

The Federal Bridge
Corporation Limited



La Société des ponts
fédéraux Limitée

Summary of the FBCL 2014-15 to 2018-19 Corporate Plan



2014-15 Operating Budget

2014-15 Capital Budget

Table of Contents

1.0	Corporate Profile	3
2.0	Governance and Accountability	7
3.0	Operating Context, Risks and Strategic Issues.....	9
4.0	Objectives, Activities, Strategies and Performance Measures.....	14
5.0	FBCL Pro Forma Consolidated Financial Statements.....	19
6.0	Operating and Capital Budgets.....	23
7.0	Appendices.....	25
7.1	Appendix A - Performance Review of the 2013-14 to 2017-18 Corporate Plan.....	25
7.2	Appendix B – Program Activity Architecture (PAA) and FBCL Logic Model.....	29
7.3	Appendix C – List of Abbreviations.....	30

1.0 Corporate Profile

1.1 Mandate

The Federal Bridge Corporation Limited's (FBCL) mandate is to provide the highest level of stewardship so that its three international bridges and associated structures are safe and efficient for users.

1.2 Who We Are

FBCL is an agent parent Crown corporation listed under Schedule III-I of the *Financial Administration Act* (FAA), incorporated in 1998 under the *Canada Business Corporations Act* (CBCA). It operates at arm's length from the federal government. FBCL reports to Parliament through the Minister of Transport. As a Crown corporation, FBCL is subject to the accountability regime set out in Part X of the FAA. Headquartered in Ottawa, FBCL owns, manages and operates international bridges and associated structures in three geographical locations in Ontario with a governance model that includes three international partners.

1. Cornwall: Responsible for management of the international bridge crossing including the North Channel Bridge, an international roadway and the South Channel Bridge. The operations are managed by international agreement as a joint venture by The Seaway International Bridge Corporation Limited (SIBC) on behalf of the assets owners, FBCL and the St. Lawrence Seaway Development Corporation (SLSDC), a federal United States (U.S.) entity. Major Canadian capital projects are undertaken directly by FBCL.
2. Sault Ste. Marie: Responsible for the Canadian portion of the Sault Ste. Marie International Bridge. The crossing is managed by the International Bridge Administration (IBA), an entity of the State of Michigan, U.S., through an international agreement between the asset owners, St. Mary's River Bridge Company (SMRBC) and the IBA. The bridge operations are overseen by a joint international Board of Directors, the Sault Ste. Marie Bridge Authority (SSMBA). Major Canadian capital projects are undertaken directly by SMRBC.
3. Thousand Islands: Responsible for the Canadian portion of the Thousand Islands International Bridge. The crossing is managed by the Thousand Islands Bridge Authority (TIBA), an entity of the State of New York, U.S., under a bi-national agreement between the asset owners, FBCL and TIBA. Major Canadian capital projects are undertaken directly by FBCL.

1.3 *Economic Action Plan 2013 Act, No. 2, Reorganization of Certain Crown Corporations*

In 2013, the Government of Canada passed legislation in the House of Commons (*Economic Action Plan 2013 Act, No. 2*) to reorganize Crown corporations involved in the management of international bridges crossing the waterways between the Province of Ontario and the States of New York and Michigan.

The process to realize the amalgamations requires specific actions by the Government and also by each of the corporations. These changes are planned to occur in three phases with the transfer of the Jacques Cartier and Champlain Bridges Incorporated (JCCBI) identified as phase one and amalgamation of SMRBC and SIBC with FBCL being part of the phase two. The remaining action is amalgamation with Blue Water Bridge Authority (BWBA) as phase three.

On February 10, 2014, an Order-in-Council authorized FBCL to transfer its shares of JCCBI to the Minister of Transport. The FBCL Board enacted a resolution and entered into a share transfer agreement with the Minister of Transport to affect the transfer of JCCBI. This transaction concludes the FBCL relationship with JCCBI as of February 12, 2014. JCCBI is continuing its operations independently as a parent Crown corporation.

To accomplish the phase two amalgamation, resolutions of the subsidiary Boards of Directors are required. FBCL is currently working with its partners to complete the amalgamations. For SMRBC, the process is straight-forward with minor changes being required to the international agreement as the joint international board, SSMBA, will continue. For SIBC, FBCL will have to negotiate a renewed agreement with its U.S. partner, SLSDC. FBCL is also continuing to work in cooperation with BWBA to complete the negotiations and successfully achieve the Government's plan for an amalgamated corporation that will continue under the FBCL name.

The next steps will result in the amalgamation of:

- FBCL with its two remaining subsidiaries, SIBC in Cornwall and SMRBC in Sault Ste. Marie; and,
- FBCL with the BWBA in Point Edward/Sarnia. The amalgamated corporation would continue under the FBCL name.

1.4 Map of Structures



1.5 Summary of Operations

NAME	FBCL Headquarters Ottawa, Ontario ⁽¹⁾	The Seaway International Bridge ⁽¹⁾ Cornwall, Ontario	The Thousand Islands Bridge Lansdowne, Ontario	The Sault Ste. Marie International Bridge ⁽¹⁾ Sault Ste. Marie, Ontario
ESTABLISHED	1998 under the CBCA.	1962 under the <i>Canada Corporations Act</i> continued in 1979 under the CBCA.	International agreement originating in 1976.	1955 as a not-for-profit organization; continued in 2008 under the CBCA.
STATUS WITHIN FBCL	Parent Company.	Subsidiary Joint venture between FBCL and the St. Lawrence Seaway Development Corporation – SLSDC (U.S.).	Regional Office U.S. bridge operating agency managed by international agreement.	Subsidiary U.S. bridge operating agency managed by international agreement.
BOARD OF DIRECTORS	Four Directors appointed by Governor in Council.	Each venturer nominates four Directors in accordance with the bi-national agreement. All eight Directors are appointed by FBCL, with the U.S. Directors appointed on the recommendation of SLSDC.	Headed by a U.S. Chair, assisted by six Authority Directors, three U.S. and three Canadians. All seven Directors are appointed by the Jefferson County Board of Legislators, the Canadian Directors being appointed on the recommendation of FBCL.	Nine Directors, appointed by FBCL. Joint owners of Sault Ste. Marie International Bridge (SMRBC and MDOT). Each owner nominates four Directors to SSMBA in accordance with the bi-national agreement.
PRIMARY RESPONSIBILITY	Owner of Canadian bridges and associated structures at international crossings in Cornwall and Thousand Islands.	SIBC operates the international crossing at Cornwall, including a land corridor across Cornwall Island and two bridges: The North Channel Bridge located in Canada and owned by FBCL. The South Channel Bridge, which spans the international border and is owned 32% by FBCL (portion in Canada) and 68% by its U.S. counterpart, SLSDC.	Oversight of international crossing consisting of separate Canadian and U.S. bridges plus small jointly owned bridges in the middle.	SMRBC owner of Canadian half of the international bridge and associated structures in Sault Ste. Marie.

(1) An amalgamation is planned between FBCL, SMRBC and SIBC under *Economic Action Plan 2013 Act, No. 2* including the repeal of certain constituent Acts.

1.6 Use of Funds

FBCL (Headquarters)	Cornwall	Sault Ste. Marie	Thousand Islands
<p>Operating costs are covered by lease revenues (i.e. Thousand Island Bridge Duty Free Store) and from cost sharing arrangements for resources with the various bridge locations.</p> <p>Expenditures for Customs and Border Services Agency (CBSA) facilities (and if necessary, FBCL operating costs) are funded from Canada's share of net earnings at international bridges.</p> <p>Appropriations and/or contributions are required to fund large capital expenditures (e.g., rehabilitation or replacement of bridges) and CBSA facilities.</p>	<p>Toll revenues cover operating, maintenance and minor capital costs. Each owner is allocated 50% of the remaining revenues to fund their capital expenditures.</p> <p>Canada's share of net earnings funds capital on the North Channel Bridge and 32% of the South Channel Bridge. Any unused amount is held for future repairs.</p> <p>Major capital projects (e.g. new North Channel Bridge) are funded through parliamentary appropriations.</p>	<p>Toll revenues cover operating, maintenance and most capital costs.</p> <p>SMRBC's 50% share of profit is used for funding operations and maintenance for CBSA facilities. The remainder, if any, is held to fund future capital repairs.</p> <p>Major capital projects (e.g., Customs Plaza) are funded partly through federal contributions and a private loan.</p>	<p>Toll revenues cover operating, maintenance and minor capital costs.</p> <p>Each owner is allocated 50% of the remaining revenues that FBCL disburses for operations and maintenance for CBSA facilities. The remainder, if any is held to fund future capital repairs.</p> <p>Major capital projects (e.g., Customs Plaza) are funded through parliamentary appropriations.</p>

2.0 Governance and Accountability

(Note – Some of this information will change upon amalgamation. See section 1.3)

2.1 Governance²



2.2 FBCL Board

Responsibility

As per the FAA, the duties and responsibilities of the FBCL Board are to set corporate objectives and direction, ensure good governance, monitor financial performance, approve budgets and financial statements, approve policies and by-laws, recommend appointment of the Canadian directors of international bridge boards, as well as ensure that risks are identified and managed.

Independence

Directors of the FBCL Board are required to act honestly, diligently, carefully and in good faith, in accordance with the FAA. They are briefed on and operate under the terms of corporate by-laws designed to prevent conflict of interest, and they are required to recuse themselves from decision making related to potential areas of conflict of interest. FBCL requires that each new Director review and acknowledge his or her understanding of the principles expressed in the Conflict of Interest Code for Directors.

2.3 Committees of the FBCL Board

In accordance with sound governance practices, the standing committee of the FBCL Board, the Audit Committee, ensures that all significant measures and initiatives are reviewed in detail in order to make recommendations to the full FBCL Board on the matters at hand. The current Committee is composed of three Directors, one of whom is appointed Chair of the Committee by the FBCL Board. Given the small size of the FBCL Board, all responsibilities related to matters of oversight in the areas of governance, board nominations and human resources are assumed by the FBCL Board.

² The Thousand Islands crossing is managed by TIBA, an entity of the State of New York, U.S., under a bi-national agreement between the asset owners, FBCL and TIBA.

Audit Committee

The role of the Audit Committee is as mandated by section 148 of the FAA. The Audit Committee is responsible for advising the FBCL Board in matters of the oversight of financial statements to be included in the annual report of the corporation, any internal audit of the corporation pursuant to subsection 131(3) and the annual auditor's report of the corporation referred to in subsection 132(1). The Audit Committee is also responsible to review and advise the FBCL Board with respect to a special examination, and its resulting plans and reports identified in sections 138 to 141 of the FAA. The Audit Committee performs other functions assigned to it by the FBCL Board and that are included the Audit Charter and by-laws of the corporation.

2.4 Audit Regime

The audit regime consists of external and internal auditors. The Office of the Auditor General of Canada (OAG) conducts an annual audit of FBCL's consolidated accounts to verify that the financial statements fairly reflect the Corporation's operating results and financial position, and that its transactions have been carried out in accordance with Public Sector Accounting Standards and Part X of the FAA. It also conducts a special examination at least once every ten years (most recently in 2008) to confirm that assets are being safeguarded and controlled; that financial, human and physical resources are being managed efficiently; and that corporate operations are being conducted effectively. The OAG's latest external audit was completed in June 2013.

The FBCL Internal Audit regime aims to strengthen accountability, risk management, resource stewardship, and good governance by ensuring that Internal Audit is a key governance component. FBCL develops risk based multi-year audit plans which identify key risk areas common to all locations.

2.5 FBCL Portfolio

As the parent Crown, FBCL manages activities throughout the corporation in support of all its locations. FBCL assumes a major coordinating role in finance, strategic planning and reporting, communications, human relations, bridge management and the setting of corporate policy. It focuses on improving communications and transparency both internally and with external stakeholders by identifying core messages to achieve greater consistency and by ensuring the timely flow of information for the benefit of all.

Subsidiary Boards, whose members are appointed by the FBCL Board, are also governed by the duties and responsibilities set out in the FAA. Each subsidiary Board is responsible for establishing the necessary board committees to ensure appropriate oversight of the corporation for which they are accountable. General Managers of each subsidiary report directly to their respective subsidiary Board. Board of Directors of subsidiaries are accountable to the FBCL Board.

3.0 Operating Context, Risks and Strategic Issues

3.1 Operating Context

In delivering its mandate, FBCL is affected by internal and external factors which highlight its strengths, generate opportunities, create challenges and impact its key risks. Once identified though, these factors are monitored and plans are adapted to address significant fluctuations. The amalgamation of FBCL with its remaining subsidiaries and with BWBA announced in *Economic Action Plan 2013 Act, No. 2*, will permit the establishment of a portfolio approach to key issues and integration of best practices at all of the amalgamated corporation's international bridge locations. For the current planning period, the following factors have been identified as potentially having the largest impact on FBCL's operations.

3.1.1 Federal Government Priorities

Budget 2013 and Fiscal Update 2013

FBCL's activities specifically support the Government's direction as outlined in the Economic Action Plan 2013, as follows:

- **Connecting Canadians with Available Jobs:** by continuing FBCL's major construction projects which provide the industry with hundreds of high-quality, well-paying jobs as well as important opportunities for skills training for the local trades;
- **Helping Manufacturers and Businesses Succeed in the Global Economy:** by reducing time and increasing efficiency of environmental assessments as announced in the initiative and the effect of increased travellers' exemptions on cross-border traffic;
- **Creating a New Building Canada Plan:** by supporting FBCL's many infrastructure projects that include investments in modernizing customs facilities at its international bridges and the replacement of the North Channel Bridge in Cornwall; and
- **Respect for Public Funds:** by ensuring wage restraint, elimination of voluntary severance, a review of pension plan contribution ratios as per employee compensation guidance as well as sharing of internal services, reduced travel, hospitality and conferences expenditures as well as a general freeze of operating expenses.

Beyond the Border Action Plan

The U.S./Canada "A Shared Vision for Perimeter Security and Economic Competitiveness" originally announced in 2011 by the Prime Minister of Canada and the President of the United States sets out a range of initiatives to promote security and support trade and economic growth, by improving the shared border, by addressing security threats and by supporting prosperity through improved cross-border trade. As CBSA facilities are located at each of FBCL's international bridge crossings, these initiatives have a direct impact on the flow of traffic and the facilities requirements. FBCL continues to engage with its partners, CBSA and TC to meet the objectives of this action plan. Most notable is the direct mention of significant improvements at the Lansdowne crossing where the Thousand Islands International Bridge is located.

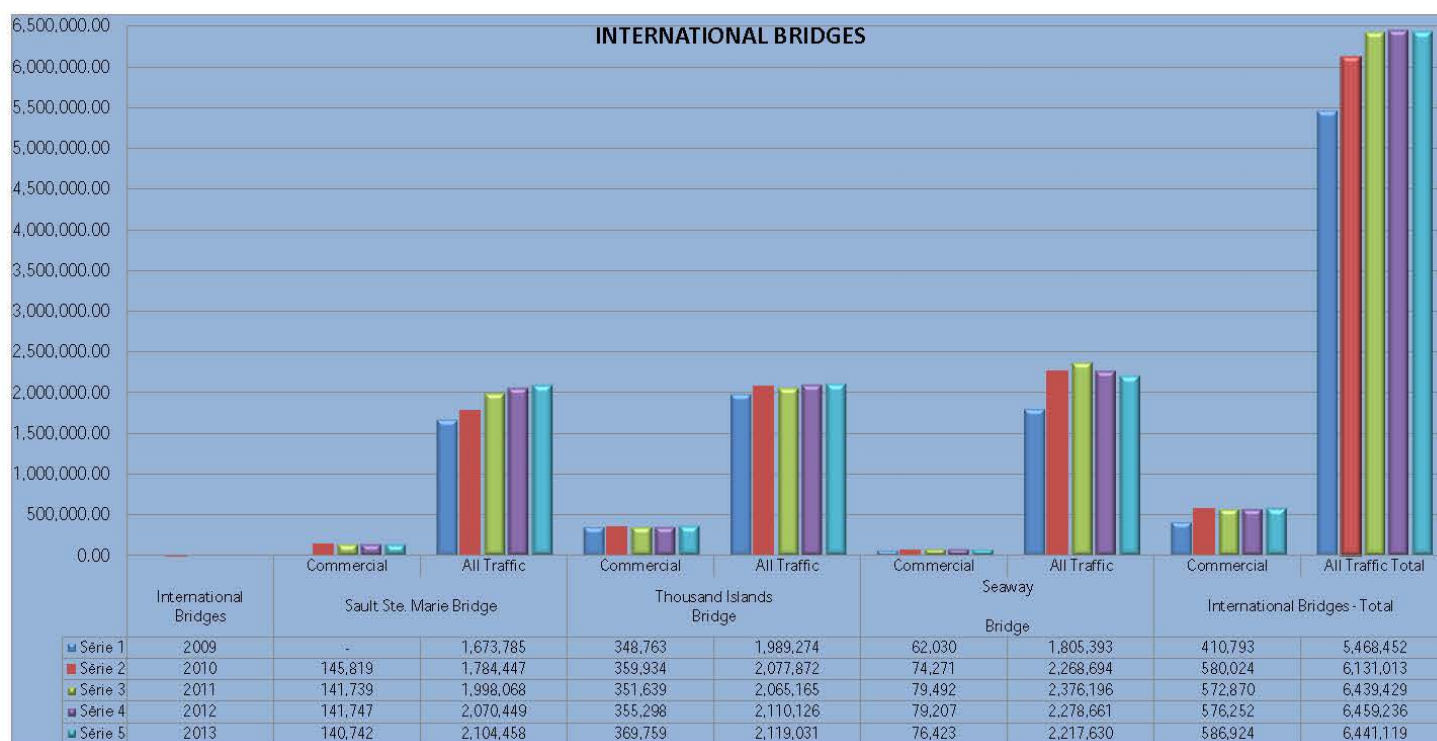
3.1.2 Economic Situation

The global financial volatility continued to have an important impact on FBCL. The operations of international bridges are dependent on toll revenues generated by both commercial and passenger cross-border traffic and therefore are dependent on the transportation of imported and exported products between Canada and the U.S. Overall, Canada's 2014 economic outlook remains optimistic. Indications that the U.S. economy will weather its fiscal challenges and continue its recovery are positive. The Canada/ European Union free trade agreement signed in October 2013 will provide Canada with preferential market access to the European Union and is expected to be positive for Canadian exporters. An improving trade balance is a key underpinning that Canada's economy will grow at rates that are sufficient to close the output gap and return the economy to full capacity in early 2015. These combined factors support continued modest increases in traffic at international bridges over the planning period.

3.1.3 Traffic Patterns

At international crossings, fluctuations in the value of the Canadian dollar continue to impact traffic patterns. As the dollar rises, there is an increase in passenger vehicle traffic to the U.S. and lower export volumes, thus a decrease in truck traffic; as the dollar declines, the opposite occurs. Other factors such as increasing gas prices and the decrease in consumer spending are also expected to affect tourism and traffic patterns in the planning period. Since 2009, commercial transits declined particularly due to difficulties in the export market linked to the U.S. economy. It has been recovering slowly over the last few years as shown in the chart below.

Year over Year Comparison



3.1.4 Stakeholder Interests/Focus

FBCL has a variety of stakeholders that add a layer of complexity for its operations, in the establishment of its policies and delivery of its projects on an ongoing basis. These include federal partners such as TC, CBSA and Public Works and Government Services Canada, provincial and municipal governments and agencies, First Nations, U.S. governments and agencies, and law enforcement agencies.

3.2 Strategic Issues and Risks

The following section identifies critical strategic issues and risks facing FBCL over the next five years which impact the direction to be taken to mitigate these risks. Each of these key risk areas or issues is interrelated, as to achieve the safety of its international bridges, FBCL must have sustainable funding and a strong corporate structure in place.

3.2.1 Bridge Safety

FBCL's top priority and focus is the safety of its international bridges and associated structures. It is ensuring that these bridges are inspected, maintained, monitored and repaired appropriately to ensure safety at all times.

FBCL is administering its international bridge programs with a long-term view aimed at extending the life of its infrastructure and ensuring the highest level of safety in maintaining and operating its international crossings for its users and employees.

In the management of international crossings, FBCL is subject to the requirements and standards outlined in the *International Bridges and Tunnels Act* (IBTA) together with related regulations and codes under which specific and timely reporting to the Minister must be provided. Detailed maintenance and repair programs are developed for each location based on cyclical inspection reports to ensure appropriate planning, resource allocation and delivery. The inspection reports completed for the international crossings at Sault Ste. Marie, Thousand Islands and South Channel Bridge in Cornwall evaluated them as being in good condition and a bridge maintenance program is in place for these structures.

In Cornwall, the new North Channel Bridge was completed and opened in January 2014 with the demolition of the old bridge commencing in 2014-15 and associated roadway improvements extending into 2016-17. Demolition of the existing North Channel Bridge poses a safety issue, as do all demolition projects. FBCL will ensure it exercises due diligence in the contracting and management of this important phase of this project. FBCL has the experience and expertise developed from its other rehabilitation, construction and demolition projects in its portfolio.

3.2.2 Bridge Security

Programs must be in place with partners to monitor potential threats that could compromise the security of the international bridges and associated structures and/or cause property damage, closure of a crossing or impact the flow of traffic. The security of FBCL international bridges can only be achieved in parallel with ensuring the safety of the bridges.

Security risks for FBCL activities are related to various protests from special interest groups, in particular First Nations, which at times result in the temporary closing of the Cornwall international crossing as well as traffic interruptions at other international bridges. These protests impact FBCL operations, the flow of traffic, especially commercial, and further erode public confidence in some of FBCL's crossings. Emergency management plans are in place as well as surveillance systems on the bridges and associated structures.

FBCL entered into a Memorandum of Understanding with TC on security and is in the planning phase of the development of a security plan at each of its international crossing as per IBTA requirements. Security Risk Assessments have also been recently conducted for each of the international crossings. Their recommendations and findings are currently being incorporated into individual security plans for each crossing that document the process of continuous improvement with respect to infrastructure and operational security.

3.2.3 Sustainable Funding

The ability to sustain FBCL's international bridges and associated structures over the long-term is an integral part of all the decision-making of the corporation.

The premise of the international bridge funding model is that toll revenues would cover operating and maintenance while capital expenditures would be funded by the accumulated share of net earnings. FBCL's international bridges are facing ongoing and increasing financial pressures to meet the requirements of this model. Traffic levels are highly dependent on a strong economy in Canada and with the economic volatility, the toll revenues continue to be challenged. Currently, the capital costs of major projects are being funded by government as they extend beyond the financial ability of FBCL. In addition to the new North Channel Bridge project, FBCL is delivering new or renewed CBSA facilities at all of its international crossings with specifically allocated capital funding. In Cornwall, the interim facility was constructed with FBCL as the project manager for CBSA. The footprint of these CBSA facilities are significantly more than current structures and will greatly increase the operations and maintenance costs of the international bridges. FBCL is continuing discussions with TC regarding funding consideration to maintain the other CBSA facilities in the long-term.

The ongoing financial restraint measures of the federal government are being respected by FBCL including freezing operational budgets, wage restraint, elimination of voluntary severance, review of pension plan contribution ratios, sharing of internal services and limitations on travel, hospitality and conferences. FBCL is also working with its partners on initiatives to improve the bottom line through investments in technology in looking at electronic tolling options. The government's orientation regarding the funding of major infrastructure projects and requirements to look at other revenue sources including the private sector are noted and form part of the decision-making process. Any opportunity will be closely assessed to ensure potential risks are closely examined to ensure its viability and value for money.

3.2.4 Corporate Structure

The achievement of the amalgamation plan outlined in the *Economic Action Plan 2013 Act, No. 2*, will contribute significantly to resolving historical governance issues.

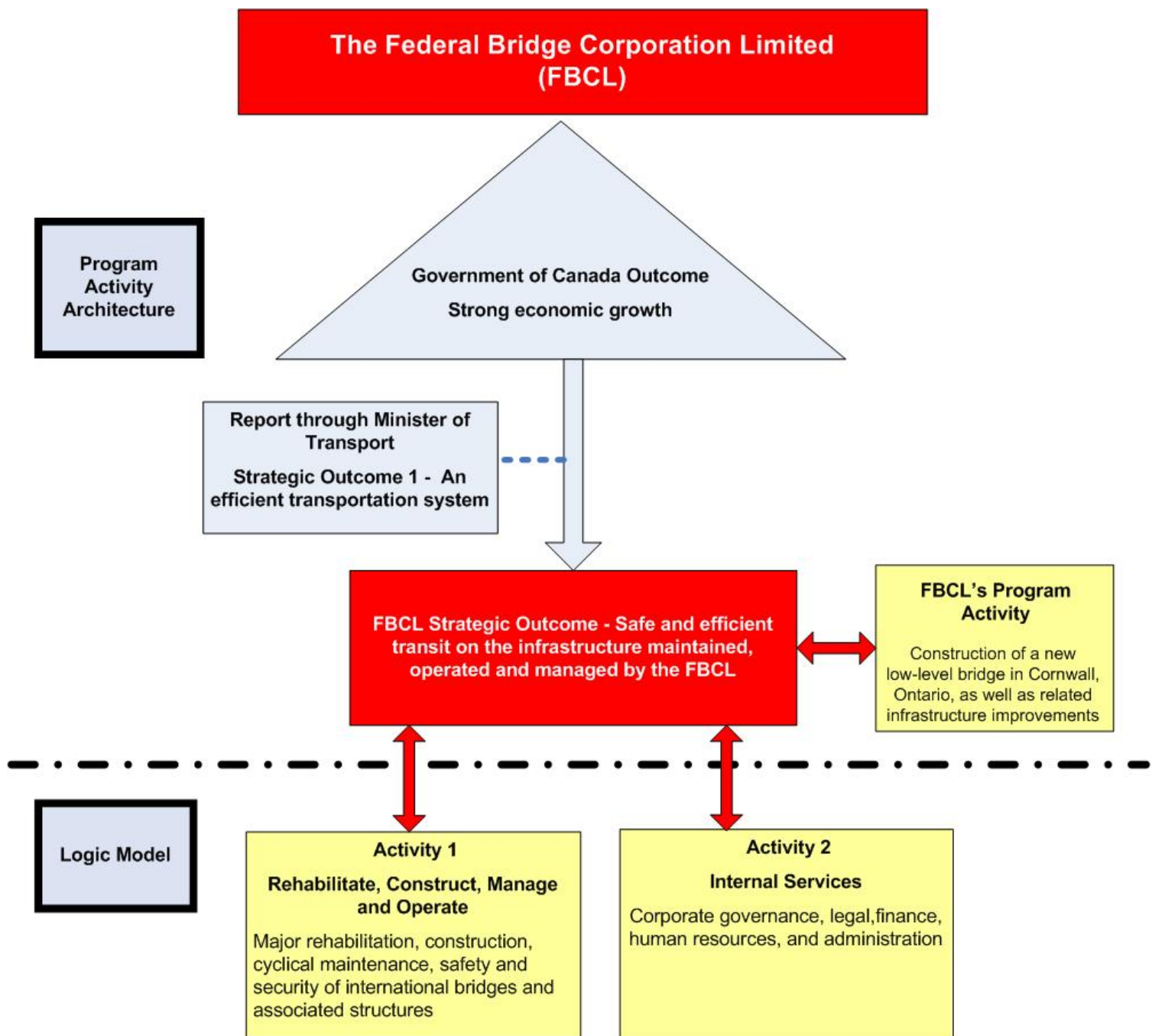
FBCL maintains an important responsibility with its ownership and management of its bridges and associated structures. Decisions are continually balanced between the best use of available resources in preserving its assets and the overriding accountability of ensuring the safety of its users. The FBCL Board communicated to Government, subsequent to the OAG Special Examination report of 2008, the important benefits that would result from simplification of the corporate structure including greater accountability and efficiency. The past corporate structure was very complex and did not allow proper oversight by FBCL of its subsidiaries. The changes from *Economic Action Plan 2013 Act, No. 2*, to reorganize Crown corporations involved in the management of international bridges are intended to address this strategic issue. (See Section 1.3)

Some complexity surrounding the operations of each of its bridges will remain, in that each of FBCL's current three bridges are managed and operated according to three different international agreements with parties in the United States. Each location will have its operations still treated independently, however with an integrated common portfolio approach. The sharing of resources and expertise within the one organization will be an important factor in achieving this goal.

4.0 Objectives, Activities, Strategies and Performance Measures

FBCL Program Activity Architecture (PAA) / Logic Model

(See Appendix B for detailed activity descriptions)



Activities

The following are the corporate objectives, strategies and performance targets by activity that FBCL will undertake during the next five years to deliver its mandate.

4.1 Activity 1 – Rehabilitate, Construct, Manage and Operate

Expected Result/Objective:

Ensure the ongoing safety and security of FBCL's clients while maintaining the efficient operation and management of its construction and rehabilitation projects at its international bridges and associated structures.

4.1.1 Strategies

- Complete bridge inspections, identify/prioritize long-term major rehabilitation requirements and undertake all repairs within available funding;
- Improve maintenance and operations by adopting innovative measures in construction techniques and materials, structural inspections tools and methodologies;
- Deliver key funded rehabilitation projects on time and on budget;
- Continue to work with CBSA and TC to ensure safe and secure passage at all international crossings; and
- Review opportunities for revenue generation at all locations.

FBCL's international bridges provide important trade routes to the U.S. and vital access for communities. The joint management models with U.S. partners are effective and efficient and allow for critical coordination in bridge safety to the benefit of both countries. As demonstrated in the traffic pattern chart (section 3.1.3), over the last four fiscal years traffic patterns for passenger car traffic have moderately increased. Commercial traffic however, representing the highest revenue source for the bridges, continues to be volatile, experiencing declines in some years and small increases in recent years. The fluctuations are mainly due to instability in Canadian exports and the shutting down of many local industries in Canada and the U.S.

4.1.2 Major Projects

The Government's amalgamation announcement in 2013 featured a monumental shift for FBCL into the future. Operations delivered through its subsidiaries will now be delivered directly. Many large infrastructure projects are being delivered or are in planning phase at all of the bridge locations to ensure bridge safety and infrastructure renewal.

Cornwall – The \$74.8 M new North Channel Bridge opened to traffic in January 2014, aligned with the CBSA temporary interim Port of Entry (POE). The POE construction was financed by CBSA with FBCL assuming the role of construction project manager per CBSA’s request. The existing North Channel Bridge is closed and the demolition will begin in 2014-15 followed by improvements to surrounding roadways through 2016-17.

Sault Ste. Marie - In October 2013, SMRBC and TC signed an amended contribution agreement for the Canadian Customs Plaza rehabilitation project which set the revised funding at \$51.6 M and extended the timeline to 2017-18. Demolition of the acquired properties is completed and the construction of a new Duty Free shop and maintenance garage is ongoing. Similarly, the U.S. International Bridge Plaza Redevelopment project, a project jointly funded from revenues between SMRBC and the IBA, owners of the Sault Ste. Marie International Bridge (as part of the International Agreement) will be initiated in 2014-15. The electronic tolling system is also being upgraded at this crossing.

Thousand Islands – FBCL is commencing the approved \$60 M rehabilitation project of the CBSA Lansdowne, Ontario Port of Entry in 2014-15 estimated for completion by 2017-18. This project was identified as priority in Canada/U.S. Border Action Plan. FBCL and TIBA are also planning a launch of studies for electronic tolling system feasibility, design and implementation.

4.1.3 Measurement of Performance

Performance Measures	Performance Indicators	Timeline
1. Ensure international bridge safety by continuing review of inspection reports and reporting on high-risk areas.	Reporting of results of inspection program	Annually
	Joint meetings with each location and formal reports on asset risks as part of FBCL Enterprise Risk Management (ERM)	Annually
2. Ensure innovations or new technologies are explored and/or utilized.	Types of results of innovation and/or technologies being used	Annually
3. Deliver funded international bridge projects on time and on budget.	North Channel Bridge (\$74.8 M)	2014-17
	Cornwall CBSA interim port of entry	2013-16
	Sault Ste. Marie: Customs Plaza Rehabilitation (\$51.6 M)	2013-18
	Thousand Islands: Renewal of the CBSA facility (\$60 M)	2014-18
4. Review revenue generation opportunities to assist in funding long-term capital requirements.	International Crossings – review with U.S. partners	Annually

4.2 Activity 2 – Internal Services

Expected Result/Objective: *Internal Services are groups of related activities and resources that support the strategic outcome and issues and other corporate obligations of FBCL. As a small entity, FBCL's internal services provide management support, and resource management services including finance, internal audit, risk management, strategic planning and reporting, and human resources activities. This professional expertise is integrated in all activities to appropriately manage risks, deliver projects as planned on all its international bridges and complete liaison with external federal agencies.*

4.2.1 Strategies

- Deliver professional services that provide strategic advantage to FBCL and facilitates effective and efficient management of its projects and operations; and
- Keep stakeholders and bridge users well informed on the status of works and resulting traffic disruptions using social media and other communication tools.

Specific Plans:

FBCL will continue to conduct its operations in accordance with applicable government policies and regulations. It will collaborate with and remain responsive to TC, through which it reports, central agencies and other stakeholders in order to achieve its strategic outcome. FBCL will endeavour to set direction by communicating best practices, providing guidance on government policy trends and establishing corporate-wide planning and reporting processes and procedures. FBCL will continue to exercise prudence to ensure optimal use of public funds.

FBCL has developed a policy framework covering all major administrative areas including:

- Human Resources
- Finance
- Information Management
- Corporate Planning and Reporting
- Enterprise Risk Management
- Internal Audit

These policies are administered through processes and directives in order to manage risks more systematically and to strengthen accountability at all levels of the corporation. FBCL will deliver on its activities while respecting various legislations including, but not limited to, the FAA, *Official Languages Act*, *Access to Information Act* and *Privacy Act*. These processes and policies will be rolled out to all of FBCL's locations and their employees as part of the ongoing plans to implement FBCL's new amalgamation mandate.

Communications:

FBCL continues to maintain a strong ongoing relationship with TC communications to ensure the availability of continuous information on all issues potentially having an impact on FBCL's international bridges and associated structures. FBCL has updated its website and is considered a leader in the use of social media as an effective tool for sharing timely information on its operations and special projects. These highly effective communication tools have proven essential to provide the most up-to-date information to users. Internet blog sites are also used for all major projects such as:

- New North Channel Bridge;
- Sault Ste. Marie for the Canadian Plaza Rehabilitation project;
- Similar communications are also being planned for the Customs Plaza Rehabilitation at the Thousand Islands Bridge; and
- Integrated corporate FBCL website (under construction) will provide a single integrated interface for all of the above.

4.2.2 Measurement of Performance

Performance Measures	Performance Indicators	Timeline
1. Meet all legislative and regulatory reporting requirements.	Number of reports meeting requirements delivered in a timely manner	Annually
	Delivery of multi-year, corporate-wide Internal Audit Plan	2013-16
2. Review and update FBCL policy framework and continue the Enterprise Risk Management process.	Policy frameworks in each activity area approved by the FBCL Board	2014-16
3. Deliver new corporate structure and amalgamation of FBCL as announced in <i>Economic Action Plan 2013 Act, No. 2</i> .	Report on progress of three phases of corporate restructuring	2014 -15
4. Keep stakeholders and international bridge users well informed on the status of works and resulting traffic disruptions using social media and other tools.	Statistics on number of subscribers and visitors to sites	Annually
5. Continue to support budget restraint measures.	Savings reported as an update on key initiatives	Annually

5.0 FBCL Pro Forma Consolidated Financial Statements

Basis of Presentation of Financial Statements

The following section presents the Consolidated Statement of Financial Position, Consolidated Statement of Operations, Consolidated Statement of Remeasurement Gains and Losses, Consolidated Statement of Change in Net Assets (Debt) and Consolidated Statement of Cash Flow. For greater clarity, due to impending changes related to amalgamation, the results of JCCBI have been removed from these statements, both with respect to historical values and future corporate plan budgets.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at March 31

(in thousands of dollars)

	Actual 2012-13	Current Forecast 2013-14	Main Budget 2013-14	Budget				
				2014-15	2015-16	2016-17	2017-18	2018-19
FINANCIAL ASSETS								
Cash and cash equivalents	8,903	7,664	10,732	1,563	552	559	1,097	716
Portfolio investments	15,522	15,600	15,758	15,600	15,600	14,600	9,900	6,900
Accounts receivable								
Federal departments and agencies	2,465	1,500	250	1,500	1,500	800	-	-
Other	1,302	177	333	175	175	175	175	175
Accrued interest receivable	40	40	50	40	40	40	40	40
TOTAL FINANCIAL ASSETS	28,232	24,981	27,123	18,878	17,867	16,174	11,212	7,831
LIABILITIES								
Accounts payable and accrued liabilities	7,805	3,460	4,097	3,458	3,448	2,748	1,948	1,948
Due to a government partner	1,427	2,135	1,787	1,907	1,907	1,907	1,907	1,907
Client deposits	138	4,043	100	40	40	40	40	40
Holdbacks	1,132	500	943	500	500	100	-	-
Employee future benefits	163	165	145	160	160	160	160	160
Asset retirement obligation	16,365	14,352	13,502	-	-	-	-	-
Credit facility	5,000	4,820	4,854	4,634	4,442	4,244	4,039	3,827
Deferred revenue	273	262	295	250	250	250	250	250
TOTAL LIABILITIES	32,303	29,737	25,723	10,949	10,747	9,449	8,344	8,132
NET ASSETS (DEBT)	(4,071)	(4,756)	1,400	7,929	7,120	6,725	2,868	(301)
NON-FINANCIAL ASSETS								
Tangible capital assets	73,698	90,335	89,564	109,871	148,004	177,384	200,737	198,486
Prepaid expenses	178	153	871	152	152	152	152	152
TOTAL NON-FINANCIAL ASSETS	73,876	90,488	90,435	110,023	148,156	177,536	200,889	198,638
ACCUMULATED SURPLUS	69,805	85,732	91,835	117,952	155,276	184,261	203,757	198,337
Accumulated surplus is comprised of:								
Accumulated operating surplus	69,897	85,622	91,806	117,842	155,166	184,151	203,647	198,227
Accumulated remeasurement gains	(92)	110	29	110	110	110	110	110
	69,805	85,732	91,835	117,952	155,276	184,261	203,757	198,337

CONSOLIDATED STATEMENT OF OPERATIONS

for the year ending March 31

(in thousands of dollars)

	Actual 2012-13	Current Forecast 2013-14	Main Budget 2013-14	Budget				
				2014-15	2015-16	2016-17	2017-18	2018-19
REVENUES								
Tolls	5,663	5,655	5,552	6,107	6,150	6,203	6,256	6,434
Leases and permits	4,093	2,934	2,896	1,334	1,348	1,361	1,374	1,327
International Thousand Islands Bridge operating revenues	3,735	4,222	4,047	4,222	4,264	4,307	4,350	4,393
Interest	311	461	398	377	354	322	224	154
Other	(9)	338	27	30	372	32	33	35
TOTAL REVENUES	13,793	13,610	12,920	12,070	12,488	12,225	12,237	12,343
EXPENSES								
Maintenance	3,336	2,474	2,120	2,275	1,949	2,033	1,736	3,999
Operations	1,973	2,120	2,285	2,054	2,087	2,153	2,264	3,521
Administration	4,701	3,653	3,153	3,814	3,900	3,991	4,075	4,168
International Thousand Islands Bridge operating expenses	2,771	2,978	3,080	2,786	2,829	2,889	2,949	3,010
Restructuring costs	-	200	-	200	(75)	(75)	(75)	(75)
Subsidy to JCCBI	2,637	1,517	1,569	-	-	-	-	-
Amortization	4,702	5,470	4,703	5,789	2,504	2,602	2,639	3,140
TOTAL EXPENSES	20,120	18,412	16,910	16,918	13,194	13,593	13,588	17,763
DEFICIT BEFORE GOVERNMENT FUNDING	(6,327)	(4,802)	(3,990)	(4,848)	(706)	(1,368)	(1,352)	(5,420)
Parliamentary appropriations	15,459	14,338	16,838	21,040	25,755	22,211	16,000	-
SMRBC Contribution agreement - Customs Plaza	1,042	6,189	6,600	16,028	12,275	8,142	4,847	-
ANNUAL SURPLUS (DEFICIT)	10,174	15,725	19,448	32,220	37,324	28,985	19,496	(5,420)
ACCUMULATED OPERATING SURPLUS, BEGINNING OF YEAR	37,325	69,897	72,358	85,622	117,842	155,166	184,151	203,647
Reclassification of deferred capital funding	22,398	-	-	-	-	-	-	-
ACCUMULATED OPERATING SURPLUS, END OF YEAR	69,897	85,622	91,806	117,842	155,166	184,151	203,647	198,227

CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

for the year ending March 31
(in thousands of dollars)

	Actual 2012-13	Current Forecast 2013-14	Main Budget 2013-14	Budget				
				2014-15	2015-16	2016-17	2017-18	2018-19
Accumulated remeasurement gains and (losses) at beginning of year	-	(92)	29	110	110	110	110	110
Unrealized gains (losses) attributable to:								
Foreign exchange	(240)	565	-	-	-	-	-	-
Portfolio investments	206	(339)	-	-	-	-	-	-
Amounts reclassified to the statement of operations:								
Foreign exchange	90	(184)	-	-	-	-	-	-
Portfolio investments	(148)	160	-	-	-	-	-	-
Net remeasurement gains for the year	(92)	202	-	-	-	-	-	-
Accumulated remeasurement gains and (losses) at end of year	(92)	110	29	110	110	110	110	110

CONSOLIDATED STATEMENT OF CHANGE IN NET ASSETS (DEBT)

for the year ending March 31
(in thousands of dollars)

	Actual 2012-13	Current Forecast 2013-14	Main Budget 2013-14	Budget				
				2014-15	2015-16	2016-17	2017-18	2018-19
ANNUAL SURPLUS (DEFICIT)	10,174	15,725	19,448	32,220	37,324	28,985	19,496	(5,420)
Acquisition of tangible capital assets	(19,885)	(22,107)	(26,467)	(25,325)	(40,637)	(31,982)	(25,992)	(889)
Amortization of tangible capital assets	4,702	5,470	4,703	5,789	2,504	2,602	2,639	3,140
	(5,009)	(912)	(2,316)	12,684	(809)	(395)	(3,858)	(3,169)
Use of prepaid expenses	4	25	600	1	-	-	-	-
	4	25	600	1	-	-	-	-
Net remeasurement gains and (losses) for the year	(92)	202	-	-	-	-	-	-
(INCREASE) / DECREASE IN NET FINANCIAL ASSETS (DEBT)	(5,097)	(685)	(1,716)	12,685	(809)	(395)	(3,858)	(3,169)
NET ASSETS (DEBT) AT BEGINNING OF YEAR	(21,372)	(4,071)	3,064	(4,756)	7,929	7,120	6,725	2,868
Reclassification of deferred capital funding	22,398	-	-	-	-	-	-	-
NET ASSETS (DEBT) AT END OF YEAR	(4,071)	(4,756)	1,348	7,929	7,120	6,725	2,868	(301)

CONSOLIDATED STATEMENT OF CASH FLOW

for the year ending March 31
(in thousands of dollars)

	Actual 2012-13	Current Forecast 2013-14	Main Budget 2013-14	Budget				
				2014-15	2015-16	2016-17	2017-18	2018-19
OPERATING TRANSACTIONS								
Annual operating surplus (deficit)	10,174	15,725	19,448	32,220	37,324	28,985	19,496	(5,420)
Adjustments for non-cash items:								
Amortization of tangible capital assets	4,702	5,470	4,703	5,789	2,504	2,602	2,639	3,140
Remeasurement gains / (losses)	(92)	202	-	-	-	-	-	-
Changes in non-cash working capital items:								
(Increase) decrease in:								
Due from Canada	2,262	965	800	-	-	700	800	-
Trade receivables	(647)	1,125	463	2	-	-	-	-
Accrued interest	41	-	-	-	-	-	-	-
Prepayments	4	25	600	1	-	-	-	-
Increase (decrease) in:								
Accounts payable	(225)	(4,345)	3,964	(2)	(10)	(700)	(800)	-
Client deposits	(2)	3,905	-	(4,003)	-	-	-	-
Holdbacks	777	(632)	-	-	-	(400)	(100)	-
Employee future benefits	20	2	2	(5)	-	-	-	-
Deferred revenue	(2)	(11)	-	(12)	-	-	-	-
NET CASH PROVIDED BY / (APPLIED TO) OPERATING ACTIVITIES	17,012	22,431	29,980	33,990	39,818	31,187	22,035	(2,280)
CAPITAL TRANSACTIONS								
Cash used to acquire tangible capital assets (government funded)	(17,320)	(18,027)	(20,938)	(22,458)	(38,030)	(30,353)	(20,847)	-
Decrease of asset retirement obligation (government funded)	480	(2,013)	(2,383)	(14,352)	-	-	-	-
Cash used to acquire tangible capital assets (FBCL funding)	(2,565)	(4,080)	(5,529)	(2,867)	(2,607)	(1,629)	(5,145)	(889)
NET CASH APPLIED TO CAPITAL ACTIVITIES	(19,405)	(24,120)	(28,850)	(39,677)	(40,637)	(31,982)	(25,992)	(889)
INVESTING TRANSACTIONS								
Acquisition of investments	(15,295)	(78)	(3,233)	-	-	-	-	-
Disposal of investments	3,116	-	-	-	-	1,000	4,700	3,000
NET CASH PROVIDED BY / (APPLIED TO) INVESTING ACTIVITIES	(12,179)	(78)	(3,233)	-	-	1,000	4,700	3,000
FINANCING TRANSACTIONS								
Increase (decrease) of due to a government partner	(648)	708	72	(228)	-	-	-	-
Repayment of credit facility	-	(180)	(146)	(186)	(192)	(198)	(205)	(212)
NET CASH PROVIDED BY / (APPLIED TO) FINANCING ACTIVITIES	(648)	528	(74)	(414)	(192)	(198)	(205)	(212)
NET INCREASE (DECREASE) IN CASH	(15,220)	(1,239)	(2,177)	(6,101)	(1,011)	7	538	(381)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	24,123	8,903	12,909	7,664	1,563	552	559	1,097
CASH AND CASH EQUIVALENTS AT END OF YEAR	8,903	7,664	10,732	1,563	552	559	1,097	716

6.0 Operating and Capital Budgets

The presentation of the operating and capital budgets has been adjusted such that operations at JCCBI and income to be transferred to JCCBI have been removed from these tables.

OPERATING BUDGET

for the year ending March 31
(in thousands of dollars)

	2014-15	2015-16	2016-17	2017-18	2018-19	2013-14			2012-13		
	Budget	Budget	Budget	Budget	Budget	Budget	Current Forecast	Variance	Budget	Actual	Variance
FUNDING											
Tolls	6,107	6,150	6,203	6,256	6,434	5,552	5,655	103	5,244	5,663	419
Leases and permits	1,334	1,348	1,361	1,374	1,327	2,896	2,934	38	3,952	4,093	141
International Thousand Islands Bridge operating revenues	4,222	4,264	4,307	4,350	4,393	4,047	4,222	175	3,838	3,735	(103)
Interest	377	354	322	224	154	398	461	63	190	311	121
Other	30	372	32	33	35	27	338	311	5	(9)	(14)
FBCL cash reserves	-	-	-	-	2,280	-	-	-	-	-	-
TOTAL FUNDING	12,070	12,488	12,225	12,237	14,623	12,920	13,610	690	13,229	13,793	564
EXPENSES											
Maintenance	2,275	1,949	2,033	1,736	3,999	2,120	2,474	(354)	3,815	3,336	479
Operations	2,054	2,087	2,153	2,264	3,521	2,285	2,120	165	1,688	1,973	(285)
Administration	3,814	3,900	3,991	4,075	4,168	3,153	3,653	(500)	3,537	4,701	(1,164)
Thousand Islands Bridge operating expenses	2,786	2,829	2,889	2,949	3,010	3,080	2,978	102	2,798	2,771	27
Restructuring costs	200	(75)	(75)	(75)	(75)	-	200	(200)	-	-	-
Subsidy to JCCBI	-	-	-	-	-	1,569	1,517	52	2,637	2,637	-
TOTAL EXPENSES	11,129	10,690	10,991	10,949	14,623	12,207	12,942	(735)	14,475	15,418	(943)
EXCESS (SHORTFALL) OF FUNDING OVER EXPENDITURES	941	1,798	1,234	1,288	-	713	668	(45)	(1,246)	(1,625)	(379)

CAPITAL BUDGET

for the year ending March 31
(in thousands of dollars)

	2014-15	2015-16	2016-17	2017-18	2018-19	2013-14			2012-13		
	Budget	Budget	Budget	Budget	Budget	Budget	Current Forecast	Variance	Budget	Actual	Variance
FUNDING											
Appropriations:											
FBCL North Channel Bridge replacement	15,040	7,755	2,211	-	-	14,338	14,338	-	24,024	15,459	(8,565)
TIB Landsdowne CBSA facility	6,000	18,000	20,000	16,000	-	2,500	-	(2,500)	-	-	-
Total appropriations	21,040	25,755	22,211	16,000	-	16,838	14,338	(2,500)	24,024	15,459	(8,565)
Proceeds from SMRBC credit facility	-	-	-	-	-	4,500	2,703	(1,797)	-	2,297	2,297
SMRBC Contribution agreement - Custom Plaza	16,028	12,275	8,142	4,847	-	6,600	6,189	(411)	7,564	1,681	(5,883)
Other revenue / cash reserves	2,867	2,607	1,629	5,145	889	1,093	-	(1,093)	7,892	699	(7,193)
TOTAL FUNDING	39,935	40,637	31,982	25,992	889	29,031	23,230	(5,801)	39,480	20,136	(19,344)
EXPENDITURES											
Government funded:											
FBCL New North Channel Bridge and associated structures	370	7,755	2,211	-	-	11,838	11,838	-	24,024	15,890	8,134
TIB Lansdowne Customs Facility	6,000	18,000	20,000	16,000	-	2,500	-	2,500	-	-	-
SMRBC Customs Plaza Redevelopment	16,028	12,275	8,142	4,847	-	6,600	6,189	411	7,564	1,681	5,883
FBCL funded:											
SIBC Toll Plaza	-	-	-	500	-	-	-	-	-	-	-
SIBC Wastewater treatment	225	-	-	-	-	522	275	247	-	-	-
SIBC Roadway Improvements	-	-	-	4,000	-	-	-	-	-	-	-
SMRBC Shared projects with SSMBA	1,384	2,112	1,154	160	374	1,482	103	1,379	2,066	-	2,066
SMRBC land acquisitions - re: Customs Plaza Redevelopment	-	-	-	-	-	4,500	2,703	1,797	5,000	2,297	2,703
Other capital projects	1,258	495	475	485	515	1,589	999	590	826	268	558
TOTAL EXPENDITURES	25,265	40,637	31,982	25,992	889	29,031	22,107	6,924	39,480	20,136	19,344
EXCESS OF FUNDING OVER EXPENDITURES	14,670	-	-	-	-	-	1,123	1,123	-	-	-

7.0 Appendices

7.1 Appendix A - Performance Review of the 2013-14 to 2017-18 Corporate Plan

Activity 1- Rehabilitate, Construct, Manage and Operate

This activity consists of all major construction and rehabilitation projects as well as other major capital expenditures ensuring the safety and security of FBCL's international bridges and associated structures including CBSA facilities. The operations are managed through international agreement with the U.S. and joint representation on the respective Boards of Directors.

2013-14 Performance Measures	Performance Indicators	Timeline	Status
1. Ensure bridge safety by continuing review of inspection reports and reporting on high-risk areas.	Reporting of results of inspection program	Annually	Met- All inspections completed and reported on time.
	Joint meetings and formal reports on asset risks as part of FBCL Enterprise Risk Management (ERM)	Annually	Met - Risk assessments reviewed quarterly with the FBCL Audit Committee.
2. Ensure innovations or new technologies are explored and/or utilized.	Types of results of innovation and/or technologies used	Annually	Met - FBCL engineers continue to work with the National Research Council and other associations on innovations and new technologies. New North Channel Bridge in Cornwall: high performance concrete and use of glass fibre reinforcing products used in construction. The use of satellite monitoring to detect differential movements in foundations and deck surfaces is being studied as a new tool.
3. Ensure safety of existing North Channel Bridge in Cornwall while new bridge being built.	Completion of work plan based on annual inspection and daily operational review	2013-14	Met – Existing bridge was decommissioned in January 2014, demolition is planned to start in 2014-15.
4. Deliver funded bridge projects on time and on budget.	North Channel Bridge (\$74.8 M)	2013-16	Met - New bridge completed and opened Jan. 2014. Improvements of roadways to be completed by 2016-17.

Activity 1- Rehabilitate, Construct, Manage and Operate

This activity consists of all major construction and rehabilitation projects as well as other major capital expenditures ensuring the safety and security of FBCL's international bridges and associated structures including CBSA facilities. The operations are managed through international agreement with the U.S. and joint representation on the respective Boards of Directors.

2013-14 Performance Measures	Performance Indicators	Timeline	Status
	Sault Ste. Marie Customs Plaza Rehabilitation (\$51.6 M)	2012-15	Partially Met – The construction of the facilities has been initiated with the garage and the Duty Free Store as well as the ramp widening and other related civil works. The project completion is planned for 2017-18.
5. Review revenue generation opportunities to assist in funding long-term capital requirements.	International Crossings – review revenues	Annually	Met - Toll increases implemented at Thousand Islands Bridge in 2013 and planned for Sault Ste. Marie International Bridge in 2014 and the Seaway in 2017-18. All international bridges toll rates reviewed with fluctuations in currency exchange monitored on a continuous basis and adjusted as necessary.
6. Meet obligations of the <i>Customs Act (Section 6)</i> at international crossings.	Cornwall: Authorities granted and funding allocated for interim port of entry	2013-15	Met- At CBSA's request, FBCL is acting as the project and construction manager. The operation of the facility remains with CBSA at this time.
	Sault Ste. Marie: Customs Plaza Rehabilitation (\$51.6 M)	2013-18	Met – Amended contribution agreement signed by Minister of Transport securing necessary funding for project completion.
	Thousand Islands: approval and funding to renew the CBSA facility	2013-14	Met – Project has been announced and funded and will be initiated in 2014-15.

Activity 2- Internal Services

Internal services at FBCL are groups of related activities and resources that support the needs of programs and other corporate obligations. These services provide governance, management support, and resource management services including finance, strategic planning and reporting, communications and human relations.

2012-13 Performance Measures	Performance Indicators	Timeline	Status
1. Meet all legislative and regulatory reporting requirements.	Number of reports meeting requirement that are delivered in a timely manner	Annually	Met – FBCL delivered all reports on time as per legislative requirements.
	Update and delivery of multi-year, corporate-wide Internal Audit Plan	2013-14	Met – Multi-year plan approved by FBCL Audit Committee and Advisory Audit of FBCL HQ information technology network infrastructure completed.
2. Continue to improve the Enterprise Risk Management process.	ERM policy approved by FBCL Board and rolled-out to the subsidiaries	2013-15	Partially Met - FBCL Audit Committee has ERM as a standing item for each meeting. ERM Policy was approved. Corporate-wide risks are currently rolled up from the subsidiaries reports.
3. Continue to provide information including business case as to the optimal corporate structure for FBCL.	Report on progress of corporate structure challenges	2013-14	Met – Refer to Section 1.3
4. Keep stakeholders and bridge users well informed on the status of works and resulting traffic disruptions using social media and other tools.	Statistics on number of subscribers and visitors to sites	Annually	Met – In addition to traditional forms of communication, FBCL has an active blog site in place for all its major projects allowing an interested party to obtain real time information. These sites provide a forum for direct exchange of questions and concern. Individual Visitors – 353 Total Visitors - 440

Activity 2- Internal Services

Internal services at FBCL are groups of related activities and resources that support the needs of programs and other corporate obligations. These services provide governance, management support, and resource management services including finance, strategic planning and reporting, communications and human relations.

5. Support budget restraint measures.	Savings reported as an update on key initiatives	Annually	Met – FBCL remains committed to vigilance in regards to the use of public funds. As such, FBCL continued to limit the wage increases to that of the broader public sector. Expense increases due to rises in insurance and salary costs have been fully absorbed with cost reductions through careful monitoring of items like travel, communications, and limited use of external consultants.
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7.2 Appendix B – Program Activity Architecture (PAA) and FBCL Logic Model

This model depicts how FBCL delivers all of its activities whether appropriated or non-appropriated. FBCL's strategic outcome is related to its mandate and aligns with the strategic outcomes and priorities of the Government of Canada. The logic model enables FBCL to clearly focus on its three key priorities over the next five years, namely bridge safety/security, sustainable funding and corporate structure. All FBCL activities and the achievement of the strategic outcomes are delivered through its three international bridge crossings located in Cornwall, Thousand Islands and Sault Ste. Marie, adjoining Ontario and the states of New York and Michigan.

The FBCL PAA "Construction of a low-level bridge in Cornwall, Ontario as well as related infrastructure improvements" is approved by Treasury Board and has been integrated within the FBCL logic model. This logic model is intended to assist in improving the effectiveness and efficiency of operations through comprehensive risk management, optimization of performance in planning and delivery of works as well as ensuring stronger corporate reporting and performance measurement. Achieving these goals will enable FBCL to attain its mandate of providing the highest level of stewardship so that its international bridges and associated structures are safe and efficient for users.

Strategic Outcome

Safe and efficient transit on infrastructure maintained, operated and managed by FBCL.

Activity 1 – Construct, Rehabilitate, Manage and Operate

This activity consists of all major construction and rehabilitation projects as well as other major capital expenditures ensuring the safety and security of FBCL's international bridges and associated structures including CBSA facilities. The operations are managed through international agreement with the U.S. and joint representation on the respective Boards of Directors. The funding model is that of self-sufficiency of operations and the net earnings of the operations are shared in accordance with the international agreements. The aim is that net earnings be sufficient to fund, at least partly over the long-term the construction and rehabilitation activities. This activity consists of:

- Daily management and control of operations including cyclical maintenance and repairs;
- Revenue generation activities include tolling operations, shares of duty-free facilities profits and leases;
- Coordination of security at bridges with stakeholders including CBSA, law enforcement agencies and FBCL's international partners;
- Management, operations and maintenance of CBSA customs facilities; and
- Promotion of crossings with international stakeholders and communities.

Activity 2 – Internal Services

Internal services at FBCL support the needs of programs and corporate obligations. These services include governance, management, finance, strategic planning and reporting, communications and human relations. This professional expertise is integrated in all activities to appropriately manage risks, deliver projects as planned and complete liaison with external federal agencies. Communication with stakeholders of major announcements on new projects, scope and timing planned works as well as traffic advisories are delivered using social media including Internet, blog sites, Twitter accounts and other communication tools.

7.3 Appendix C – List of Abbreviations

BWBA	BLUE WATER BRIDGE AUTHORITY
CBCA	CANADA BUSINESS CORPORATIONS ACT
CBSA	CANADA BORDER SERVICES AGENCY
CEO	PRESIDENT AND CHIEF EXECUTIVE OFFICER
FAA	FINANCIAL ADMINISTRATION ACT
FBCL	THE FEDERAL BRIDGE CORPORATION LIMITED
IBA	INTERNATIONAL BRIDGE ADMINISTRATION
IBTA	INTERNATIONAL BRIDGES AND TUNNELS ACT
MCA	MOHAWK COUNCIL OF AKWESASNE
MDOT	MICHIGAN DEPARTMENT OF TRANSPORTATION
OAG	OFFICE OF THE AUDITOR GENERAL
PAA	PROGRAM ACTIVITY ARCHITECTURE
SIBC	THE SEAWAY INTERNATIONAL BRIDGE CORPORATION LIMITED
SLSA	THE ST. LAWRENCE SEAWAY AUTHORITY
SLSDC	ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION
SMRBC	ST. MARY’S RIVER BRIDGE COMPANY
SSMBA	SAULT STE. MARIE BRIDGE AUTHORITY
TC	TRANSPORT CANADA
TBS	TREASURY BOARD SECRETARIAT
TIBA	THOUSAND ISLANDS BRIDGE AUTHORITY