

ANNUAL BUSINESS PLAN

2021
EDITION



CEO SUMMARY

2021, subject to the plight of COVID, is expected to be another good and possibly great year for the Red Deer Regional Airport, as we continue to execute in accordance with our Five-Year Strategic Business Plan.

Operating revenue is expected to increase by 14% as a result of the planned installation of the solar farm, the arrival of Canadian Aviation College, and additional charter traffic, which is expected during the first three months of the year.

Operating expenses are expected to decrease by 6.8% this year, as is the airport's need for additional funding support from the Joint Appointees, which will be down 30% from 2020.

Capital projects estimated at \$1,500,000 this year will include, the paving of apron 3, and the airports main parking lot. Additional security features such as the installation of perimeter fencing and cameras around the parking lot will also form part of this project. An additional \$675,000 has been allocated to replace aging maintenance support equipment, such as the loader, which is currently 23 years old.

Additional airport infrastructure projects will depend on the airport's ability to secure a significant business opportunity, along with the funding necessary to support it. The airport continues to have productive meetings with a number of potential partners and is hopeful that these discussions will lead to additional infrastructure upgrades such as a new low-cost terminal and the widening of runway 17/35 from 35m to 45m.

Serving the community will continue to be a major focus for the airport this year pending COVID restrictions. The Props and Pistons Show and Shine event is expected to be a major draw thanks to the addition of a live car and plane auction hosted by Franklin Auctions and in coordination with Buffalo Airways. Other events such as the Boot Scootin BBQ, the Canadian Finals Rodeo, and the Harvard Airberta Poker Rally and Awards Gala will also once again be on the schedule. For more information on this and other airport events, please visit our website at www.flyreddeer.com, or one of our social media platforms for all the latest news.

In closing, I would like to thank you for your continued interest and support of the Red Deer Regional Airport, and I wish you all the best for 2021.

Graham Ingham
Chief executive Officer
Red Deer Regional Airport

CORPORATE VISION, MISSION, VALUES and GOAL STATEMENTS

Vision

The Aviation Gateway and Key Economic Driver for Central Alberta.

Mission

To operate an affordable and sustainable regional airport that serves our community and stakeholders responsibly.

Values

- **Safety** – we are committed to protecting our stakeholders from internal threats.
- **Security** - we are committed to protecting our stakeholders from external threats.
- **Service** – we value our stakeholders, and commit to serving them well.

Goals

- **Business Development** - Provide premium products and services to attract and retain quality and diversified revenue streams leading to long term viability and retention of quality customers.
- **Operational Excellence** - Lead and manage the business to achieve financial stability, improve infrastructure and industry leading operational and safety practices.
- **Community Leadership** - Develop opportunities to create awareness with local residents, the region and provincial governments, contribute to the community and develop local pride and engagement.
- **Financial Sustainability** - Ensure the airport is committed to generating the types of returns necessary in order to support its future operating and capital requirements.

OPERATING BUDGET FORECAST

REVENUE

Revenue is expected to be up once again, due to the planned installation of the solar farm, the addition of Canadian Aviation College and additional charter traffic expected for the first three months of 2021.

EXPENSES

Operating expenses are expected to be down slightly due to a reduction in airport maintenance costs.

GRANTS

As predicted, the airport will require just over \$627,000 from the Joint Appointers this year, which is a decrease of 31.8% over 2020.

DEBT

The airport currently carries long term debt obligations as follows:

- Gravel Taxiway - \$46,000/year/2022
- Snow plow - \$8,000/year/2021
- New airport administration building - \$27,000/year/2029

OPERATING REVENUE	\$875,727
OPERATING GRANTS	\$627,379
OPERATING EXPENSES	\$1,422,106
NET INCOME	\$1,503,106
LONG TERM DEBT	\$81,000
SURPLUS/(DEFICIT)	\$0

CAPITAL BUDGET FORECAST

Paving projects:

- Apron 3 - \$500,000
- Parking lot - \$1,000,000

Maintenance equipment:

- Loader - \$395,000
- Tractor/lawn mower - \$200,000
- Runway de-icing truck - \$80,000

2021 BUSINESS OBJECTIVES

Business Development

1. Identify anchor tenant for south end land development project,
2. Identify anchor tenant for north end land development project,
3. Attract a new revenue generating business,
4. Attract new passenger service opportunities (charter/scheduled, seasonal/year-round),

Operational Excellence

1. Operate with no incidents or accidents resulting from airport deficiencies (policy, process, infrastructure),
2. Complete the refurbishment of apron 3 and main parking lot,
3. Complete comprehensive asset management plan (airside/groundside infrastructure, IT, vehicles),
4. Develop HR plan for all staff positions

Community Leadership

1. Promote the vision and benefits of the Red Deer Regional Airport to a minimum of 4 Councils throughout Central Alberta,
2. Host one industry training course to assist with employee development and airport awareness,
3. Raise \$35,000 for charity.

Financial Sustainability

1. Increase operating revenue by 5%,
2. Maintain operational expenses within 2.5%,
3. Complete capital projects on time/budget.



RED DEER
YQF
REGIONAL AIRPORT

Red Deer Regional Airport

A3801 Airport Drive

Springbrook, AB T4S 1E8

Phone 403-886-4388

www.flyreddeer.com