



ANNUAL REPORT 2025

Saskatoon
Airport
Authority



2025 was a strong year for the Saskatoon Airport Authority (SAA) marked by significant strategic progress as we expanded service, advanced our environmental goals, and continued investing in the guest experience that defines our commitment to our community.

Before highlighting this year’s achievements, the SAA respectfully acknowledges that we operate on Treaty 6 Territory and the Homeland of the Métis. As a private not-for-profit corporation, SAA functions under a self-financing, user pay model, ensuring that all operating surplus is reinvested directly back into airport operations and infrastructure, advancing our vision to **deliver the most valued airport experience in Canada.**

In 2025, we achieved meaningful milestones that demonstrated our dedication to **connectivity, sustainability, and passenger experience.**

Passenger traffic continued its upward trajectory, growing approximately 3% year-over-year to reach **1.517 million passengers**, representing our second highest passenger traffic on record.

Enhanced air service remains critical to supporting the economic vitality and connectivity of our community. WestJet returned with important daily summer service to Minneapolis, YXE’s only US hub service. Additionally, in June we celebrated the **inaugural WestJet flight to Halifax**, connecting Saskatoon to Atlantic Canada for the first time with non-stop seasonal service.

Air Canada returned with seasonal service to Montreal and our **newest airline partner, Porter Airlines**, continued to serve Toronto while expanding their network across North America. These important routes not only strengthened our domestic connectivity but also opened seamless access to international destinations.



Our commitment to environmental stewardship reached new heights in 2025. We began **construction of our 1-megawatt solar farm**, which stands as a testament to our commitment to significantly lower our carbon emissions and investments in energy efficiency. Visible to guests from the Gate 1 viewing area, this facility demonstrates our progress toward achieving net-zero carbon emissions by 2050.

Since 2015, our carbon reduction initiatives have **lowered the airport's overall carbon footprint by 28 percent**, an achievement we are proud of and remain firmly committed to building upon.

As we look to 2026, we are embarking on an ambitious capital program to further enhance the guest experience. Major projects include the comprehensive renovation of our Arrivals Hall, the replacement of our main escalators, and continued Apron rehabilitation work. These investments reflect our commitment to **maintaining world-class facilities** to meet the needs of our growing community.

In closing, we extend our sincere **gratitude to our valued airport partners and dedicated team members, as well as to the passengers who are at the heart of everything we do**. Together with our partners, we strive to foster an airport that serves as a catalyst for economic growth and is a source of pride for our community. As we advance into 2026, we remain focused on our mission to responsibly connect Saskatchewan to the world while delivering exceptional value and service to every guest that passes through our doors.

Stephen Maybury
President & CEO



Stephen Maybury

A handwritten signature in blue ink that reads "Stephen Maybury".

Kaylynn Schroeder
Board Chair



Kaylynn Schroeder

A handwritten signature in blue ink that reads "Kaylynn Schroeder".



2025 AT A GLANCE



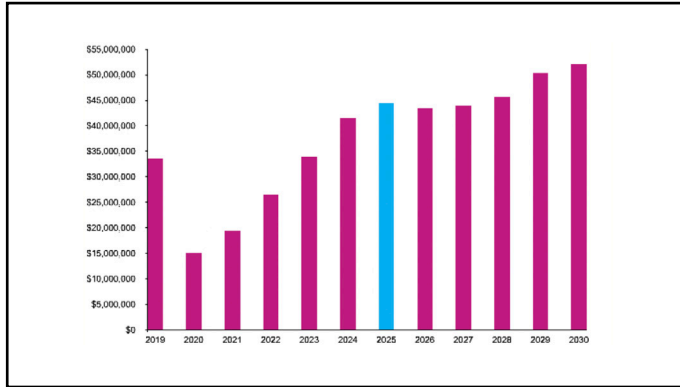
- 31 volunteers contributing almost **4,000** volunteer hours.
- 192 **one-stop destinations**.
- 3% growth reflecting **1,516,840 total annual passengers** - 2nd highest passenger traffic in history.
- 2.7% total seat growth, **connecting Saskatoon to the world**.



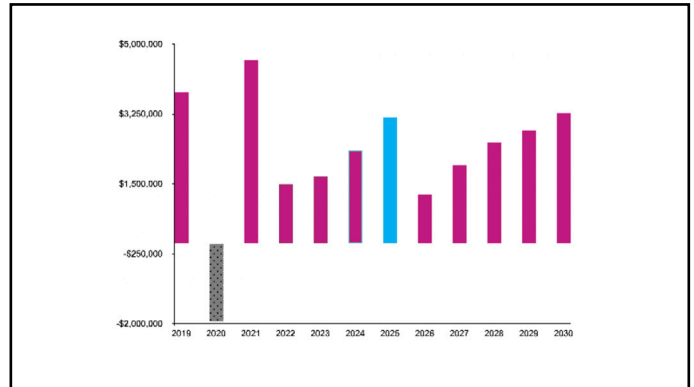
- Addition of new Little Flyer's play area **post-security**.
- Installation of **1MW solar facility** that will off-set 20% of the airport terminal's energy.
- **\$1.77 B** in economic impact.

The following charts offer an analysis of the key performance indicators for the Saskatoon airport and its stakeholders both historically and in anticipation of what the future may hold.

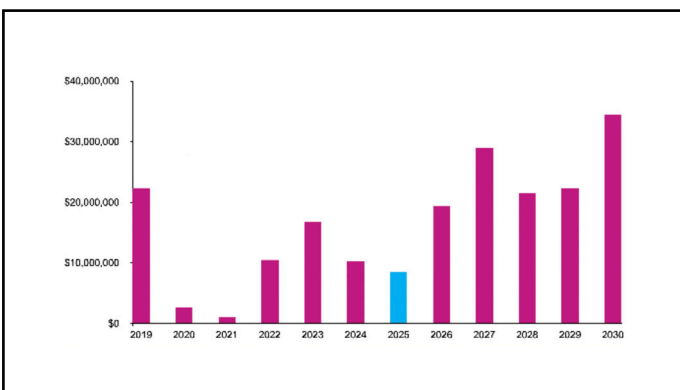
Airport Revenue



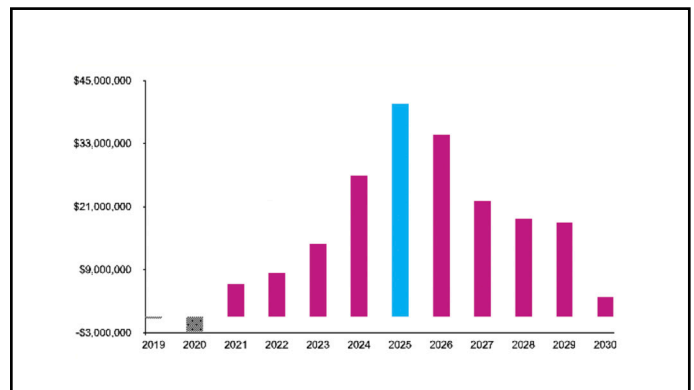
General Profit Operating Fund



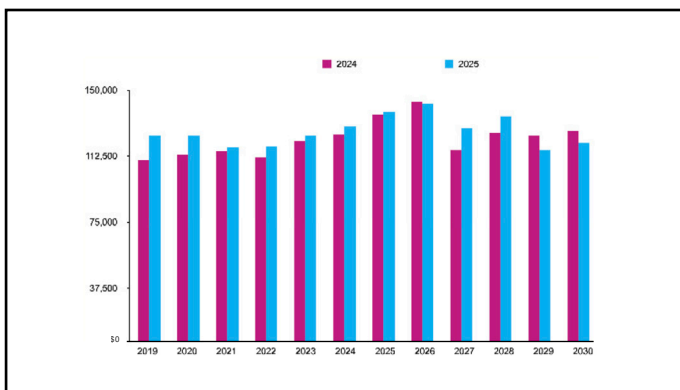
Capital Investments



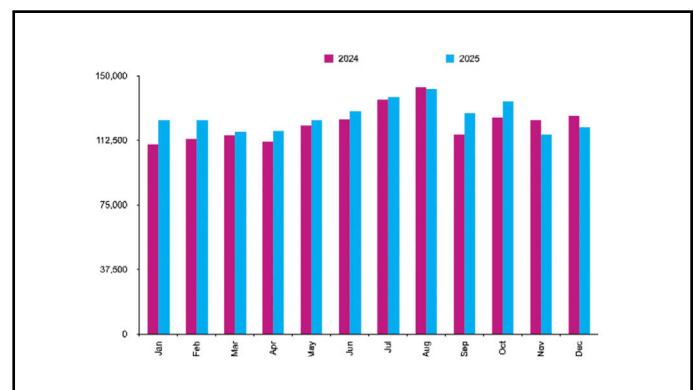
Cash Position/Net Borrowing



Annual Passenger Traffic



Monthly Passenger Traffic



*In 2021, SAA generated an operating loss, however we benefited from government funding through the Airport Relief Fund and the Regional Air Transport Initiative.

2025 Actual vs. Budget (in \$ millions)

	Actual	Plan	Difference	Explanation
Revenue	44.5	42.7	1.8	Above budget primarily as a result of higher than budgeted passenger related revenues and interest income earned.
Expenses	32.9	32.8	0.1	Above budget due to certain higher than budgeted expenditures such as federal rent (which is based on revenues), offset by cost saving measures and efficiencies achieved.
Capital Investments	8.5	17.7	(9.2)	Below budget due to favourable cost variances experienced on 2025 capital projects (most notably on taxiway and apron restoration projects) as well as timing of projects deferred to 2026.
Business Plan Objectives	<ul style="list-style-type: none"> • Ensure financial viability through corporate resiliency, diversification, and strategic asset management. • Corporate resiliency- hiring to ensure functions are at an acceptable level. • Efficiency - keeping rates and charges competitive, ongoing government regulatory compliance. • Diversification through non-aeronautical and non-passenger revenue. • Strategic asset management including apron I-V and taxiway restorations, critical airfield enhancements. • Sustained Air Service connectivity - increasing seats in market and TB service. • Sustainability - reducing our impact to the environment. • Evolve the guest experience as passenger numbers increase. 			

Success and feasibility of the Saskatoon Airport Authority are built on prudent and professional financial management. Passenger numbers for 2025 were 0.4% above budget.

Capital investments were made with a focus on airside investment. In 2025 SAA received \$0.8 million in Federal government assistance toward capital projects from the Airports Critical Infrastructure Program.

Business Plan Forecast 2026-2030 (in \$ millions)

	2026	2027	2028	2029	2030
Revenue	43.4	44.0	45.7	50.4	52.1
Expenses	34.7	34.2	35.8	37.5	39.1
Capital Investments	19.4	29.0	21.5	22.3	34.4
Objectives	<ul style="list-style-type: none"> • Evolve the guest experience • Grow sustained air service connectivity • Financial viability and corporate resiliency • Empower our people through purpose • Enhance sustainability stewardship 				

Notes:

Revenues and expenses include non-cash items such as deferred contributions and amortization.

The data above reflects the information available at the time of publication. Actual results may vary from the data provided. Readers are cautioned not to place undue reliance on forecasts provided.

To the Board of Directors of the Saskatoon Airport Authority

Opinion

We have audited the financial statements of the Saskatoon Airport Authority (the "Authority"), which comprise the statement of financial position as at December 31, 2025, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively 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, 2025, and the results of its 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 ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our 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 audit opinion.

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 GAAS 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 these financial statements.

As part of an audit in accordance with Canadian GAAS, 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.

Deloitte LLP

Chartered Professional Accountants
March 25, 2026
Saskatoon, Saskatchewan

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

Annual Report 2025

Saskatoon Airport Authority – For the year ended December 31, 2025

	Notes	General Fund	Capital Fund	31 December 2025	31 December 2024
REVENUE					
Aircraft landing fees		\$ 5,385,323	\$ -	\$ 5,385,323	\$ 4,963,473
General terminal fees		4,067,968	-	4,067,968	3,765,756
Car parking		7,021,466	-	7,021,466	6,125,657
Concessions		4,009,962	-	4,009,962	3,774,824
Space rental		2,093,014	-	2,093,014	2,054,102
Land rental		1,218,687	-	1,218,687	1,243,827
Government contribution	3	147,000	-	147,000	160,983
Other revenue		417,488	-	417,488	427,369
Airport improvement fees	4	-	18,061,445	18,061,445	16,936,703
Interest income		-	1,069,628	1,069,628	1,212,267
Recognition of deferred contributions	5	-	969,676	969,676	964,326
		<u>24,360,908</u>	<u>20,100,749</u>	<u>44,461,657</u>	<u>41,629,287</u>
EXPENDITURES					
Salaries		5,495,256	-	5,495,256	5,218,200
Benefits	7	784,315	-	784,315	778,217
Operational and professional services		7,565,534	-	7,565,534	7,157,720
General and administrative expenses		2,816,881	-	2,816,881	2,938,348
Property taxes		910,374	-	910,374	860,954
Utilities		1,208,870	-	1,208,870	1,300,954
Federal government rent	10	2,421,010	-	2,421,010	1,921,289
Gain on disposals of assets	6	-	(10,425)	(10,425)	(31,782)
Interest expense		-	42,353	42,353	97,520
Amortization		-	11,697,319	11,697,319	11,199,297
		<u>21,202,240</u>	<u>11,729,247</u>	<u>32,931,487</u>	<u>31,440,717</u>
EXCESS OF REVENUE OVER EXPENDITURES		3,158,668	8,371,502	11,530,170	10,188,570
FUND BALANCES, BEGINNING OF YEAR		18,292,685	135,338,479	153,631,164	142,526,393
Employee future benefits re-measurements and other items	7	(90,500)	-	(90,500)	916,201
FUND BALANCES, END OF PERIOD		<u>\$ 21,360,853</u>	<u>\$ 143,709,981</u>	<u>\$ 165,070,834</u>	<u>\$ 153,631,164</u>

See accompanying notes to the Financial Statements

STATEMENT OF FINANCIAL POSITION

Annual Report 2025

Saskatoon Airport Authority – For the year ended December 31, 2025

	Notes	General Fund	Capital Fund	31 December 2025	31 December 2024
CURRENT ASSETS					
Cash		\$ 41,467,625	\$ 870,102	\$ 42,337,727	\$ 30,074,204
Short-term investments		558,700	-	558,700	545,771
Accounts receivable	11	2,103,454	540,843	2,644,297	1,927,088
Consumable supplies		373,298	-	373,298	372,649
Prepaid expenses		325,162	-	325,162	300,162
		44,828,239	1,410,945	46,239,184	33,219,874
De fined bene fit pension asset	7	1,640,264	-	1,640,264	1,715,254
Other long-term assets		793,500	-	793,500	732,479
Property and equipment	6	-	134,081,036	134,081,036	137,275,562
		<u>\$ 47,262,003</u>	<u>\$ 135,491,981</u>	<u>\$ 182,753,984</u>	<u>\$ 172,943,169</u>
CURRENT LIABILITIES					
Accounts payable and accrued liabilities		\$ 1,261,808	\$ 678,228	\$ 1,940,036	\$ 2,044,415
Government remittances payable		-	-	-	58,499
Interfund payable (receivable)	8	22,396,133	(22,396,133)	-	-
Security deposits		179,089	870,102	1,049,191	1,029,547
Deferred revenue		298,316	-	298,316	260,108
Current portion of long-term debt	9	1,765,804	-	1,765,804	1,361,512
		25,901,150	(20,847,803)	5,053,347	4,754,081
Long-term debt	9	-	-	-	1,765,374
Deferred contributions	5	-	12,629,803	12,629,803	12,792,550
		25,901,150	(8,218,000)	17,683,150	19,312,005
Commitments and contingencies	10				
FUND BALANCES		21,360,853	143,709,981	165,070,834	153,631,164
		<u>\$ 47,262,003</u>	<u>\$ 135,491,981</u>	<u>\$ 182,753,984</u>	<u>\$ 172,943,169</u>

See accompanying notes to the Financial Statements

Approved by the Board:



----- Director



----- Director

STATEMENT OF CASH FLOWS

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Saskatoon Airport Authority – For the year ended December 31, 2025

	Notes	General Fund	Capital Fund	31 December 2025	31 December 2024
OPERATING ACTIVITIES					
Excess of revenue over expenditures		\$ 3,158,668	\$ 8,371,502	\$ 11,530,170	\$ 10,188,570
Adjustments for					
Amortization		-	11,697,319	11,697,319	11,199,297
Recognition of deferred contributions		-	(969,676)	(969,676)	(964,326)
Gain on disposals of assets		-	(10,425)	(10,425)	(31,782)
Difference between pension expense and amount funded		(15,510)	-	(15,510)	33,717
Other long-term assets		(61,021)	-	(61,021)	(131,567)
Changes in non-cash working capital items		10,527,586	(11,375,470)	(847,884)	1,326,130
		<u>13,609,723</u>	<u>7,713,250</u>	<u>21,322,973</u>	<u>21,620,039</u>
INVESTING ACTIVITIES					
Purchase of property and equipment		-	(8,510,496)	(8,510,496)	(10,304,788)
Proceeds from disposals of property and equipment		-	18,128	18,128	40,933
Government funding	5	-	806,929	806,929	866,335
Purchase of short-term investments		(12,929)	-	(12,929)	(22,611)
		<u>(12,929)</u>	<u>(7,685,439)</u>	<u>(7,698,368)</u>	<u>(9,420,131)</u>
FINANCING ACTIVITIES					
Long-term debt repayment	9	(1,361,082)	-	(1,361,082)	(470,872)
		<u>(1,361,082)</u>	<u>-</u>	<u>(1,361,082)</u>	<u>(470,872)</u>
NET INCREASE IN CASH		12,235,712	27,811	12,263,523	11,729,036
CASH POSITION, BEGINNING OF YEAR		29,231,913	842,291	30,074,204	18,345,168
CASH POSITION, END OF PERIOD		<u>\$ 41,467,625</u>	<u>\$ 870,102</u>	<u>\$ 42,337,727</u>	<u>\$ 30,074,204</u>

See accompanying notes to the Financial Statements

1. NATURE OF BUSINESS

The Saskatoon Airport Authority (the "Authority") was incorporated without share capital under Part II of the Canada Corporations Act. In 2013, the Authority was continued under the Canada Not-for-profit Corporations Act. The Authority has operated the Saskatoon John G. Diefenbaker International Airport since January 1, 1999 under a lease from the Government of Canada. All earnings of the Authority are retained and reinvested in airport operations and development to best serve the community and ultimately to ensure a valued experience is achieved.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO") and include the following significant accounting policies:

Fund Accounting

The Authority uses fund accounting. The General Fund accounts for the Authority's operating activities. This fund reports unrestricted resources. The Capital Fund reports the assets, liabilities, revenues and expenditures as allocated by the Board of Directors to the Authority's property and equipment, expansion and renovation projects.

Use of Estimates

The preparation of the financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant financial statement items that require estimates are as follows: the estimated useful lives of property and equipment; the net realizable value of inventories; and actuarial and economic assumptions used in calculating the cost and obligation associated with the defined benefit pension plan. Actual results could differ from those estimates.

Cash

Cash consists of balances in banks and cash on hand.

Short-term investments

Short-term investments consist of investments which have original maturities greater than 90 days when purchased.

Financial Instruments

Financial assets and financial liabilities are initially recognized at fair value and subsequently measured at amortized cost.

Transaction costs related to financial instruments are netted against the carrying value of the asset or liability and are then recognized over the expected life of the instrument using the effective interest method.

The Authority uses the effective interest method to recognize interest expense which includes transaction costs or fees, premiums or discounts earned or incurred for financial instruments

Financial assets measured at amortized cost include cash, short-term investments and accounts receivable. Financial liabilities measured at amortized cost include debt, accounts payable and accrued liabilities.

Consumable Supplies

Inventories of consumable supplies are recorded at the lower of cost and net realizable value. Cost is determined using the first in first out method. The inventories recognized as an expense during the year amount to \$893,863 (2024 - \$1,060,954).

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

Property and Equipment

Property and equipment are recorded at cost and, when put in use, depreciation and amortization is provided for on the following basis:

Paved surfaces and land improvements	15-25 years straight line
Buildings	20 years straight line
Vehicles, machinery and equipment	5-10 years
Computer equipment	2 years straight line
Computer software	1 year straight line

Normal repairs and maintenance expenditures are expensed as incurred.

When property and equipment that is subject to amortization no longer has any long-term service potential for the Authority, the excess of its carrying value over any residual value is expensed in the statement of operations.

Income Taxes

The *Airport Transfers (Miscellaneous Matters) Act* exempts the Authority from paying federal and provincial income and capital tax.

Revenue Recognition

Revenue is recorded when the services are performed, the facilities are utilized or the amounts are earned pursuant to the related agreements, and collection is reasonably assured. Where the Authority receives payment in advance in respect of leases or operating licenses, the amounts are initially recognized as deferred revenue on the Statement of Financial Position and subsequently recognized as revenue on a straight-line basis over the term of the lease or operating license.

The Airport Improvement Fee ("AIF") revenue is recognized when passengers embark. Operating lease revenues are recognized on a straight-line basis over the term of the lease.

Government Contributions

Government contributions to long-term assets are accounted for under the deferral method whereby the contributions are deferred and recognized as revenue on the same basis as the amortization expense related to the acquired property and equipment. If the related property and equipment is decommissioned or disposed of, the difference between the net proceeds on disposal and the net carrying amount is recognized in the statement of operations and changes in fund balances. Any unamortized deferred contributions related to the property and equipment disposed of would be recognized as revenue in the period of the disposal, provided that any restrictions of the contribution agreement between the Authority and Government have been complied with.

Restricted contributions are reflected as deferred contributions and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Ground Lease

The Authority accounts for its ground lease with Transport Canada as an operating lease.

Pension and Retirement Savings Plans

The Authority sponsors and funds a pension plan on behalf of certain employees, which has defined benefit and defined contribution components.

2. SIGNIFICANT ACCOUNTING POLICIES - Continued

Pension and Retirement Savings Plans - Continued

The defined benefit component is for employees who were employees of the Authority on the date of transfer including former Transport Canada employees, some of whom transferred their entitlements under the Public Service Superannuation Plan to the plan. The defined contribution component is for employees who commenced employment with the Authority between January 1, 1999 and April 1, 2013.

The defined contribution component of the plan is closed to new members with employees commencing employment after April 1, 2013 being members of a group retirement savings plan.

The Authority accrues its obligations under the defined benefit pension plan as the employees render the services necessary to earn the pension benefits. The cost of the defined benefit component of the plan is determined periodically by an independent actuary.

The Authority uses the most recently completed actuarial valuation prepared for funding purposes for measuring its defined benefit plan obligations. A funding valuation is prepared in accordance with pension legislation and regulations, generally to determine required cash contributions to the plan. The Authority uses the immediate recognition approach for its defined benefit pension plan and it recognizes all re-measurements directly in fund balances in the statement of financial position.

Re-measurements and other items comprise the aggregate of the following: the difference between the actual return on plan assets and the return calculated using the discount rate; actuarial gains and losses; the effect of any valuation allowance in the case of a net defined benefit asset; past service costs; and gains and losses arising from settlements and curtailments.

The Authority recognizes its contributions to the defined contribution component of the plan and its group retirement savings plan as expenses in the period earned.

3. GOVERNMENT CONTRIBUTIONS

Government contributions received during the year are as follows:

	<u>2025</u>	<u>2024</u>
Government	\$ 147,000	\$ 160,983
Contributions	\$ 147,000	\$ 160,983

4. AIRPORT IMPROVEMENT FEES (AIF)

The Authority has an agreement with the Air Transport Association of Canada and certain of the air carriers serving the Saskatoon John G. Diefenbaker International Airport for the collection of an AIF. The AIF is \$26 (2024 - \$26) per local boarded passenger for travel to destinations outside of Saskatchewan and \$6 (2024 - \$6) for travel to destinations within Saskatchewan.

The AIF is collected by the air carriers and the portion of the fee earned and reported by the Authority is net of a handling fee (effective March 1, 2025: 4%; prior to March 1, 2025, including 2024: 7%) retained by the air carriers which was \$973,475 in 2025 (2024 - \$1,209,407).

The Authority charges an infrastructure fee of \$0.63 (2024 - \$0.63) per departing aircraft seat or seat equivalent totaling \$154,822 (2024 - \$137,701) to those air carriers who are not subject to the collection of an AIF. The Board of Directors has internally restricted the Authority's share of the AIF revenues and infrastructure fees in the Capital Fund to pay for the capital and related financing costs of major airport infrastructure development. Substantially all Capital Fund accounts receivable relate to the AIF.

NOTES TO THE FINANCIAL STATEMENTS

- CONTINUED

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5. DEFERRED CONTRIBUTIONS

During the year, the Government of Canada provided financial assistance for use toward capital projects through the Airport Critical Infrastructure Program (ACIP) totaling to \$806,929 (2024 - \$866,335). This represents partial reimbursement respectively for apron and runway restoration.

Changes to deferred contributions are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 12,792,550	\$ 12,890,541
Current year contributions	806,929	866,335
Current year recognition	(969,676)	(964,326)
Balance, end of year	<u>\$ 12,629,803</u>	<u>\$ 12,792,550</u>

6. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2025</u>	<u>2024</u>
Buildings	\$ 112,602,553	\$ 65,046,446	\$ 47,556,107	\$ 50,756,155
Paved surfaces and land improvements	125,698,488	49,831,148	75,867,340	74,849,339
Vehicles, machinery and equipment	31,963,097	21,551,465	10,411,632	11,270,311
Computer equipment	1,532,366	1,286,470	245,896	393,821
Computer software	217,545	217,484	61	5,936
	<u>\$ 272,014,049</u>	<u>\$ 137,933,013</u>	<u>\$ 134,081,036</u>	<u>\$ 137,275,562</u>

During the year, property and equipment was acquired at a cost of \$8,510,496 (2024 - \$10,304,788) of which \$678,230 is included in accounts payable and accrued liabilities at December 31, 2025 (2024 - \$639,704). Included in the cost of certain property and equipment is work in progress in the amount of \$3,773,985 (2024 - \$1,070,273). These amounts have not been amortized as they are in progress or not available for use.

During the year, the Authority decommissioned, disposed of, or assessed as obsolete property and equipment with a cost of \$91,779 (2024 - \$120,949), accumulated amortization of \$84,076 (2024 - \$111,798), and net proceeds of \$18,128 (2024 - \$40,933) resulting in a net book gain of \$10,425 (2024 - net book gain of \$31,782) being recorded in the statement of operations and changes in fund balances.

7. PENSION PLAN

The Authority has a defined benefit pension plan, which covers certain employees. The plan provides pensions based on length of service and the average of the highest six years' earnings.

The Authority measures its accrued benefit obligations and the fair value of the plan assets for funding purposes as at December 31 of each year.

NOTES TO THE FINANCIAL STATEMENTS

- CONTINUED

7. PENSION PLAN - Continued

The status of the defined benefit component of the plan, based on the most recent actuarial determination completed as at December 31, 2024 and rolled forward to December 31, 2025, is as follows:

	<u>2025</u>	<u>2024</u>
Fair value of plan assets	\$ 13,281,264	\$ 13,659,354
Defined benefit obligation	11,641,000	11,944,100
Defined benefit asset	<u>\$ 1,640,264</u>	<u>\$ 1,715,254</u>

The next required valuation for funding and solvency purposes as of December 31, 2025 will be prepared no later than June 30, 2026.

The current year defined benefit pension expense recovery of \$18,175 (2024 - \$32,528 expense), and defined contribution pension and group retirement savings plan expense of \$242,492 (2024 - \$208,336) is included in the statement of operations and changes in fund balances within Benefits.

During 2025, a decrease in going concern surplus of \$90,500 (2024 - increase of \$916,201) was recognized directly in the General Fund Balance as a result of changes to fair value of plan assets and actuarially assessed plan liabilities.

8. INTERFUND TRANSFER

No transfer was made between Capital Fund and General Fund during the year (2024 - nil). Prior year allocations result in receivable and payable balances between funds.

9. DEBT

Details of the Authority's long-term debt outstanding are as follows:

	<u>2025</u>	<u>2024</u>
Term loan bearing interest at 2.62% per annum with monthly principal and interest payments of \$15,616, due January 2025	\$ -	\$ 1,038,923
Term loan bearing interest at 2.955% per annum with monthly principal and interest payments of \$31,709, due December 2026	1,765,804	2,087,963
	1,765,804	3,126,886
Current portion	1,765,804	1,361,512
Long-term portion	\$ -	\$ 1,765,374

9. DEBT - Continued

The Authority has established two revolving credit facilities each with a limit of \$5,000,000. The first credit facility bears interest at prime lending rate December 31, 2025 - 4.45% (December 31, 2024 - 5.45%) which can be drawn by way of overdraft. As at December 31, 2025, no amounts were drawn against this credit facility (2024 - nil). The second revolving credit facility can be drawn in the form of term loans bearing interest at either prime lending rate or prevailing one-year fixed interest rates at the time of borrowing. As at December 31, 2025, no amounts were drawn against this credit facility (2024 - nil).

As at December 31, 2025, the Authority's aggregate undrawn credit facilities total \$10,000,000 (2024 - \$10,000,000). The Authority's term debt and revolving credit facilities are secured by way of general security agreement.

10. COMMITMENTS AND CONTINGENCIES

The Authority rents the Saskatoon airport facilities under a long-term lease entered into on January 1, 1999 with Transport Canada. In 2015, the Authority exercised an option to renew the lease and the lease was extended by 20 years to December 31, 2078. The terms of the lease remained the same upon exercising the option to renew the lease. At the end of the lease, the Authority is obligated to return control of the airport to the landlord. The Authority began to pay rent on January 1, 2006. The rent is calculated based on a formula reflecting annual gross revenues less Government contributions. The formula is applied at a rate of 1% of adjusted gross revenues in excess of \$5 million, 5% of adjusted gross revenues in excess of \$10 million and 8% of adjusted gross revenue in excess of \$25 million. Total rent charged of \$2,421,010 was included in the December 31, 2025 statement of operations and changes in fund balances (2024 - \$1,921,289).

The Authority has assessed its capital and operating commitments as at December 31, 2025 to be \$3,394,687 (2024 - \$4,111,201).

The Authority is subject to legal proceedings and claims that arise in the ordinary course of business. While the final outcome with respect to these legal proceedings and claims cannot be predicted with certainty, management does not expect the outcome of any proceedings to have a material adverse effect on the financial position or results of operations of the Authority.

11. FINANCIAL INSTRUMENTS

Credit Risk

The Authority's principal financial assets are cash, short-term investments and accounts receivable, which are subject to credit risk. The carrying amounts of financial assets on the statement of financial position represent the Authority's maximum credit exposure as at December 31, 2025.

Credit Risk - Continued

The Authority's credit risk is primarily attributable to its accounts receivable. The amounts disclosed in the statement of financial position are net of allowance for doubtful accounts, estimated by management of the Authority based on previous experience and its assessment of the current economic environment. The Authority does not have significant exposure to any individual customer.

The Authority has set aside an allowance for doubtful accounts of \$20,000 (2024 - \$20,000). The credit risk on cash and short-term investments is limited because the counterparties are chartered banks.

Interest Rate Risk

The Authority has a term loan with fixed interest rate which limits the exposure to interest rate risk. The interest-bearing short-term investments have a limited exposure to interest rate risk due to their short-term maturity.

Liquidity Risk

The Authority's objective is to have sufficient liquidity to meet its liabilities when due. The Authority monitors its cash balances, liquidity, available credit facilities, and cash flows generated from operations to meet its requirements. As at December 31, 2025, the most significant liabilities of the Authority are accounts payable and accrued liabilities and its term debt.





Kaylynn Schroeder



Lee Braaten



Susan Milburn



Todd Brandt



Chief Tammy Cook-Searson



Barbara Crowe



Brian Heinrichs



Mark Leach



Rish Malhotra



Tara Reichert



Tammy Van Lambalgen



Clint Weiland

1. Compliance with the Code of Conduct

The Saskatoon Airport Authority has established and maintains a comprehensive code of conduct for Directors, Members, Officers and Employees. In accordance with the provisions of the lease agreement with the Government of Canada, the Saskatoon Airport Authority confirms that it has complied with this Code of Conduct.

2. Compensation of Directors and Officers

The compensation paid to the Directors of Saskatoon Airport Authority for the year ending December 31, 2025 was:

Schroeder, Kaylynn (Chair)	\$22,058.35
Braaten, Lee (Vice Chair)	\$17,883.34
Milburn, Susan	\$19,708.31
Brandt, Todd	\$16,850
Cook-Searson, Tammy	\$14,349.96
Crowe, Barbara	\$14,699.96
Heinrichs, Brian	\$17,550
Leach, Mark	\$17,200
Munro, Albert (outgoing May 2025)	\$6,066.65
Reichert, Tara	\$15,199.96
Van Lambalgen, Tammy	\$15,199.96
Weiland, Clint	\$15,549.96
Malhotra, Rishabh (incoming May 2025)	\$9,283.31

The total remuneration paid to the President and Chief Executive Officer, VP Corporate Administration & Chief Financial Officer, VP Operational Excellence, VP Business Development & Service Quality, VP Airport Development, Manager People & Culture, Manager Facilities, Manager Operations, Manager Customer & Terminal Services, and Manager Information Technology of Saskatoon Airport Authority was \$1,903,142.

REQUIRED DECLARATIONS - CONTINUED

3. Competitive Tendering

The Saskatoon Airport Authority is committed to doing business locally and competitively. To that end, the Authority sought competitive bids on contracts exceeding \$140,000* in 2025. During 2025, the Authority engaged Aebi Schmidt Canada on a sole source basis for the purchase of an airfield combination anti-icing / de-icing truck, with a total project cost of \$735,889. This investment in airport specific equipment is intended to improve runway safety, enhance operational efficiency, and minimize weather-related disruptions.

*Represents \$75,000, subject to an annual adjustment for inflation according to the Consumer Price Index based on 1994 dollars.

2025 Director Attendance at Board/Committee Meetings

Director	Board Meetings (Total of 5)	Audit & Finance (Total of 4)	Governance (Total of 4)	Community Consultative (Total of 4)	Safety, Health & Environment (Total of 4)
Kaylynn Schroeder**	5	4	4	4	4
Susan Milburn **	5	4	4	3***	4
Lee Braaten	5	4	3*	3***	4
Todd Brandt	5		3	4	
Tammy Cook-Searson	4	3		3	
Barbara Crowe	4		2***	4	4
Brian Heinrichs	5	4	4		
Mark Leach	5	1***	4		4
Rish Malhotra	4*	2*			3*
Bert Munro	2*		1*		1*
Tara Reichert	5	1***		4	4
Tammy Van Lambalgen	4	4			4
Clint Weiland	5	1*		3*	4

* Member of Board/Committee for part of the year.

** Board Chair attends committee meetings as an ex-officio member.

*** Attended meeting as a Non-Committee Member.



ANNUAL REPORT

2025

Saskatoon
Airport
Authority

Suite #1-2625 Airport Drive
Saskatoon SK, Canada S7L 7L1

<https://yxie.ca>

The Saskatoon Airport Authority is the operator of the Saskatoon John G. Diefenbaker International Airport & YXE Saskatoon Airport.

