Committee Chair	\$ 23,800
Cathie Ounsted, Board Chair	\$ 46,000
Sami Turki	\$ 17,900
Wendy Zink, Board Secretary	\$ 22,900
Kelly Bull-Tomer	\$ 18,200

Victoria Airport Authority’s senior management team, comprised of the president and chief executive officer and five senior managers, received \$1,170,020 in salary for the year ended December 31, 2024.



#### FESTIVE ATMOSPHERE:

“The festive atmosphere at Victoria Airport during the Christmas season has been a delightful experience for many. Travelers have expressed their gratitude for the live Christmas music that fills the air, adding a special touch to the holiday season. The airport’s efforts to create a joyful and festive environment have made the holiday season brighter for countless passengers.”





# Board of Directors & Chief Executive Officer



**David Cowen**  
Chair, Board of Directors 2025  
Ex Officio on all Committees 2025  
Chair, Audit and Finance Committee 2024  
Steering Committee  
Planning and Development Committee  
District of North Saanich  
Current term expires December 31, 2026



**Kelly Bull-Tomer**  
Airport Consultative Committee  
Audit and Finance Committee  
Planning and Development Committee  
Town of Sidney  
Current term expires December 31, 2026



**Margaret Lucas**  
Vice Chair 2024  
Chair, Airport Consultative Committee  
Steering Committee  
Human Resources Committee  
Greater Victoria Chamber of Commerce  
Current term expires December 31, 2026



**Wendy Zink**  
Board Secretary  
Chair, Governance Committee  
Steering Committee  
Planning and Development Committee  
Province of British Columbia  
Current term expires December 31, 2024



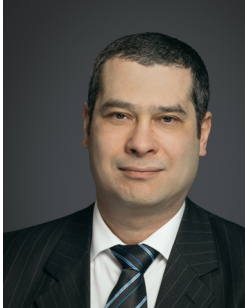
**Carol Brown**  
Airport Consultative Committee  
Audit and Finance Committee  
Governance Committee  
Government of Canada  
Current term expires December 31, 2024



**Erik Djukastein**  
Airport Consultative Committee  
Audit and Finance Committee  
Governance Committee  
District of North Saanich  
Current term expires December 31, 2025



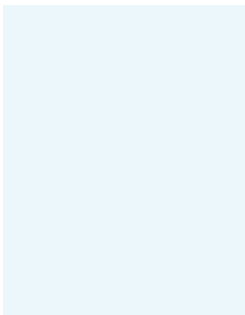
**Allan Haynes**  
Airport Consultative Committee  
Audit and Finance Committee  
Governance Committee  
District of Saanich  
Current term expires December 31, 2026



**Sami Turki**  
Airport Consultative Committee  
Governance Committee  
Planning and Development Committee  
Town of Sidney  
Current term expires December 31, 2025



**Paul Gerrard**  
Chair, Planning and Development Committee  
Steering Committee  
Audit and Finance Committee  
Capital Regional District  
Current term expires December 31, 2024

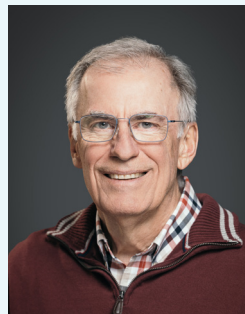


**Vacant**  
City of Victoria

## OUTGOING BOARD MEMBERS



**Cathie Ounsted**  
Chair, Board of Directors 2024  
Chair, Steering Committee  
Human Resources Committee  
Ex Officio on all Committees  
District of Central Saanich  
Current term expires December 31, 2024



**Frank Leonard**  
Chair, Human Resources Committee 2024  
Steering Committee  
Governance Committee  
Government of Canada  
Current term expires December 31, 2024

On December 31, 2024, VAA said farewell to Cathie Ounsted, Board Chair for 2023 and 2024. Her leadership and guidance across all committees helped shape strategic decisions and support VAA's continued growth. We also thank Frank Leonard, Board Member and representative of the Government of Canada, whose contributions to the Governance, Human Resources, and Planning and Development Committees were deeply valued. We are grateful for their service and dedication.





**AUDIT AND FINANCE COMMITTEE**

The Audit and Finance Committee is responsible for reviewing fiscal management policies and issues, including annual budgets, accounting systems and procedures, enterprise risk management, airport fees, compensation and benefits, asset protection and environmental protection. The Committee shall ensure that VAA meets its statutory obligations and conducts its affairs in accordance with legal and regulatory requirements and Board approved policies.

**PLANNING AND DEVELOPMENT COMMITTEE**

The Planning and Development Committee provides oversight with respect to long-term planning, including strategic, master and capital plans. The Committee reviews and monitors major commercial plans and activities, including land development, air service development, retail and other business development opportunities.

**GOVERNANCE COMMITTEE**

The Governance Committee is responsible for the monitoring of corporate governance issues and ensuring the most current applicable governance standards are recommended for board approval. This committee also periodically reviews the remuneration of Directors, considering time commitments and the scope of responsibilities. The committee is also responsible for working with the nominating entities in the process of nominating new directors.

**HUMAN RESOURCES COMMITTEE**

The Human Resources Committee is responsible for oversight of the President and CEO. It establishes a performance evaluation process and protocols to evaluate the accomplishments and work in progress of the President and CEO relative to objectives, goals and other key performance indicators, as well as ensuring an Emergency Succession Plan for the President and CEO is in place and establish the process and conduct the recruitment of a successor President and CEO. It is also responsible for reviewing and recommending the compensation philosophy and guidelines for the President and CEO, and review recommendations on compensation and benefit plans for excluded employees (non-union employee members).

**AIRPORT CONSULTATIVE COMMITTEE**

The Airport Consultative Committee meets not less than twice each year, and is comprised of members who are generally representative of the community, including persons representing the interests of consumers, the travelling public and organized labour, aviation industry representatives and appropriate provincial and municipal government representatives, to provide for effective dialogue and dissemination of information on matters relating to the Airport, including: Airport planning and plans; operational aspects of the Airport; and municipal concerns.

**STEERING COMMITTEE**

The Steering Committee exercises such powers as are specified in by-law and as are delegated to it by the Board. The Steering Committee shall investigate any Code of Conduct issues related to the Board of Directors and decide on the appropriate course of action.



**FRIENDLY AND ENGAGING STAFF:**

“The Public Safety and Engagement Officer (PESO) has been repeatedly praised for their friendly demeanor and excellent interactions with the public. Their welcoming attitude and helpful nature have made a positive impact on the community and visitors alike.”



**UNPARALLELED EXCELLENCE:**

Victoria Airport has been hailed as the best airport in the best city on the best island in the best place in the world. This glowing praise reflects the high regard travelers have for the airport and its exceptional offerings. The combination of top-notch services, beautiful surroundings, and a welcoming atmosphere makes Victoria Airport stand out as a world-class travel hub.



# Honouring Our Community & Indigenous Partnerships

While progress takes time, 2024 marked meaningful strides toward finalizing the WSÁNEĆ-VAA Friendship Agreement. WJOŁEŁP (Tsartlip), BOKEĆEN (Pauquachin), and WSÍKEM (Tseycum) First Nations confirmed their support through band council. While work remains, VAA will continue to maintain open dialogue in 2025, with plans to move forward in partnership with the three supportive communities.



## Strengthening Our Friendship with WSÁNEĆ Nations

While progress takes time, 2024 marked meaningful strides toward finalizing the WSÁNEĆ-VAA Friendship Agreement. WJOŁEŁP (Tsartlip), BOKEĆEN (Pauquachin), and WSÍKEM (Tseycum) First Nations confirmed their support through band council. While work remains, VAA will continue to maintain open dialogue in 2025, with plans to move forward in partnership with the three supportive communities.

## Strengthening and Managing Key Relationships

Building strong relationships is essential to our role as a regional connector. In 2024, VAA expanded its presence in the community and strengthened partnerships with organizations that influence or benefit from our airport operations. Key collaborations included:





Giving Back to Our Community

In 2024, VAA contributed over \$39,000 in donations and sponsorships to strengthen local initiatives, charities, and events. Our funding led to meaningful impact – helping provide firewood for Tseycum First Nation Elders, food security through the Saanich Peninsula Lions Food Bank, and support for youth athletics and environmental programs. This reflects our ongoing investment in the well-being of our region – because when our community thrives, so does YYJ.

Donation and Sponsorship Recipients	Amount (\$)
BC Aviation Museum RCAF - 100th Anniversary	1,500.00
BC Aviation Council	641.54
CANEW 2024 Halifax	1,000.00
Cool Aid Society	2,500.00
CR Fair Flavour Trails	750.00
Destination Greater Victoria Impact 2025	2,500.00
Duncan Dynamics Gymnastics	250.00
Geronimo Canoe Club	1,000.00
Juan De Fuca Minor Hockey Association	350.00
Ninety-Nines 2024 International Conference	4,048.68
Pacific Coastal Annual Charity Golf Tournament	5,000.00
Peninsula Celebration Society	1,500.00
Power to Summit Sponsorship	1,000.00
Seaside Magazine Charity Road Hockey Tournament 2024 - Help Fill a Dream	500.00
Sidney Anglers' Association - Salmon Enhancement Fundraiser	500.00
Silver Wings Gala	2,750.00
Team BC 2014	350.00
The Chamber's New to Canada Program	5,000.00
Tourism Industry Association of BC	3,500.00
Triple Crown for Heart - Shaun Carpenter Supporting BC Children's Hospital and the Children's Heart Network	100.00
Tseycum First Nation Elder Firewood	2,000.00
Workplace Giving 2024 - BC Cancer Foundation	1,940.00
Workplace Giving 2024 - Saanich Peninsula Lions Food Bank	1,150.00
BCAM Lease, support of Hawaii Mars arrival and relocation to BCAM	In Kind
<b>TOTAL</b>	<b>\$ 39,830.22</b>



EARLY MORNING SECURITY AT YYJ:

“A big thank you to the security staff at YYJ for their exceptional service at 5 am. Despite the early hour and likely fatigue, they remained friendly, organized, and efficient. Their positive attitude and professionalism contributed to a pleasant start to a traveler’s vacation, leaving a lasting impression.”



2024

# GRATITUDE

## Gratitude to Those Who Keep Us Soaring

YYJ is deeply grateful to our phenomenal Red Coat volunteers, team members, and partners who make travel seamless, strengthen our connections to the community, and work to support our region. Your dedication shapes the journey of every traveller and guest who walks through our doors, ensuring YYJ remains a welcoming, efficient and thriving hub in Vancouver Island.





2024

# FINANCIAL STATEMENTS



## MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by management in accordance with Canadian accounting standard for not-for-profit organizations. The most significant of these are set out in Note 2 to the statements.

Victoria Airport Authority's accounting procedures and related systems of internal control are designed to provide reasonable assurance that its assets are safeguarded, and its financial records are reliable. These financial Statement include some amounts based upon management's best estimates and judgements. Recognizing that the Authority is responsible for both the integrity and objectivity of the financial statements, management is satisfied that these financial statements have been prepared within reasonable limits of materiality.

The Board of Directors has appointed an Audit and Finance Committee consisting of eight Board directors. The committee meets periodically throughout the year to review with management and the auditors any significant accounting, internal control and auditing matters. They also review and finalize the annual financial statements of the Authority together with the independent auditor's report before their submission to the Board of Directors for final approval.

The financial information throughout the text of the Annual Report is consistent with the information presented in the financial statements.

On behalf of the Victoria Airport Authority

A handwritten signature in blue ink, appearing to read 'Elizabeth M. Brown', written over a light blue horizontal line.

Elizabeth M. Brown  
President and CEO  
April 22, 2025





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Victoria BC V8W 3Y7  
Canada  
Telephone 250-480-3500  
Fax 250-480-3539

## INDEPENDENT AUDITOR'S REPORT

*To the Members of Victoria Airport Authority*

### **Opinion**

We have audited the financial statements of Victoria Airport Authority ("the Authority"), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Authority as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.  
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*KPMG LLP*

Chartered Professional Accountant

Victoria, Canada  
April 29, 2025

VICTORIA AIRPORT AUTHORITY

Statement of Financial Position

December 31, 2024, with comparative information for 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 19,340,956	\$ 13,918,698
Accounts receivable (note 12a)	3,387,096	3,097,934
Inventory	358,067	355,933
Prepaid expenses	496,117	473,861
	23,582,236	17,846,426
Tangible capital assets (note 3)	125,529,458	121,094,267
Other long-term assets	17,634	20,485
	\$ 149,129,328	\$ 138,961,178

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 4)	\$ 6,621,784	\$ 3,802,772
Deferred revenue	337,056	373,156
Current portion of retirement allowance liability (note 5)	29,733	67,421
	6,988,573	4,243,349
Retirement allowance liability (note 5)	901,079	827,933
Deferred capital contribution (note 7)	5,248,471	6,456,559
Tenants' security deposits	254,660	137,485
	13,392,783	11,665,326
Net assets:		
Invested in tangible capital assets	120,280,987	114,637,708
Unrestricted net assets	15,455,558	12,658,144
	135,736,545	127,295,852
Commitments (note 6)		
Contingent liabilities (note 15)		
	\$ 149,129,328	\$ 138,961,178

See accompanying notes to financial statements.

On behalf of the Board:

David Cowen, Chair, Board of Directors

Simon Philp, Chair , Audit & Finance Committee



# VICTORIA AIRPORT AUTHORITY

## Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Concessions	\$ 15,203,034	\$ 13,395,986
Aeronautical	8,508,109	7,532,948
Rentals - real estate	3,960,403	3,819,318
Deferred capital contribution revenue	1,208,088	1,179,586
Other	1,381,860	1,268,577
	30,261,494	27,196,415
Airport Improvement Fee ("AIF") (note 8)	19,705,645	12,986,235
	49,967,139	40,182,650
Expenses:		
Salaries and employee benefits	9,057,811	8,204,989
Services, supplies and administration	6,931,928	6,471,339
Security and terminal services	4,443,598	4,036,792
Rent (note 6(a))	2,687,806	1,910,295
Property taxes	1,195,862	1,038,934
AIF administration and handling fees	1,406,997	936,172
Amortization	14,054,254	12,045,752
Utilities	853,133	807,083
	40,631,389	35,451,356
Excess of revenue over expenses before other expenses	9,335,750	4,731,294
Beacon/Galaran/Stirling roundabout contribution (note 9)	841,213	-
Excess of revenue over expenses	\$ 8,494,537	\$ 4,731,294

## Statement of Changes in Net Assets

Year ended December 31, 2024, with comparative information for 2023

	Invested in tangible capital assets	Unrestricted	2024	2023
Balance, beginning of year	\$ 114,637,708	\$ 12,658,144	\$ 127,295,852	\$ 122,174,596
Excess of revenue over expenses	-	8,494,537	8,494,537	4,731,294
Net change in invested in tangible capital assets	5,643,279	(5,643,279)	-	-
Gain (loss) on actuarial valuation of retirement allowance liability	-	(53,844)	(53,844)	389,962
Balance, end of year	\$ 120,280,987	\$ 15,455,558	\$ 135,736,545	\$ 127,295,852

See accompanying notes to financial statements.

# VICTORIA AIRPORT AUTHORITY

## Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 8,494,537	\$ 4,731,294
Items not involving cash:		
Amortization	14,054,254	12,045,752
Recognition of deferred capital contribution	(1,208,088)	(1,179,586)
Gain on the disposal of tangible capital assets	(3,500)	(16,000)
Changes in non-cash operating working capital:		
Accounts receivable	(289,162)	484,780
Inventory	(2,134)	(141,767)
Prepaid expenses	(22,256)	(170,293)
Other long-term assets	2,851	6,159
Accounts payable and accrued liabilities	2,819,012	(531,745)
Deferred revenue	(36,100)	(104,480)
Retirement allowance liability	(18,386)	5,443
Tenant's security deposits	117,175	3,190
	23,908,203	15,132,747
Investing:		
Purchase of tangible capital assets	(18,489,445)	(16,320,538)
Proceeds from the sale of tangible capital assets	3,500	16,000
	(18,485,945)	(16,304,538)
Financing:		
Deferred capital contribution	-	739,758
	-	739,758
Increase (decrease) in cash and cash equivalents	5,422,258	(432,033)
Cash and cash equivalents, beginning of year	13,918,698	14,350,731
Cash and cash equivalents, end of year	\$ 19,340,956	\$ 13,918,698

See accompanying notes to financial statements.



VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

1. Nature of operations:

Victoria Airport Authority (“VAA” or “Authority”) is incorporated under Part II of the Canada Corporations Act as a non-share capital, not-for-profit corporation and all earnings from operations are reinvested in airport development. VAA has operated the Victoria International Airport since April 1, 1997 under a lease from Transport Canada (“ground lease”).

2. Significant accounting policies:

(a) Basis of accounting:

The financial statements of VAA are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Cash and cash equivalents:

Cash and cash equivalents are defined as cash, high interest savings and highly liquid investments consisting of term deposits with original maturities at the date of purchase of three months or less.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value and all changes in the fair value are recognized in excess of revenue over expenses in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Authority has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Authority determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Authority expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

2. Significant accounting policies (continued):

(d) Inventory:

The inventory of consumable supplies is recorded at the lower of cost, determined on a first-in first-out basis, and net realizable value.

(e) Transport Canada Lease:

The Transport Canada Lease (see note 6(a)) is accounted for as an operating lease.

(f) Tangible capital assets:

Tangible capital assets are recorded at cost and amortized on a straight-line basis over the estimated useful lives of the assets at the following annual rates:

Asset	Years
Terminal building	5-50
Airfield and roadways	5-60
Other buildings and structures	5-50
Vehicles	10-20
Computer and IT Equipment	3-10
Machinery and equipment	5-30
Furniture and fixtures	5-20

The interest cost of debt attributable to the construction of capital assets is capitalized during the construction period. No interest was capitalized in 2024 or 2023. Capital work-in-progress is not amortized until the asset is available for use.

When a capital asset no longer contributes to VAA’s ability to provide services, its carrying amount is written down to its residual value with no reversals of such write downs in subsequent periods.



VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

2. Significant accounting policies (continued):

(g) Revenue recognition:

VAA follows the deferral method of accounting for contributions whereby unrestricted revenue is recognized when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured. When a portion of the contributions relates to a future period, it is deferred and recognized in that subsequent period.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at a rate corresponding with the amortization rate for the related capital assets.

Revenue is recognized as follows:

- Landing and general terminal fees are recognized as revenue when airport facilities are utilized.
- Concession revenue is recognized based on the greater of agreed percentages of reported concessionaire sales and specified minimum guaranteed amounts over the terms of the respective leases. Car parking revenue is recognized when car parking facilities are utilized.
- Rental revenue is recognized over the terms of the respective leases.
- Airport Improvement Fees (“AIF”) (note 8), are recorded when passengers subject to the fee depart.

(h) Employee future benefits:

VAA and its employees make contributions to the Municipal Pension Plan. These contributions are expensed as incurred.

An unfunded retirement allowance benefit is also available to VAA’s employees. The costs of these benefits are actuarially determined based on service and best estimates of retirement ages and expected future salary and wage increases. The obligation under this benefit plan is accrued based on projected benefits as the employees render services necessary to earn the future benefits. Actuarial gains (losses) arise from changes in actuarial assumptions used to determine the accrued benefit obligation. All actuarial gains (losses) are recorded in net assets.

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Areas requiring the use of management estimates include the determination of the retirement allowance, useful lives for amortization and provisions for contingencies. Actual results could differ from these estimates.

VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

3. Tangible capital assets:

	2024		2023	
	Cost	Accumulated amortization	Net book value	Net book value
Terminal building	\$ 92,709,290	\$ 54,815,064	\$ 37,894,226	\$ 40,767,148
Airfield and roadways	123,632,392	57,376,400	66,255,992	61,374,237
Other buildings and structures	14,916,583	8,843,700	6,072,883	5,864,718
Vehicles	9,887,039	5,960,107	3,926,932	4,041,842
Computer and IT equipment	4,318,580	2,726,555	1,592,025	1,560,508
Machinery and equipment	6,531,721	2,256,419	4,275,302	3,873,185
Furniture and fixtures	1,279,859	771,889	507,970	383,864
Capital work in progress	5,004,128	-	5,004,128	3,228,765
	\$ 258,279,592	\$ 132,750,134	\$ 125,529,458	\$ 121,094,267

During the year, VAA sold assets with a net book value totaling nil (2023 - nil) for proceeds of \$3,500 (2023 - \$16,000) resulting in a gain on sale of assets of \$3,500 (2023 – gain of \$16,000). This gain is included with other income on the statement of operations.

During 2024, a review and assessment for impaired assets resulted in a \$1,000,496 impairment of assets (2023 - \$58,796). The impairment is included in amortization in the Statement of Operations.

4. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$263,707 (2023 - \$84,603), which includes amounts payable for PST/GST remittances, employer health tax and WorkSafe BC premiums.

5. Retirement allowance liability:

Under the terms of the transfer agreement with Transport Canada, VAA assumed the Government of Canada’s obligation to pay its former employees compensation upon retirement or termination in accordance with the collective agreements. This benefit forms part of the current collective agreement. The retirement benefit is based on years of completed service.

VAA accrues the cost of these future benefits, as employees render their services, based on actuarial valuations of the obligations. It is VAA practice to perform an actuarial valuation a minimum of every three years. An actuarial valuation of the plan was completed as of December 31, 2024. The next actuarial valuation of the plan is scheduled for no later than December 31, 2025.



# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

## 5. Retirement allowance liability (continued):

The significant economic assumptions used by VAA's actuaries in measuring the accrued retirement allowance liability as at December 31, 2024 are as follows:

	2024	2023
Discount rates	4.60%	4.65%
Rate of compensation increases	Year 1 – 4.00%	5.00%
	Year 2 – 2.75%	4.00%
	Thereafter – 2.75%	2.75%

VAA has recorded additional liabilities for compensation upon retirement or termination in accordance with collective and other agreements negotiated subsequent to transfer. The total annual retirement allowance liabilities are as follows:

Balance at December 31, 2022	\$ 1,279,873
Annual accrual, net of benefits paid	(39,601)
Interest	45,043
Actuarial gain as of December 31, 2023	(389,962)
Balance at December 31, 2023	895,353
Annual accrual, net of benefits paid	(63,587)
Interest	45,202
Actuarial loss as of December 31, 2024	53,844
Balance at December 31, 2024	\$ 930,812

	2024	2023
Financial statement presentation:		
Current portion	\$ 29,733	\$ 67,421
Long-term	901,079	827,933
	\$ 930,812	\$ 895,354

In 2024, the net retirement benefit plan expense totaled \$64,699 (2023 - \$142,361).

# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

## 6. Commitments:

### (a) Ground lease with Transport Canada:

The ground lease governs both the economic and day-to-day relations between VAA and Transport Canada. The Authority signed a 60-year ground lease with Transport Canada effective April 1, 1997 with an option to extend the term for a further 20 years. On January 28, 2015 the Minister of Transport signed an amendment to the ground lease extending the term for 20 years ending on March 31, 2077. The ground lease contains specific conditions for compliance with a series of requirements, including environmental standards, minimum insurance coverage, specific accounting and reporting requirements and various other matters that have a significant effect on the day-to-day operation of the Authority. The Authority has complied with all requirements under the ground lease. As of January 1, 2025, there is 52 years and 3 months remaining in the lease.

(i) Rent payable to Transport Canada is calculated based on a percentage of gross revenue on a progressive scale. Projected rent expense for 2025 - 2029 based on VAA's current financial forecast is as follows:

2025	\$ 3,248,346
2026	3,369,276
2027	3,690,550
2028	4,027,463
2029	4,598,439

### (b) Capital commitments:

In connection with the construction of certain capital projects and purchase of certain capital items, the VAA has capital commitments outstanding as at December 31, 2024 of approximately \$1,756,900 (2023 - \$5,835,000).



# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

7. Deferred capital contribution:

VAA receives funding from the Canadian Air Transport Security Authority (“CATSA”) and other governmental agencies in the form of grants and reimbursements towards specific capital infrastructure upgrades. The funds received are deferred and brought into revenue as contributions at a rate or amount consistent with the amortization of the related capital asset once amortization of the asset begins.

Balance, beginning of year	\$ 6,456,559
Less: amounts amortized to revenue	1,208,088
Balance, end of year	\$ 5,248,471

The balance of unamortized contributions related to capital assets consists of the following:

Unamortized contributions used to purchase capital assets	\$ 5,248,471
Balance, end of year	\$ 5,248,471

# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

8. Airport Improvement Fee (“AIF”):

On May 31, 1999, the VAA entered into an agreement (the “AIF Agreement”) with the Air Transport Association of Canada and air carriers serving the Victoria International Airport. The AIF Agreement provides for a consultation process with the air carriers on airport development as well as the collection of an AIF by air carriers. AIF revenue is collected by the airlines on behalf of VAA which entitles them to withhold a 7% handling fee. Use of AIF revenue is restricted and can only be used to fund capital expenditures related to the construction or improvement of airport infrastructure and related financing costs. The AIF charge was \$15 per local boarded passenger until April 30, 2024. Effective May 1, 2024 the AIF increased to \$25 per local boarded passenger.

To December 31, 2024 cumulative expenditures exceeded cumulative AIF revenue as follows:

AIF revenue	\$ 212,647,205
Airline/ATAC administration fees	(15,302,685)
AIF program expenditures	(215,717,182)
Financing costs	(8,921,659)
Excess of AIF expenditures over AIF revenue	\$ (27,294,321)

The excess of AIF expenditures over AIF revenue is currently being funded through surpluses from operations.

9. Beacon / Galaran / Stirling Roundabout and Road Improvements:

VAA entered into an agreement with the Town of Sidney and the District of North Saanich to realign Sterling Way and construct a roundabout at the intersection of Beacon Avenue, Stirling Way and Galaran Road. The Town of Sidney was successful in receiving government funding for a portion of the project with the remaining costs funded by the Town of Sidney, VAA and the District of North Saanich on a 40%/40%/20% basis. The total cost attributable to VAA for the project was \$1,143,213 consisting of a \$841,213 contribution to the roundabout construction and road realignment and a \$302,000 capital improvement to realign VAA’s flight path multiuse path to the new road alignment.



# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

## 10. Pension contributions:

VAA and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2021, the plan has about 227,000 active members and approximately 118,000 retired members. Active members include approximately 61 contributors from Victoria Airport Authority.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to the plan. The actuary's calculated contribution rate is based on the entry age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis. The next valuation date will be December 31, 2024, with results available later in 2025.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

VAA paid \$616,901 (2023 - \$566,643) for employer contributions while employees contributed \$542,363 (2023 - \$496,746) to the plan in fiscal 2024.

## 11. Credit facilities:

VAA has a \$10,000,000 operating line of credit with CIBC bearing interest at CIBC prime rate less 0.50%.

VAA has a \$10,000,000 capital facility to fund assets over 10 years with various interest rate options including floating, prime rate minus 0.50%, fixed rate, including an interest rate swap and banker's acceptances, at the prevailing rates and fees

Both credit facilities are secured by a general security agreement, a registered mortgage of VAA's leasehold interest and assignment of all book debts due and payable. The credit facilities require a debt service ratio of 1.2 to 1.0. These two credit facilities were undrawn on December 31, 2024 and 2023.

# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

## 12. Risk management:

Exposure to credit risk, liquidity risk, and interest rate risk, arises in the normal course of VAA's business. Financial instruments are not used for trading or speculative purposes.

### (a) Credit risk:

Credit risk is the risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument. For cash and cash equivalents and accounts receivable, VAA's credit risk is limited to the carrying value on the balance sheet. VAA has a concentration of credit risk with two airlines. VAA manages the risk associated with the concentration of credit risk through its policy of actively monitoring the aging of receivables.

Credit risk is further reduced by letters of credit, deposits and customer credit evaluations. VAA limits its exposure to credit risk on cash and cash equivalents by investing in instruments issued by high credit quality financial institutions. VAA enters into financial contracts such as interest rate swaps only with high credit quality financial institutions.

As at December 31, 2024 the aging analysis of trade receivables, net of impaired amounts of \$117,717 (2023 - \$322,847) is as follows:

Current	80.96%	\$ 2,333,613
1 to 30 days overdue	9.34%	269,182
31 to 60 days overdue	7.28%	209,732
61 days plus overdue	2.42%	69,859
Total	100.00%	\$ 2,882,386

### (b) Liquidity risk:

Liquidity risk is the risk that VAA will not be able to meet its obligations associated with financial liabilities. Funds generated through operations finance the capital program. VAA also has access to an undrawn operating line of credit which assists to mitigate liquidity risk.

### (c) Interest rate risk:

Interest rate risk arises because of fluctuations in interest rates. VAA is exposed to interest rate risk on its cash and cash equivalents which are maintained to provide liquidity while achieving a satisfactory return. There has been no change in the risk exposures from the prior year.

## 13. Financial instruments:

Interest income during 2024 totaled \$835,224 (2023 - \$773,222).



# VICTORIA AIRPORT AUTHORITY

Notes to Financial Statements

Year ended December 31, 2024

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**14. Other information:**

- (a) VAA income generated from airport-related operations is exempt from federal and provincial income taxes.
- (b) During the year ended December 31, 2024, the fees paid to the Board of VAA for their services as directors totaled \$262,129 (2023 - \$314,400).

**15. Contingent liabilities:**

The Authority, in conducting its usual business activities, is involved in various legal proceedings and litigation, the outcome of which is indeterminable. It is the Authority's policy to carry adequate insurance to minimize the financial risk associated with such matters.

Management is of the opinion that the aggregate net liability, if any, of these proceedings and litigation would not have a material impact to the Authority's financial position.

**16. Impact of Tariffs:**

The imposition of U.S. tariffs on cross-border trade will result in increased costs for goods and services procured from U.S. suppliers, impacting operations and infrastructure projects. While the long-term impact remains uncertain, VAA is actively working to monitor and mitigate the risks and impacts of tariffs.



**VICTORIA AIRPORT AUTHORITY  
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**Legal Firm:** Cox Taylor



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