



# SAUGEEN MUNICIPAL AIRPORT

October 10, 2024

Mayors & Council Members  
Clerks & Treasurers  
Municipality of Brockton  
Town of Hanover  
Municipality of West Grey

Dear Mayors & Councillors, Clerks & Treasurers:

As we approach the 2025 budget cycle, I am writing to highlight the importance of your contribution to the Saugeen Municipal Airport (SMA).

Over the past three years, the amount contributed to SMA by the three municipalities has remained the same at \$ 154,530. Of course over that time, municipal budgets have increased and costs have risen as illustrated by the Consumer Price Index for 2022 through 2024, respectively 6.9%, 3.2% and 2.5%.

The SMA has made significant efforts to increase revenues and manage expenses. We are also pursuing, with the help of Economic Development staff from the Town of Hanover and Grey County, possibilities for revenue generating development opportunities for the airport property. Efforts to manage expenses and maximize revenues include replacing the 10,000 litre fuel tank with a 30,000 litre tank to enable bulk buying and provide protection against fuel price increases, and steps will be taken to improve the management of our farmland. As of September 30, 2024, the three-quarter mark in the year, expenses were at 69% of the 2024 budget, and since 2022, we have reduced our net debt by almost \$36,000. Recently, a major on-line retailer has rented privately owned space at the airport, a harbinger of future growth.

The agreement made amongst the three municipalities stipulates that each pays a share of the operating costs according to a formula in the following proportion: Brockton 42.07%, Hanover 31.19% and West Grey 26.74%. For the 2024 budget, Brockton decided not to increase its contribution. As a consequence of applying the formula, the contributions of Hanover and West Grey were also "flatlined".

Our budget preparations indicate a 2025 SMA budget in the range of \$ 174,000, which would be an increase of 4% annually since 2022. The airport is a major piece of municipal infrastructure which deserves to be managed appropriately so that it can realize its economic potential in our area.

The Commission strongly believes that it would be unwarranted and unfair for its budget to be "flatlined" for the fourth year in a row, and respectfully requests that you and your Council give it full and fair consideration.

Yours truly,

A handwritten signature in black ink, appearing to read "David", written over a horizontal line.

David Hocking  
Chair  
Saugeen Municipal Airport Commission