



YLW

Kelowna International Airport

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- ▶ Self-funded
 - ▶ Not funded through taxation
- ▶ Impact on taxation
 - ▶ Administration fee
 - ▶ 2019 - \$1.3 million
 - ▶ Indirect
 - ▶ Aerospace campus property taxes

Kelowna International Airport

- ▶ Capital intensive
 - ▶ 2017 Cash Flow

	2017
Opening cash, cash equivalents and investments	\$25,721,000
Operating cash inflows	18,787,000
Capital cash outflows	(22,354,000)
Issuance of debt	8,000,000
Repayment of debt	(3,432,000)
Closing cash, cash equivalents and investments	\$26,722,000

Kelowna International Airport

- ▶ Revenues (2017 - \$32 million)
 - ▶ Airport Improvement Fee (AIF - \$13 million)
 - ▶ Use restricted for airport-related capital infrastructure
 - ▶ Non-AIF
 - ▶ Aeronautical
 - ▶ Landing fees (\$4 million)
 - ▶ Terminal fees (\$3 million)
 - ▶ Non-aeronautical
 - ▶ Parking (\$6 million)
 - ▶ Car rental (\$3 million)
 - ▶ Land and building rental (\$1 million)
 - ▶ Food and beverage (\$1 million)

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▶ Debt

▶ Municipal Financing Authority

- ▶ October 2015 - \$7.5 million
- ▶ April 2016 - \$3.5 million
- ▶ October 2016 - \$3.0 million
- ▶ April 2017 - \$8.0 million

▶ Debt repayment schedule

	2019 - 2025	2026	2027	Total
Principal	\$1,897,000	\$1,258,000	698,000	15,235,000
Interest	584,000	333,000	112,000	4,533,000
Total	\$2,481,000	\$1,591,000	810,000	\$19,768,000

Kelowna International Airport

▶ Financial Objectives

- ▶ Remain a low-cost airport
- ▶ Increase non-aeronautical revenues
- ▶ Do not exceed \$40 million in debt outstanding
- ▶ Remain self-funding
 - ▶ Maintain non-AIF cash balance greater than \$10 million
 - ▶ Build up an emergency cash balance equal to six months' of operating expenditures



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Questions?

For more information, visit kelowna.ca.