



THE FEDERAL BRIDGE CORPORATION LIMITED

CORPORATE PLAN SUMMARY

2011-2012 to 2015-2016

2011-2012 Operating Budget

2011-2012 Capital Budget

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EXECUTIVE SUMMARY

The Federal Bridge Corporation Limited's (FBCL) purpose is to be responsible for three international bridges in Ontario and federal domestic bridges in Montreal. An organization recognized as being the "go-to" agency for building, managing and operating federal bridges and associated structures. FBCL structures play a vital role in connecting Canada's transportation and economic network with the world, as summarized by the Office of the Auditor General (OAG) in its 2008 Special Examination Report.

The 2010 Speech from the Throne outlined the need for "the broadest possible market for Canada's goods and services" in support of Canada's economic growth. FBCL's bridges and associated structures directly support these objectives by providing essential, safe and efficient bridge corridors allowing the flow of traffic and goods within Canada and across U.S. border including broader international destinations. In 2010, it is estimated that these crossings carry some 148 million vehicles per year and over \$67B of merchandise making them amongst the busiest in North America.

In managing these critical bridges and associated structures, FBCL is:

- operating in a multifaceted environment with international, federal, provincial, regional and municipal partnerships and significant aboriginal interest
- a parent Crown corporation with a complex governance including three subsidiaries and participating as a bi-lateral partner in three international bridge agreements
- providing full-time employment for 88 people
- delivering four critical multi-year bridge infrastructure projects totalling \$466.1M
 - Sault Ste. Marie customs plaza rehabilitation - \$44.1M
 - new low-level North Channel Bridge in Cornwall - \$74.8M
 - maintenance of the Champlain Bridge in Montreal - \$212.0M over 10 years
 - rehabilitation of the Honoré Mercier Bridge in Montreal - \$135.0M
- contributing to Canada's Economic Action Plan and Infrastructure Stimulus Fund through the delivery of key projects totalling \$60.9M for Montreal
 - Champlain Bridge \$29.1M
 - urgent repairs on other bridges and infrastructures \$31.8M
- carrying-out the largest bridge rehabilitation in Canadian history (Honoré Mercier Bridge in Montreal) in partnership with the Mohawk community
- initiating safety repairs and asset maintenance works on federal bridges and associated structures in Montreal announced in Budget 2011 of \$227.6M over 3 years (2011-2012 to 2013-2014)

CONTEXT AND FOCUS

Important steps forward have been made in the current year to advance the major projects. The focus was on bridge safety which required that FBCL execute well on the major projects at hand, secure future funding to adequately manage risks in the future and make improvements to its corporate structure. FBCL will maintain its focus on bridge safety for this planning period. With its ageing infrastructure, it will continue to strike a delicate balance between preserving the existing bridges and ensuring their safety at all times. FBCL will also continue to address its financial sustainability issues and strive for improvements in its corporate structure. Activities being undertaken under these strategic issues will address the two major deficiencies identified in these areas by the Auditor General as part of its 2008 Special Examination, that of unresolved funding requirements which threatens financial sustainability and insufficient oversight by the parent Board

1.0 CORPORATE PROFILE

1.1 MANDATE

FBCL was established in 1998 to oversee and be accountable for the bridges under its control and to provide strategic direction to the asset operators under its jurisdiction. Its mandate is to provide the highest level of stewardship so that its bridge structures are safe and efficient for users. The Corporation is also in a position to provide expertise and advice to the federal government with regard to design, building, maintenance and operation of bridges and associated structures.

1.2 LEGISLATION AND RESPONSIBILITIES

FBCL is a parent Crown corporation operating at arm's length from the federal government. FBCL is either directly or through its wholly-owned subsidiaries, responsible for three international bridges and associated structures in Ontario (Cornwall, Sault Ste. Marie and Thousand Islands crossings) and in the Greater Montreal Area three major bridges and their approaches (Jacques Cartier, Champlain and Honoré Mercier bridges), and three associated structures (Bonaventure Expressway, Champlain Bridge Estacade and Melocheville Tunnel).

Headquartered in Ottawa, FBCL is a Schedule III-I Crown Corporation under the *Financial Administration Act* (FAA), incorporated in 1998 under the *Canada Business Corporations Act* (CBCA). FBCL's Articles of Incorporation outline that the business shall, in essence, be limited to:

- a) acquiring lands for, and constructing, maintaining and operating bridges connecting Canada with the United States, and, as authorized by the *St Lawrence Seaway Authority Act* (SLSAA), acquiring shares or property of any bridge company and operating and managing bridges;
- b) acquiring lands for, and constructing or otherwise acquiring, maintaining, managing and operating such works or other property as the Governor in Council may deem necessary;
- c) acquiring or becoming the transferee of all or part of The St. Lawrence Seaway Authority (SLSA) property, rights or undertakings transferred by SLSA; and
- d) with the approval of the Governor in Council, leasing to any person any lands, property or water-power held in its name/control or in the name of SLSA or held in the name of Her Majesty.

The transfer from SLSA included certain properties and structures, as well as the interests of SLSA in the issued and outstanding shares of its wholly-owned subsidiaries, The Jacques Cartier and Champlain Bridges Incorporated (JCCBI) in Montreal and, in a joint venture with its U.S. partner, the Seaway International Bridge Corporation, Ltd. (SIBC) in Cornwall. At the same time, FBCL assumed responsibility for the Canadian portion of the Thousand Islands International Bridge with the Thousand Islands Bridge Authority (TIBA - a U.S. government organization) being the operating agency. FBCL has ultimate responsibility for all repair and maintenance of the Canadian facilities under a binational agreement, renewed in June 2010.

In 2000, FBCL acquired a 90.7% ownership in The St. Mary's River Bridge Company (SMRBC), which acquired the Canadian half of the Sault Ste. Marie International Bridge for \$2 from the International Bridge Administration (IBA), the U.S. government agency that operates the crossing. IBA reports to a joint international board of directors, the Sault Ste. Marie Bridge Authority (SSMBA). On July 18, 2008, SMRBC was continued under the CBCA (section 187) from which SMRBC derives its borrowing authority. In September 2009, FBCL acquired all of the outstanding shares so that SMRBC is now a Crown corporation and a wholly-owned subsidiary. A new international agreement between the owners of the bridge, SMRBC and the Michigan Department of Transportation (MDOT) came into effect in June 2009.

1.3 FBCL PORTFOLIO

As the parent Crown, FBCL manages activities throughout the Corporation in support of its wholly-owned subsidiaries. In particular, 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. In this regard, the parent Crown is the sole link for its portfolio to Transport Canada through which it reports and also in response to requests from central agencies.

Each subsidiary is governed by a Board of Directors who are appointed by the FBCL Board pursuant to section 106 of the CBCA. Subsidiary Boards 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 subsidiary for which they are accountable. These committees may include but are not limited to audit, governance, risk management and human resources. General Managers of each subsidiary report directly to their respective subsidiary Board. Board of Directors of subsidiaries are accountable to the FBCL Board.

FBCL is also responsible for recommending the Canadian Directors to be appointed by TIBA to whom the U.S. bridge operator reports at the Thousand Islands International Bridge.

The relationship of the FBCL Board with its subsidiary Boards and Ottawa headquarters balances the legal reality that the parent company and its subsidiaries are distinct legal entities with the need to ensure compliance and strategic alignment of these entities with corporate objectives. Strategic directions are set for FBCL through its mandate, government policies, approvals and letter of expectations from the responsible Minister. The FBCL Board issued letters of expectations to the Chairs of the subsidiary Boards to outline their expected roles and responsibilities in line with these strategic directions. The letters serve as an agreement between the FBCL Board and each organization on the corporate mandate, including high-level performance expectations, public policy issues and strategic priorities. Progress reports will allow results to be monitored and actions taken accordingly.

In addition to its role as the parent Crown, FBCL participates in the annual inspection studies undertaken by consultants hired by the international bridge operators (JCCBI engineers participate in Montreal inspections). FBCL also has certain project responsibilities at the international crossings. As the bridge owner in Cornwall, FBCL will manage the replacement of the North Channel Bridge and associated structures. FBCL is also responsible for capital projects for major rehabilitation on CBSA facilities and associated structures at the Sault Ste. Marie crossing on behalf of SMRBC, and for any future projects at the Thousand Islands and Cornwall crossings.

1.4 SUMMARY OF OPERATIONS

NAME	FBCL (Headquarters)	The Seaway International Bridge Corporation, Ltd. (SIBC)	The Thousand Islands Bridge Authority (TIBA)	The St. Mary's River Bridge Company (SMRBC)	The Jacques Cartier and Champlain Bridges Incorporated (JCCBI)
BRIDGE CLASSIFICATION		International	International	International	Domestic
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	1978 under the CBCA
STATUS WITHIN FBCL	Parent Company	Wholly-owned subsidiary. Joint venture between FBCL and the St. Lawrence Seaway Development Corporation –SLSDC (U.S.).	U.S. bridge operating agency managed by international agreement.	Wholly-owned subsidiary	Wholly-owned subsidiary
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 Canadian. 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 The Sault Ste. Marie Bridge Authority (SSMBA) in accordance with the bi-national agreement.	Five to seven Directors appointed by FBCL.
PRIMARY RESPONSIBILITY	100% ownership of JCCBI, SIBC and SMRBC. Owner of Canadian bridges and associated structures at international crossings in Cornwall and Thousand Islands. Responsible for oversight and major rehabilitation.	Operation of international crossing at Cornwall, including a land corridor across Cornwall Island and two bridges: The North Channel Bridge located in Canada and owned 100% by FBCL; and 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.	Owner of Canadian half of the international bridge and associated structures in Sault Ste. Marie. Appointment of Canadian Directors to SSMBA. Responsible for the rehabilitation of Canadian Customs facilities.	Ownership and management of six major bridges and associated infrastructures in the Greater Montreal Region including: <ul style="list-style-type: none"> • Jacques Cartier Bridge • Champlain Bridge • Honoré Mercier Bridge • Melocheville Tunnel • Bonaventure Expressway (section) • Champlain Bridge Estacade.

1.5 USE OF FUNDS

FBCL (HEADQUARTERS)	SIBC	SMRBC	TIBA	JCCBI
<p>Operating costs are covered by: lease revenues (i.e. TIB Duty Free Store) and publicity panels in Montreal (up to 95% of which is returned to JCCBI to fund security and traffic flow expenditures).</p> <p>Minor expenditures for CBSA facilities (and if necessary, FBCL operating costs) are funded from Canada's share of net earnings at international bridges.</p> <p>Appropriations are required to fund large capital expenditures (e.g., rehabilitation or replacement of bridges) and/or contributions for CBSA rehabilitation.</p>	<p>Toll revenues cover operating, maintenance and minor capital costs.</p> <p>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 Canadian structure and the 32% Canadian ownership of the international bridge. Any unused amount is held for future repairs. Major capital projects (e.g. new North Channel Bridge) are funded through parliamentary appropriations.</p>	<p>Toll revenues cover operating, maintenance and most capital expenses.</p> <p>SMRBC's 50% share of profit is held in trust by IBA to fund future capital repairs.</p> <p>Major capital projects (e.g., Customs Plaza) are funded through parliamentary appropriations.</p>	<p>Toll revenues cover operating, maintenance and minor capital costs.</p> <p>Each owner is allocated 50% of the remaining revenues to fund their capital expenditures.</p> <p>Capital on the Canadian structure is funded by FBCL from Canada's share of net earnings.</p> <p>Any unused amount is held to fund future repairs. Major rehabilitation would require parliamentary appropriations.</p>	<p>Primarily (97%) dependant on parliamentary appropriations for operating and capital expenses, plus minor revenues.</p> <p>Major rehabilitation is funded from project specific parliamentary appropriations.</p>

2.0 GOVERNANCE AND ACCOUNTABILITY

2.1 PUBLIC ACCOUNTABILITY

As a Crown corporation, FBCL is subject to the accountability regime set out in Part X of the FAA. It is accountable to Parliament through the Minister of Transport, Infrastructure and Communities with the assistance of the Minister of State (Transport) who are responsible for the Corporation, including the provision of broad policy direction and response to questions in Parliament for FBCL activities. FBCL is governed by a Board of Directors ("FBCL Board") consisting of a Chairperson and three directors. The President and Chief Executive Officer (CEO) is accountable to the FBCL Board for day-to-day management and performance of the Corporation. Each of these positions is appointed by the Governor in Council on the recommendation of the Minister of Transport, Infrastructure and Communities. The FBCL Board is accountable to the Minister for the stewardship of the Corporation.

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 consolidated budgets and financial statements, approve policies and by-laws, appoint the directors of subsidiaries, as well as to ensure that risks are identified and mitigation measures are in place.

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 excuse 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 two standing committees of the FBCL Board ensure 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. Each Committee is composed of three Directors, one of whom shall be appointed Chair of the Committee by the Board.

GOVERNANCE COMMITTEE

The governance committee is responsible for making recommendations to the Board in matters of oversight in the areas of governance, board nominations and human resources.

AUDIT COMMITTEE

The role of the audit committee is as mandated by section 148 of the FAA. The audit committee is responsible for making recommendations to the Board in matters of oversight in the areas of standards of integrity and behaviour, the reporting of internal and external audits, financial information, management control practices, risk management and insurance needs.

3.0 OPERATING CONTEXT, RISKS AND STRATEGIC ISSUES

3.1 OPERATING CONTEXT

In delivering its mandate, FBCL is affected by internal and external trends which highlight its strengths, generate opportunities, create challenges and impacts its key risks. Once identified, these trends are monitored continuously and plans are adapted to address significant fluctuations. For the current planning period, the following trends have been identified as potentially having the largest impact on FBCL's operations.

ECONOMIC SITUATION

Economic recovery in Canada is being led by government and consumer spending and has proven somewhat volatile. This outlook combined with forecasts for increased interest rates and a Canadian dollar nearing parity with the U.S. dollar will have an influence on the demand for goods and services across Canada and abroad. In the U.S., economic growth is proving to be slower than initially anticipated as businesses and consumers reduce debt and the government is challenged with policy decisions on stimulus programs. Throughout the recession and recovery, the significant reduction in Canadian exports has had a direct negative impact on cross-border trade, traffic volume and by extension tolling revenue on international bridges. FBCL must continue to review its plans to ensure long-term financial sustainability of its operations at all international crossings.

FEDERAL GOVERNMENT PRIORITIES

The 2010 and 2011 Speeches from the Throne outlined two areas of direct involvement for FBCL, that of delivering the remainder of its projects under the Economic Action Plan and a clear responsibility for fiscal restraint. A plan for returning to budget balance was outlined and specified an exit strategy for the Economic Action Plan, spending restraint over five years and a comprehensive review of administrative functions and overhead costs to identify savings opportunities and improve service delivery. In developing its plan, FBCL is committed to contributing to this government direction while ensuring to meet its main priority, the safety of its bridges and associated structures.

TRAFFIC PATTERNS

At international crossings, fluctuations in the value of the Canadian dollar impacts 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 variations in gas prices and increases or broader application in consumer taxes in both Quebec and Ontario are also expected to affect tourism and traffic patterns in the planning period.

Traffic in the Greater Montreal Area is increasing with important population shifts to the South Shore which creates additional commuter traffic and a continuous extension of the rush-hour traffic on each bridge. This directly impacts JCCBI's ability to carry out regular and major maintenance work during normal working hours thus affecting repair costs. This has also resulted in a greater demand for the reserved bus lane on Champlain Bridge which is operating at full capacity. The Champlain Bridge pre-feasibility study currently being reviewed is looking for the integration of public transit lanes to further reduce the traffic volumes. The completion of Highway 30 scheduled for the end of 2012 is also expected to divert some traffic, particularly commercial traffic, from downtown Montreal which may alleviate some congestion on the bridges.

STAKEHOLDER RELATIONSHIPS

FBCL has a variety of stakeholders who interact, influence and 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 Transport Canada and CBSA, provincial and municipal governments and agencies, U.S. governments and agencies, and law enforcement agencies.

At international crossings, FBCL must continue to work with its U.S. counterparts to communicate, develop and improve its financial viability and remain responsive to unplanned situations that arise causing economic pressures on the bridge operations. The relationship with the CBSA must be one of cooperation and coordination to move international traffic in the most efficient way possible.

In Montreal, the strategic location of the federal bridges and associated structures results in them being an integral part of the Greater Montreal Area transportation network. The level of coordination required to ensure the lowest level of traffic disruptions has grown exponentially as each organization manages the risks of its own aging infrastructure and to meet the public's expectations for a safe, effective and reliable transportation network.

Finally, FBCL must also ensure that it participates in all policy decisions that impact its bridge operations to satisfy its most important stakeholders, the bridges users and the surrounding communities. FBCL must communicate the benefits that the crossings bring to each community and ensure these contributions are clearly understood by all stakeholders in order to ensure ongoing support.

ABORIGINAL COMMUNITIES

Bridges and associated structures in both Cornwall and Montreal are located on, adjoin or cross the Mohawk reserves of Akwesasne and Kahnawake, which adds to the complexities of operating these crossings. FBCL must satisfy the Crown's "duty to consult" aboriginal groups whose actual or potential rights could be affected by government actions.

This introduces several opportunities, risks and complexities not faced elsewhere. To sustain positive relationships, careful consideration and negotiations have been undertaken in delivering major capital projects as well in sustaining bridge operations. For example, Mohawk contractors and skilled Mohawk steel workers are participating in the major rehabilitation of the Honoré Mercier Bridge infrastructure that crosses the Kahnawake reserve. Issues have been encountered between union and non-union labour in regards to the application of provincial laws which have an impact on the Mohawk contractor's capacity to execute the work on the 2nd phase of the project.

In Cornwall, as part of the tendering process for the construction of the new North Channel Bridge, assistance and information in regards to potential availability of works for the Mohawk community is being provided. Important and historical issues in regards to the Mohawk community's position on sovereignty rights and the ongoing unresolved issues between the community and CBSA are and have the potential of adding complexity to the delivery of the project.

ENVIRONMENTAL OBLIGATIONS

FBCL must respect all applicable environmental legislation including where required, the completion of environmental assessments in the delivery of its projects. Its infrastructure is old and extensive maintenance that is required will be carried out while ensuring protection of the environment. Important mitigation measures will be required to contain and treat contaminated groundwater at the former landfill site that borders the Bonaventure Expressway in Montreal and the St Lawrence River. Mitigation measures are in the planning stage.

3.2 STRATEGIC ISSUES AND RISKS

The following are critical strategic issues and risks facing FBCL over the next 5 years and impact direction to be taken as outlined in more detail within section 4 – Activities of this Corporate Plan. Each of these issues is interrelated, as to achieve the safety of bridges FBCL must have sustainable funding and strong corporate structure in place.

3.2.1 BRIDGE SAFETY

There is a delicate balance between preserving the existing bridges and ensuring their safety at all times. There is a critical point where regular maintenance and repairs are no longer sufficient and decisions on major rehabilitation or replacement of structures is required. At that point, the longer decisions are extended, the higher the risk to safety of the bridges and associated structures and the higher the costs.

International crossings at Sault Ste. Marie and Thousand Islands are considered to be in good condition. In Cornwall, the replacement of the North Channel Bridge was announced in August 2010 and will take up to 5 years. The project and funding for the new bridge was originally approved in the 2006 Budget. Designs and drawings have been completed. The extension

of the use of the current bridge is imposing significant repair requirements and budgetary pressures on FBCL. FBCL intends to continue to monitor the bridge condition closely and examine all available funding options.

Domestic bridges in Montreal range in condition from fair to poor condition. The age of the structures, the original bridge design, the degree of corrosion and sheer volume of traffic combined with an infrastructure funding gap have combined to create the current situation. The complexity and the over capacity of the Montreal transportation network on the bridges also makes it such that significant coordination, consultation, delays and expenditures are required for every intended repair. The risk of a structural failure is increasing with impact assessments ranging from minor delays for immediate works, to longer term lane closures and load restrictions for more important repairs.

Major rehabilitation works at the Honoré Mercier Bridge in partnership with the Province of Quebec are also underway, at an investment totalling \$135.0M (federal portion only). The rehabilitation of the bridge is scheduled to be completed in 2011-2012 for contract A works and in 2012-2013 for contract B works.

The area of primary concern is Champlain Bridge and its approaches, the Nun's Island Bridge and Highway 15. The Champlain Bridge which although is considered to be a safe structure, is aging prematurely. In recognition of the condition of the structure, to date, 2 years of works have successfully been completed as part of a 10-year, \$212.0M program that was initiated in 2009. The most recent evaluation of the Champlain Bridge Corridor in December 2010 concludes on the need and cost efficiency of a complete bridge replacement and major works on some of the approaches. A pre-feasibility study for the replacement of the Champlain Bridge which examined the possibility of building a new bridge or tunnel parallel to the current corridor was presented to Government for decision-making. Budget 2011 approved 3-year funding for safety repairs and asset preservation for the Champlain Bridge Corridor (Highway 15, Bonaventure Expressway, engineering, planning and other repairs) and for other JCCBI structures such as the Jacques Cartier Bridge, the Honoré Mercier Bridge, the Melocheville Tunnel and the Champlain Bridge Ice Control Structure as well as for studies related to the possible replacement of the Champlain Bridge.

3.2.2 SUSTAINABLE FUNDING

Identified by the OAG in its 2008 Special Examination, financial sustainability is an essential component of appropriate management of the FBCL bridge mandate. The funding model and financial challenges for international crossings and domestic bridges in Montreal differ. At issue is the inability of FBCL to finance major capital projects and CBSA requirements at international crossings as well as sufficient and longer-term funding to maintain the federal domestic bridges in Montreal.

INTERNATIONAL BRIDGES

International bridges are intended to be self-sufficient in their operations and historically have received support through parliamentary appropriations only for large capital initiatives such as bridge construction. According to the terms and conditions of international agreements at each location, generally toll revenues cover operating and maintenance expenditures. Major rehabilitation or replacement projects are currently being funded by the respective governments. Financial pressures stem primarily from obligations of the *Customs Act* (Section 6) that require international bridge operators to provide facilities for CBSA. Where in the U.S., customs facilities are provided and maintained by a separate agency with distinct funding, Canada through Section 6 has shifted the responsibility on bridge operators to fund through tolling revenues. FBCL as owner of the Canadian bridge structures does not have the ability to fund major capital projects from its net earnings.

In recent years the government has recognized the inability of FBCL to provide such facilities and has funded, in part the capital requirements of; the CBSA facilities in Sault Ste. Marie (\$44.1M), funding of \$74.8M announced in 2010 to be used exclusively for the new North Channel Bridge (originally provided in 2006 for bridge, roadwork and CBSA facilities) and funding for CBSA needs in Cornwall pending government decision on location of the facility.

DOMESTIC BRIDGES

Domestic bridges in Montreal are funded primarily by parliamentary appropriations since the removal of tolling on the Champlain Bridge in the early 1990's. In past decades, important investments have been made in the federal domestic bridge portfolio in Montreal. Most recently specific project funding has been provided for a 10-year \$212.0M maintenance program on the Champlain Bridge that was initiated in 2009-2010 and \$135.0M allocated for the ongoing rehabilitation of the Honoré Mercier Bridge. Base operating funding was also revised for the next 3 years to 2013-2014.

The federal government in its 2011 Budget announced the allocation of \$227.6M for the next three years. This proposal included safety repairs and asset preservation over the next three years for the Champlain Bridge Corridor (Highway 15, Bonaventure Expressway, engineering, planning and other repairs) and for other JCCBI structures such as the Jacques Cartier Bridge, the Honoré Mercier Bridge, the Melocheville Tunnel and the Champlain Bridge Ice Control Structure.

3.2.3 CORPORATE STRUCTURE

FBCL's corporate structure involving a head office in Ottawa, three wholly-owned subsidiaries and two joint international boards of directors, including U.S. directors and U.S. bridge operators is quite complex. Primary issues are that the current model does not allow the FBCL Board to provide effective oversight for the affairs of the organization as a whole, to obtain the information it requires on timely basis and at regular intervals or to provide the CEO the authority and accountability for the performance of all of FBCL including its subsidiaries. This strategic issue of corporate structure was highlighted in the OAG's 2008 Special Examination of FBCL.

FBCL as the parent Crown corporation is the link to the Minister(s) for accountability in Parliament and central agencies for the stewardship of the Corporation. Issues arise as each subsidiary is a distinct Crown corporation with its own Board of Directors to whom subsidiary General Managers responsible for day-to-day operations report. They are therefore setting the plan, overseeing its delivery, making policies under their own authority. Subsidiaries are accountable only through the relationship between the subsidiary Boards and the FBCL Board.

Other issues identified by the OAG include; the challenge with the small size of the FBCL Board (4 members) making it difficult to have the appropriate mix of skills and experience required to oversee the wide-ranging affairs of the Corporation, the necessity for clearer definition of the duties of the FBCL Board, the subsidiary Boards and FBCL management and the requirement for in-depth training and self-assessment of the FBCL performance. Key steps have been undertaken to address the issues identified. Measures included letters of expectations for every entity, implementation of a quarterly reporting framework and a corporate-wide multi-year internal audit policy which will look into areas such as financial reporting, international agreements and budgeting control systems.

3.3 SUPPORT OF GOVERNMENT POLICY ON EXPENDITURE RESTRAINT

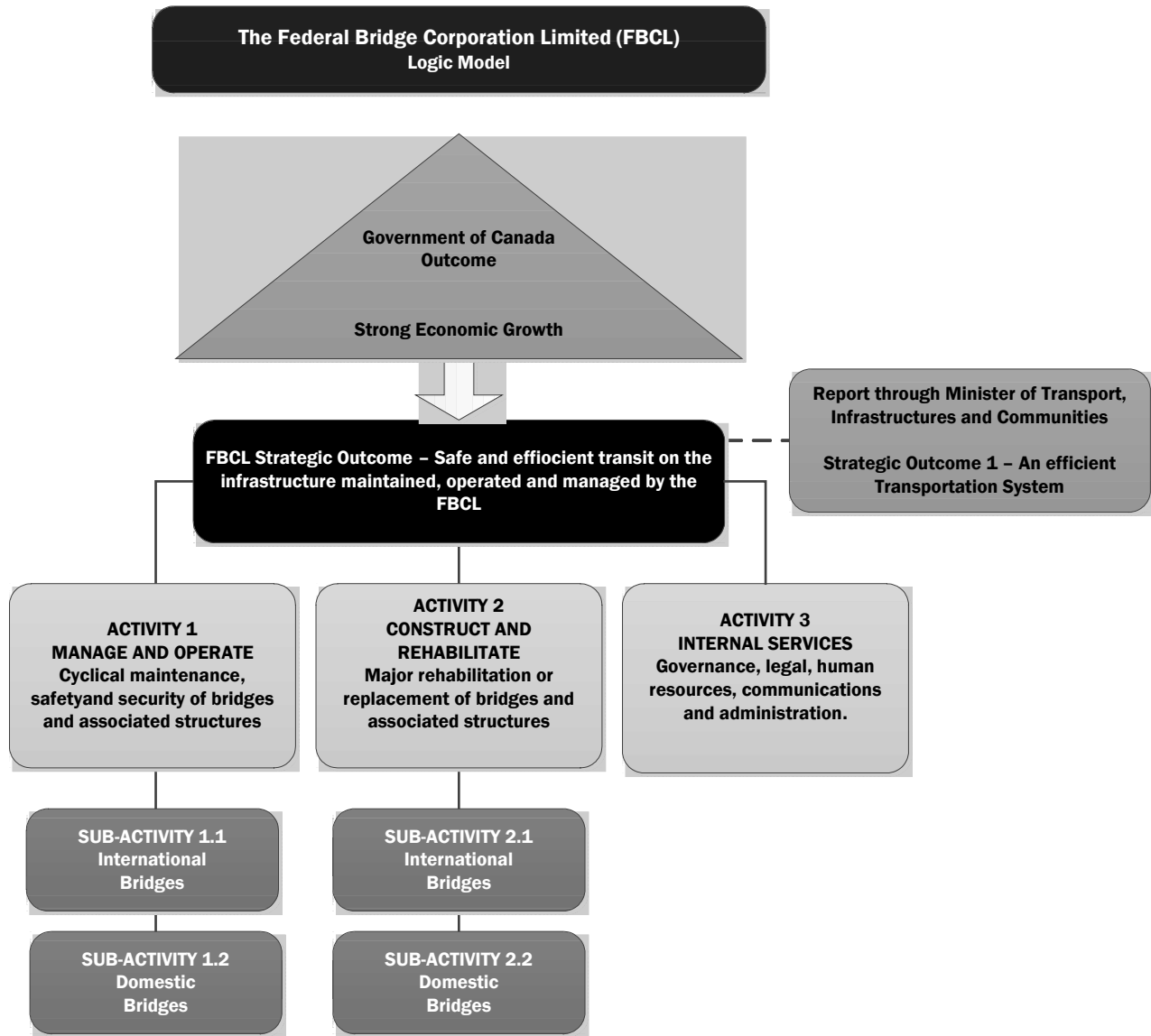
As announced in the 2010 Budget, the operating budgets of departments and Crown corporations that are funded through Parliamentary appropriations are frozen at 2010-2011 levels for both 2011-2012 and 2012-2013. The government's guidance does not specifically apply to non-appropriation dependent Crown corporations however all of FBCL and its subsidiaries that are non-appropriated have and will continue to abide by the spirit of the expenditure constraints announced in Budget 2010. A spending freeze will be maintained on travel, conferences and hospitality and wage increases in 2010-2011 and 2011-2012 are limited to 1.5%. The parent company in Ottawa and its operating subsidiary, SIBC, are also limiting administration costs at 2010-2011 levels during 2011-2012 and 2012-2013. Bridge operating and maintenance activities must however continue to be undertaken to ensure safety and are funded by bridge revenue.

As an appropriation-dependent Crown corporation, the subsidiary, JCCBI is subject to the guidance. However, the subsidiary is faced with a simultaneous need to establish its capacity to manage the significant infrastructure risks and deliver on a capital program that is more than double the historical level. While respecting the need to be very prudent with overhead costs, it is in the process of staffing additional positions to handle these major capital projects in areas such as engineering, project and contract management, environment and communications. JCCBI has been allocated specific funding within the 2010 and 2011 Budgets to fund these costs.

4.0 ACTIVITIES

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

4.1 FBCL LOGIC MODEL



4.2 ACTIVITY 1 - MANAGE AND OPERATE

EXPECTED RESULT/OBJECTIVE: (For more details see Appendix A – Planned Activities per Structure.)

Ensure the ongoing safety of bridges and associated structures through cyclical inspections, maintenance and repairs and review of opportunities for revenue generation at all locations.

OVERVIEW:

There is a delicate balance between preserving existing bridge structures and ensuring their safety at all times. A critical point is reached where regular maintenance and repairs are no longer sufficient and decisions on major rehabilitation or replacement of bridge structures are required. At that point, the longer decisions are extended, the higher the risk to safety and the higher the

costs. To ensure safety, FBCL maintains its bridges and associated structures in accordance with standards set by Canadian and U.S. federal agencies.

Detailed inspections are carried out on a two to five-year cycle through contracts with qualified engineering firms. The portion of each bridge not covered in detail in any year undergoes a general inspection. Highly-skilled, in-house engineers monitor the inspection process, perform visual examinations and review the findings before inspection reports are finalized. All observations are reviewed by specific committees and the inspection reports are used to develop operating, maintenance and capital action plans.

In bridge construction and repairs, there is an increasing need to innovate. State of the art instrumentation (satellite imagery) is being deployed in Montreal for bridges and associated structures (primarily the Champlain Bridge) to continually monitor the behaviour of certain critical elements as part of its risk mitigation strategy. FBCL engineers are involved in research on new processes for bridge construction and repair with the National Research Council.

INTERNATIONAL BRIDGES

In regards to funding, it is likely that FBCL international crossings will continue to be challenged in their ability to completely achieve the goal of self-sufficiency in maintaining safe bridges and associated structures. This is due to risks relating to the age of the structures, complexity and size of the rehabilitation and obligations under section 6 of the *Customs Act*. FBCL will explore revenue generation opportunities on all of its bridges including possible increases in tolls including and looking at increased efficiency of toll collection through technology as means to increase its capital reserves to meet rehabilitation requirements.

DOMESTIC BRIDGES

Domestic bridges in Montreal range in condition from fair to poor condition. The age of the structures, the original bridge design, the degree of corrosion and sheer volume of traffic combined with an infrastructure funding gap have combined to create the current situation. The complexity and the significant capacity limitations of the Montreal transportation network impact the operation of the bridges and also make it such that significant coordination, consultation, delays and expenditures are required for every intended repair. This complexity translates into delays in being able to initiate the execution of major contracts that may be deemed as urgent. The risk of a structural failure is increasing with impact assessments ranging from minor delays for immediate works, to longer term lane closures and load restrictions.

STRATEGIES:

- Mitigate risks through regular bridge inspections, undertake all repairs within available funding and identify/prioritize long-term major rehabilitation requirements;
- Improve maintenance and operations by adopting innovative measures in construction techniques and materials, structural inspections tools and methodologies and in operational functions such as tolling and partnering where possible to ensure optimal value; and
- Continue to work with the federal government including CBSA to ensure safe and secure passage at all international crossings while allowing for the efficient flow of traffic.

PERFORMANCE MEASURES	PERFORMANCE INDICATORS	TIMELINE
1. Enhance the role of the corporate engineering task force to share intelligence and best practices for undertaking critical maintenance and further develop risk management reporting.	Identification of key risks	2011-2012
2. Seek funding approval to address major risks for domestic bridges and associated structures in Montreal.	Allocation of multi-year funding for JCCBI	2011
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	2012-2014
4. Ensure bridge safety of full portfolio by continuing review of inspection reports and reporting on high-risk areas.	Results of inspection program	Annually
	Number and level of unplanned maintenance on structures	Annually

4.3 ACTIVITY 2 - CONSTRUCT AND REHABILITATE

EXPECTED RESULTS / OBJECTIVES: (For more details see Appendix A – Planned Activities per Structure.)

- Deliver key funded rehabilitation projects on time and on budget including:
 - o Cornwall - Replacement of the North Channel Bridge
 - o Sault Ste. Marie - Redevelopment of Canadian Customs Plaza
 - o Montreal - Rehabilitation of the Honoré Mercier Bridge
- Seek project support and/or funding approval for the following projects and execute works:
 - o Cornwall - Establish permanent tolling facilities and provide new CBSA facilities
 - o Thousand Islands – Construction of expanded CBSA facilities
 - o Montreal-
 - Future of the Champlain Bridge Corridor
 - Urgent capital works based on recent risk-based needs assessment.

OVERVIEW:

FBCL's main challenge is to provide all required information to obtain project and funding support to manage its growing infrastructure risk while delivering on its approved construction and rehabilitation projects, on time and on budget.

Major projects are ongoing at both Cornwall and Sault Ste. Marie locations requiring extensive coordination with bridge operators, CBSA, U.S. partners and surrounding communities. Projects are progressing well.

The Montreal structures are among the oldest and most utilized in Canada. Consequently, repairs continue to escalate and rush hour periods are longer thus reducing the time periods for which repairs can be carried out. During its special examination in 2008, the OAG highlighted that the Montreal subsidiary, JCCBI should investigate its long term repair costs in comparison with the replacement costs of some of its structures.

In line with this recommendation, further analysis has explored the economic viability of moving to a strategy of repairing to that of the replacement of some of the bridges and associated structures. This change requires a full alignment of efforts to develop stakeholder partnerships through consultations with the public and private sectors. Strong media relationships and public consultations with users, affected residents and municipalities will be a key for success.

FBCL is managing complex relationships with its stakeholders to ensure the construction and rehabilitation of our bridges and associated structures. Stakeholders include federal, provincial and municipal government departments and agencies, Aboriginal governments, U.S. owners, operators, U.S. government agencies, community and special interest groups.

STRATEGIES:

- Provide strategic information supported by detailed analysis to government regarding critical infrastructure needs in order to gain support and funding;
- Maintain project management at the highest levels addressing risks/issues in a timely manner, monitoring budgets and making necessary adjustments; and
- Engage stakeholders in coordination of all aspects of project requirements.

PERFORMANCE MEASURES	PERFORMANCE INDICATORS	TIMELINE
1. Deliver funded projects on time and on budget (North Channel Bridge, Honoré Mercier Bridge, Sault Ste. Marie CBSA facility).	North Channel Bridge - \$74.8M	2011-2016
	Honoré Mercier Bridge - \$135.0M	2012
	Sault Ste. Marie - CBSA facility \$44.1M	2014
2. Obtain project approval for construction of CBSA facilities in Cornwall and secure funding for remainder of project.	CBSA decision on location	2011
	Allocation of funding	2012-2013
3. Review revenue generation opportunities in Montreal and at international crossings, to assist in funding long-term capital requirements.	International Crossings – review with U.S. partners	2011-2013
	Provision of business case for government consideration	2011-2012
4. Seek approval of new funding for the Champlain Bridge corridor.	Completion of Champlain Bridge condition study and pre-feasibility study on replacement	2011-2012
	Approval of Champlain Bridge replacement project	2011-2012
5. Develop business case for consideration by government for the rehabilitation of the Thousand Islands CBSA facility.	Agreement with CBSA on requirements and costs	2011-2012
	Present business case to government	2011-2012

4.4 ACTIVITY 3 – INTERNAL SERVICES

EXPECTED RESULTS/OBJECTIVES:

- FBCL board of directors sets corporate-wide direction and provides effective oversight of FBCL activities and subsidiaries
- FBCL secures sustainable funding for federal domestic bridges in Montreal

CORPORATE STRUCTURE

STRATEGIES:

- Continue to clarify with subsidiaries roles, responsibilities, accountabilities including reporting requirements to achieve appropriate level of corporate oversight;
- Manage corporate risk systematically and consistently and ensure all relevant information is made available and mitigation plans are in place; and
- Review and update FBCL policies and procedures in corporate reporting to ensure optimal effectiveness, efficiency, due diligence and compliance and enable FBCL to meet new quarterly reporting requirements of the FAA.

SPECIFIC PLANS:

The FBCL Board will continue in its direction and support to the President and Chief Executive Officer to carry on with an expanded functional relationship between headquarters and the subsidiaries in the areas of finance, strategic planning, risk management, environment and human resources. FBCL is implementing more rigorous internal corporate reporting processes and procedures in order to meet the requirement for Quarterly Financial Reports as outlined in Bill C-51 (an amendment to the FAA). In the area of internal audit, a corporate-wide internal audit policy and multi-year audit plan was implemented.

COMMUNICATIONS

STRATEGIES:

- Harmonize and strengthen existing communication strategies and processes between FBCL and its subsidiaries to ensure consistent messaging; and
- Maintain relationship of trust between the bridge users, subsidiaries, and stakeholders through reliable and efficient communications.

SPECIFIC PLANS

With a view of corporate-wide leadership, FBCL has developed a communications policy and a centralized action plan to strengthen communication links with the subsidiaries, the general public, and bridge users in particular. FBCL is at the forefront of communication innovations actively using new social media to inform stakeholders and bridge users of major announcements, scope and timing planned works as well as traffic advisories. FBCL will continue to maintain a strong ongoing relationship with Transport Canada communications to ensure the availability of continuous information on all issues potentially having an impact on FBCL bridges and associated structures.

Based on the successful model implemented for the rehabilitation of the Honoré Mercier Bridge in Montreal, additional internet blog sites have been activated and Twitter accounts created for other bridges such as the Champlain Bridge and Jacques Cartier Bridge. A similar approach will be undertaken in Cornwall for the replacement of the North Channel Bridge project and in Sault Ste. Marie for the customs plaza rehabilitation project.

BUSINESS AND FINANCIAL SERVICES

STRATEGIES:

- Deliver professional services that provide strategic advantage to FBCL and facilitates effective and efficient management in the delivery of its projects and operations;
- Convert to Public Sector Accounting Standards to meet regulatory obligations; and
- Deliver corporate planning and reporting and continuously improve the process.

SPECIFIC PLANS:

FBCL will continue to set direction with subsidiaries by exchanging on best practices, providing guidance on government policy trends and establishing corporate-wide planning and reporting processes and procedures. FBCL aims to optimize availability and use of information in order to better manage risks, improve efficiency, monitor spending and report on activities. FBCL will deliver on these activities while respecting various legislations including, but not limited to the: *FAA, Official Languages Act, Access to Information Act, Privacy Act*. It also continuously monitors new or changes to applicable Treasury Board policies and government regulations.

PERFORMANCE MEASURES	PERFORMANCE INDICATORS	TIMELINE
1. Comply with legislative and regulatory requirements.	Complete conversion to public sector accounting standards in order to meet regulatory obligations	2011-2012
	Publish consolidated quarterly financial reports per FAA requirements	September 2011 (first report)
	Deliver corporate planning and reporting (Corporate Plan and Summary, Annual Report, etc.)	Annually
	Report progress of Internal Audit Plan	2011-2012
2. Complete the development of the Enterprise Risk Management Framework.	ERM approved by FBCL Board	2012-2013
3. Continue to provide information including business case as to the optimal corporate structure for FBCL	Report on progress of corporate structure challenges	Ongoing
4. Ensure consistent and coordinated framework for corporate communication activities by reporting on new projects.	Blog and Twitter accounts for North Channel Bridge replacement	2011-2012
	Blog and Twitter accounts for Sault Ste. Marie	2011-2012

5.0 FBCL PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

5.1 CONSOLIDATED BALANCE SHEET

as at March 31

(in thousands of dollars)

	Actual 2009-2010	Current forecast 2010-2011	Main budget 2010-2011	Budget				
				2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
ASSETS								
Current								
Cash and cash equivalents	16,801	15,576	9,717	15,000	15,570	17,339	20,130	18,081
Short term investments	12,587	3,036	3,073	3,061	3,111	3,236	3,311	3,361
Accounts receivable	821	1,538	2,179	1,537	1,541	1,487	1,487	1,487
Prepaid expenses	355	309	444	309	309	309	309	309
Due from Canada	13,119	12,439	14,097	13,739	15,568	11,272	11,272	11,272
	43,683	32,898	29,510	33,646	36,098	33,642	36,508	34,509
Long-term								
Long-term investments	381	12,256	8,306	8,010	4,010	5,010	3,010	3,010
	230,306	270,034	357,777	355,868	450,301	525,923	885,122	1,304,007
TOTAL ASSETS	274,370	315,188	395,593	397,524	490,409	564,575	924,640	1,341,526
LIABILITIES AND SHAREHOLDER'S EQUITY								
Current								
Accounts payable	16,246	19,824	19,188	19,548	19,725	19,918	19,777	20,138
Deferred revenue	861	604	664	604	604	604	604	604
	17,107	20,427	19,852	20,151	20,329	20,522	20,381	20,742
Long-term								
Provision for employee future benefits	1,141	1,130	1,466	1,224	1,351	1,305	1,434	1,512
Deferred Capital Funding	192,225	230,180	305,948	310,008	403,531	477,464	835,627	1,253,367
Due to joint venturer SLSDC	4	4	4	250	250	250	250	250
Credit facility - SMRBC	1,441	2	4,848	4,852	4,694	4,528	4,354	4,171
Environmental obligation	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Deposits and holdbacks	1,151	2,571	2,375	2,571	2,571	1,350	1,350	1,350
	196,962	234,887	315,641	319,905	413,397	485,897	844,015	1,261,650
	214,069	255,314	335,493	340,056	433,726	506,419	864,396	1,282,392
Shareholder's equity								
Contributed capital	53,665	53,665	53,665	53,665	53,665	53,665	53,665	53,665
Retained earnings (Deficit)	6,636	6,209	6,435	3,803	3,019	4,491	6,578	5,470
	60,301	59,874	60,100	57,468	56,684	58,156	60,243	59,135
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	274,370	315,188	395,593	397,524	490,409	564,575	924,639	1,341,526

5.2 CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

for the year ending March 31

(in thousands of dollars)

	Actual 2009-2010	Current forecast 2010-2011	Main budget 2010-2011	Budget				
				2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
REVENUES								
Thousand Islands Bridge operating revenue	3,528	3,728	3,675	3,938	3,938	4,200	4,200	4,463
Leases and permits	4,626	4,956	4,893	5,089	5,191	5,311	5,422	5,532
Tolls	4,160	5,181	3,916	5,372	5,506	5,641	6,187	6,373
Interest	172	176	212	250	167	203	199	201
Other	77	72	70	76	78	81	84	86
	12,563	14,113	12,764	14,723	14,879	15,435	16,091	16,654
EXPENSES								
Maintenance	30,095	50,743	49,797	57,570	84,932	99,646	121,573	103,610
Operation	5,512	5,619	5,516	5,672	5,806	5,935	6,075	6,217
Administration	9,438	10,065	9,623	10,748	10,920	11,230	11,458	11,697
Thousand Islands Bridge operating expenses	2,339	2,769	2,897	2,744	2,798	2,853	2,910	2,967
Amortization	6,597	7,021	6,460	7,286	8,717	11,872	14,067	21,274
	53,980	76,216	74,293	84,019	113,173	131,535	156,083	145,765
(LOSS) BEFORE GOVERNMENT FUNDING	(41,417)	(62,103)	(61,529)	(69,296)	(98,294)	(116,100)	(139,992)	(129,112)
Parliamentary Appropriation	36,661	56,519	56,418	61,548	90,596	107,486	52,015	30,446
Future funding proposal	-	-	-	-	-	-	77,772	78,087
Amortization of deferred capital funding	4,628	5,156	4,610	5,342	6,915	10,086	12,293	19,470
NET EARNINGS (LOSS) BEFORE EXTRAORDINARY GAIN AND SHARE OF NON-CONTROLLING INTEREST	(128)	(428)	(501)	(2,406)	(783)	1,472	2,088	(1,109)
Extraordinary gain	138	-	-	-	-	-	-	-
Share of non-controlling interest	13	-	-	-	-	-	-	-
NET EARNINGS (LOSS) AND COMPREHENSIVE INCOME	23	(428)	(501)	(2,406)	(783)	1,472	2,088	(1,109)
DEFICIT, BEGINNING OF YEAR	6,613	6,636	6,936	6,209	3,803	3,019	4,491	6,578
DEFICIT, END OF YEAR	6,636	6,209	6,435	3,803	3,019	4,491	6,578	5,470

5.3 CONSOLIDATED STATEMENT OF RETAINED EARNINGS

for the year ending March 31

(in thousands of dollars)

	Actual 2009-2010	Current forecast 2010-2011	Main budget 2010-2011	Budget				
				2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
BALANCE, BEGINNING OF YEAR	6,613	6,636	6,936	6,209	3,803	3,019	4,491	6,578
Net earnings and comprehensive income	23	(428)	(501)	(2,406)	(783)	1,472	2,088	(1,109)
BALANCE, END OF YEAR	6,636	6,209	6,435	3,803	3,019	4,491	6,578	5,470

5.4 CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ending March 31

(in thousands of dollars)

	Actual 2009-2010	Current forecast 2010-2011	Main budget 2010-2011	Budget				
				2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
OPERATING ACTIVITIES								
Net earnings (loss)	24	(428)	(501)	(2,406)	(783)	1,472	2,088	(1,109)
Non-cash items								
Amortization of capital assets	6,597	7,022	6,460	7,286	8,717	11,872	14,067	21,274
Increase in provision for employee future benefits	(146)	(12)	57	94	128	(47)	129	79
Amortization of deferred capital funding	(4,628)	(5,156)	(4,610)	(5,342)	(6,915)	(10,086)	(12,293)	(19,470)
Changes in working capital items	3,185	2,990	4,501	(1,177)	(1,613)	3,437	319	507
Cash flows from operating activities	5,032	4,416	5,907	(1,545)	(467)	6,647	4,309	1,280
INVESTMENT ACTIVITIES								
Decrease in advance to co-venturer	-	-	189	-	-	-	-	-
Change in investments	(9,591)	(2,068)	6,375	3,975	3,950	(1,125)	1,925	(50)
Acquisition of capital assets	(37,203)	(46,648)	(99,527)	(93,137)	(118,354)	(102,696)	(388,468)	(455,363)
Cash flows used in investment activities	(46,794)	(48,716)	(92,963)	(89,162)	(114,404)	(103,821)	(386,543)	(455,413)
FINANCING ACTIVITIES								
Decrease in deposits	-	(10)	-	-	-	-	-	-
Increase in deferred capital funding	35,994	43,517	88,155	85,170	115,641	99,222	39,666	21,604
Proceed from credit facility (SMRBC)	-	-	5,000	5,000	(150)	(158)	(166)	(174)
Future capital funding proposal (JCCBI)	-	-	-	-	-	-	345,993	430,809
Net financing by FBCL to subsidiary (JCCBI)	45	(432)	(1,152)	(39)	(50)	(121)	(469)	(157)
Cash flows from financing activities	36,039	43,076	92,003	90,131	115,441	98,943	385,025	452,083
NET INCREASE (DECREASE) FOR THE YEAR	(5,723)	(1,225)	4,947	(576)	570	1,769	2,791	(2,050)
CASH, BEGINNING OF YEAR	22,524	16,801	4,770	15,576	15,000	15,570	17,339	20,131
CASH, END OF YEAR	16,801	15,576	9,717	15,000	15,570	17,339	20,130	18,081

6.0 OPERATING AND CAPITAL BUDGETS

6.1 Operating Budget

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

	2011-12 Budget	2010-11 Budget	2010-11 Forecast	2010-11 Variance	2009-10 Budget	2009-10 Actual	2009-10 Variance
FUNDING							
Appropriations							
JCCBI Operating expenses	40,889	34,986	29,254	(5,732)	23,828	24,185	357
JCCBI Champlain Bridge rehabilitation	20,105	20,397	26,807	6,410	9,708	11,813	2,105
SIBC Operating expenses	-	-	-	-	-	628	628
Total Appropriations	60,994	55,383	56,061	678	33,536	36,626	3,090
Thousand Islands Bridge operating revenue	3,938	3,675	3,728	53	3,833	3,528	(305)
Leases and permits	5,089	4,893	4,956	64	4,494	4,626	132
Tolls	5,372	3,916	5,181	1,266	1,854	4,160	2,306
Interest	250	212	176	(36)	660	172	(489)
Other	76	70	72	3	1,544	77	(1,467)
FBCL cash reserve	463	-	-	-	-	-	-
JCCBI funding proposal - FSCAP	554	233	458	225	128	35	(93)
TOTAL FUNDING	76,736	68,380	70,632	2,252	46,049	49,224	3,175
EXPENDITURES							
Maintenance	57,563	49,797	50,743	(946)	30,615	30,095	520
Operation	5,654	5,516	5,619	(103)	4,502	5,512	(1,010)
Administration	10,775	9,623	10,065	(442)	8,090	9,438	(1,348)
Thousand Islands Bridge operating expenses	2,744	2,897	2,769	128	2,842	2,339	503
TOTAL EXPENDITURES	76,736	67,833	69,195	(1,362)	46,049	47,383	(1,334)
EXCESS (SHORTFALL) OF FUNDING OVER EXPENDITURES	-	547	1,437	890	-	1,841	1,841

6.2 Capital Budget

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

	2011-12 Budget	2010-11 Budget	2010-11 Forecast	2010-11 Variance	2009-10 Budget	2009-10 Actual	2009-10 Variance
FUNDING							
Appropriations							
FBCL North Channel Bridge replacement	64,699	55,639	533	55,106	1,542	-	1,542
JCCBI Honoré Mercier Bridge	44,105	24,000	31,502	(7,502)	57,200	23,466	33,734
JCCBI Groundwater containment	203	-	252	(252)	-	-	-
JCCBI Champlain Bridge rehabilitation	8,617	8,742	2,619	6,123	4,165	1,148	3,017
JCCBI Champlain Bridge corridor	9,062	-	-	-	-	-	-
JCCBI Nun's Island Bridge	-	-	-	-	10,470	9,384	1,086
JCCBI Regular assets	7,771	2,566	8,184	(5,618)	677	751	(74)
Total Appropriations	134,457	90,947	43,090	47,857	74,054	34,749	39,305
SMRBC borrowing	-	5,000	-	5,000	-	-	-
SMRBC Contribution - Custom Plaza	2,500	16,404	427	15,977	-	1,245	(1,245)
JCCBI funding proposal - FSCAP	116	1,434	-	1,434	-	20	(20)
Other revenue	2,967	7,806	3,131	4,675	3,658	1,614	2,044
TOTAL FUNDING	140,040	121,591	46,648	74,943	77,712	37,628	40,084
EXPENDITURES							
Head Office	-	-	40	(40)	32	-	32
Thousand Islands Bridge	37	31	67	(36)	182	442	(260)
FBCL North Channel Bridge replacement	12,999	5,000	533	4,467	1,915	1,241	674
SIBC South Channel Bridge	48	1,800	-	1,800	1,392	-	1,392
SIBC General	-	30	30	-	60	-	60
SMRBC Custom Plaza redevelopment	2,500	16,404	427	15,977	-	866	(866)
SMRBC General	297	5,460	460	5,000	-	-	-
JCCBI Jacques Cartier Bridge	327	2,686	1,785	901	1,165	312	853
JCCBI Champlain Bridge	8,872	13,308	11,277	2,031	15,212	11,303	3,909
JCCBI Honoré Mercier Bridge	49,362	24,000	31,502	(7,502)	57,200	23,466	33,734
JCCBI Melocheville Tunnel	524	33	-	33	414	(2)	416
JCCBI Groundwater containment	2,631	-	-	-	-	-	-
JCCBI Autoroute 15	1,381	1,960	287	1,673	-	-	-
JCCBI Champlain Bridge & approaches	9,062	-	-	-	-	-	-
JCCBI General	300	240	240	-	140	-	140
TOTAL EXPENDITURES	88,340	70,952	46,648	24,304	77,712	37,628	40,084
EXCESS (SHORTFALL) OF FUNDING OVER EXPENDITURES	51,700	50,639	-	(50,639)	-	-	-

7.0 OTHER FINANCIAL ASPECTS

7.1 SMRBC BORROWING PLAN

SMRBC was incorporated by a Special Act in 1955 and, more recently, on July 18, 2008, it was continued under section 187 of the CBCA. On September 1, 2009, it became a wholly-owned subsidiary of FBCL and is not an agent Crown corporation within the meaning of Part X of the FAA. SMRBC derives its borrowing authority from being a CBCA corporation.

SMRBC is undertaking a major rehabilitation of the CBSA facilities at the Sault Ste. Marie International Bridge at an estimated cost of \$49.1M. It has entered into a \$44.1M contribution agreement with Transport Canada and will complete the funding of this project through a private sector loan of up to \$5.0M to be repaid over 20 years.

As owner of the Canadian half of the Sault Ste. Marie International Bridge, SMRBC receives the Canadian share of surpluses generated from toll revenues. These surpluses are expected to fund capital projects on the Canadian side and loan payments as the Corporation does not receive parliamentary appropriations for its ongoing normal operations. Pursuant to subsection 127 (3) of the FAA, FBCL sought and received approval of the Minister of Finance in June 2010 to enter into this borrowing transaction. To date, no amount has been drawn down from this credit facility.

7.2 FINANCIAL REPORTING AND PUBLIC SECTOR ACCOUNTING STANDARDS

CLASSIFICATION AND BASIS OF ACCOUNTING

In September 2009, the Public Sector Accounting Board of Canada approved an amendment to the Introduction to Public Sector Accounting Standards (PSAS). As a result, entities that are classified as Government Business Enterprises with self-sustaining, commercial-type operations will be required to follow International Financial Reporting Standards for periods beginning January 1, 2011. FBCL is not classified as a Government Business Enterprise and is part of the Other Governmental Organizations category and as such has determined that the Public Sector Accounting Standards is the most appropriate accounting basis for its financial information. The same conclusion has been reached for each of FBCL's subsidiaries. Each of the corporation's respective external auditors has validated this classification and accounting basis.

The amendments take effect for the fiscal year beginning April 1, 2011 with retroactive application and with restatement of the 2010-2011 fiscal year as a comparative. This is a significant undertaking from both a governance and accountability perspective for FBCL's management, the respective Audit Committees and the Board of Directors. To address this, FBCL has implemented a transition plan outlining the keys steps to be completed. To date, no significant variances have been identified although FBCL does expect a few minor adjustment entries and will be updating its accounting policies, procedures and process and internal controls. However, circumstances may arise, such as changes in PSAS or interpretations of certain policies which may change FBCL's views prior to the end of the fiscal year for which the transition is required, fiscal year ending March 31, 2012.

APPENDICES

APPENDIX A – PLANNED ACTIVITY PER STRUCTURE

APPENDIX B – REVIEW OF FBCL'S 2010-2011 PERFORMANCE

APPENDIX C – LIST OF ABBREVIATIONS

APPENDIX A – PLANNED ACTIVITY PER STRUCTURE

INTERNATIONAL BRIDGES

CORNWALL

This international crossing is operated through an historical international agreement as a joint venture with a U.S. partner, SLSDC. This crossing includes two bridges, the North Channel Bridge and the South Channel Bridge. The South Channel Bridge is considered to be in good condition according to validated inspection reports for both the Canadian and American portions of the bridge. The North Channel Bridge is at the end of its lifecycle and as part of a government decision of 2006, funding was allocated for a complete replacement of the bridge as well as new CBSA commercial facilities, improved SIBC tolling facilities and an upgrade to the road that connects the North and South Channel Bridges. This bridge had been intended to be demolished by 2010. Delays in initiating the project have resulted in a structure that is past due for replacement. However, FBCL expects that the bridge can be operated safely until its replacement provided that annual repairs are carried out. In August 2010 the Government House Leader announced that FBCL is approved to use all of \$74.8M (originally announced in 2006) to build the new low level North Channel Bridge only. The 2010 project announcement was a revised scope and enables FBCL to begin the construction process immediately.

FBCL has engaged in discussions with the Mohawk Council of Akwesasne to involve the community in the construction of the North Channel Bridge. It is also working with CBSA on developing a strategy and options for CBSA facilities. The government has also set aside funding for CBSA needs in Cornwall. FBCL is developing potential site plans for CBSA and will manage the project on their behalf. A decision on CBSA permanent location and funding is required before any works can proceed.

THOUSAND ISLANDS CROSSING

In June 2010, FBCL signed a new 10-year agreement with TIBA, extending its successful partnership in maintaining and operating the Thousand Islands crossing. FBCL, the Canadian owner is directly responsible to oversee the inspection programs for the Canadian portion of the bridge and the Rift Bridge and manage capital projects carried out at these bridges and CBSA facilities. This crossing is in good condition. Major maintenance and capital projects within 5 years are: rehabilitation of concrete piers at the Canadian bridge; asphalt replacement at the Canadian maintenance garage; and CBSA facilities. These expenditures are included in the capital budget.

FBCL has recently received a request from CBSA for upgrading its facilities in Thousand Islands. FBCL has initiated a review of the options at this location and is seeking more detailed information from CBSA as to their requirements. The proposed CBSA footprint for this facility has greatly increased from the present site and will have an impact on the cost of this project. Once all of the information is collected, the project needs will be reviewed and funding options will be developed through discussions with CBSA.

SAULT STE. MARIE

This international crossing is managed by IBA under a new internal agreement effective June 2009. This agreement updates the long-standing Canadian-U.S. relationship at this crossing. A 40-Year Capital Plan 2010-2050 was developed and implemented this year intending to plan for major capital projects and manage funds to ensure the long-term financial sustainability of the crossing. An annual inspection of the bridge was carried out in August 2010. No urgent items which require immediate attention and remedial measures to ensure public safety and structural integrity were identified. The annual inspection concluded that the overall condition of the bridge is good, due to the strength of the ongoing maintenance program.

FBCL's subsidiary SMRBC has entered into a \$44.1M contribution agreement with Transport Canada for the complete rehabilitation of the Canadian Customs Plaza. This 4-year project has been initiated and will span to 2014. Since 2005, tolls have been reviewed every six months and adjusted as necessary to fund planned capital replacement projects. SMRBC maintains sufficient revenues through systematic review of toll policy in order to sustain the bridge operations and to make loan payments as a result of the Customs plaza project (excluding major projects such as the Canadian Customs plaza). The cash flow plus existing investments were used to make initial property acquisitions as required to complete the renewal of the Canadian Customs plaza. Additional property acquisitions will be financed through a credit facility.

DOMESTIC BRIDGES

CHAMPLAIN BRIDGE

When referring to the Champlain Bridge, it is necessary to consider the entire “Champlain Corridor” consisting of the Champlain Bridge, Nun’s Island Bridge and a portion of Highway 15, created originally in the early 1960’s to access the bridge as each component is interrelated. Most of these elements are federally owned and operated.

In November 2007 the Minister of Transport announced that JCCBI would initiate a prefeasibility study to examine the cost-benefit of replacing the Champlain Bridge by a new structure given the important investments required to maintain the bridge over the next 10 years and beyond. JCCBI just completed the second year of the 10-year maintenance of the Champlain Bridge (\$212.0M/10-years)

A study, cost-shared with the Ministère de Transport du Québec (MTQ) was commissioned that examined replacement options for the Champlain Bridge. The repair strategy for the existing bridge will be modified accordingly, depending on the outcome of the study and the government’s decision regarding its future. A final report was delivered in the spring of 2011 and together with an assessment of the current bridge condition is being submitted to government for consideration. Should the prefeasibility study and ongoing problems relating to maintaining the bridge indicate that it is in the best interest of the government to further develop the replacement alternative, important expenditures will be needed to initiate a series of studies. Current estimates are 8-10 years (from the time a government decision is made to proceed) to design and build the new Bridge and the rest of the corridor.

NUN’S ISLAND BRIDGE REPLACEMENT

The Nuns’ Island Bridge is approaching 50 years of age and will require important funds to undergo major reconstruction. The true cost to reconstruct the bridge will depend on the orientations stemming from the prefeasibility study to replace the Champlain Bridge and provincial and federal government agreements in regards to the implementation of mass transit on this bridge.

RECONSTRUCTION/WIDENING OF HIGHWAY 15

This section of highway needs to undergo a major rehabilitation; the concrete roadway foundation needs to be reconstructed, the pavement dates back to 1994 and the overpasses along the highway are in need of reconstruction. The opportunity to widen the highway needs to be considered and would absolutely be required should the existing Champlain Bridge be replaced by a new bridge or tunnel carrying additional traffic lanes. The area in question was heavily industrialized and environmental issues will also have to be considered in this project.

HONORÉ MERCIER BRIDGE

Although the Mercier Bridge is considered to be safe certain elements are in need of repairs, namely the piers and the portion which has yet to be re-decked. The federal section of the bridge dates from 1959 with the opening of the St Lawrence Seaway. After 50 years of exposure to road salt and important volumes of traffic the roadway deck, median divider, guardrails and drainage system all need to be replaced. Many of the piers will also require important repairs once the re-decking program is completed. Also renewal of the paint system that protects the structural steel will be required over the next five years.

JCCBI has obtained a special funding program of \$135.0M to carry out a major re-decking project on the federal portion of the bridge. JCCBI has agreements in place with the Quebec Ministry of Transportation (MTQ) whereby JCCBI is to oversee the deck replacement of the Quebec portion of the bridge. Although significant funding has been earmarked for the project, additional funding may be required due to the complexity of the work, inflation and delays to start construction on the second phase as a result of jurisdictional issues that are unresolved between the Mohawk Council of Kahnawake and Quebec.

The urgency of repairs has been very evident in the last year. In January 2011, Transport Quebec announced a temporary ban on heavy trucks traffic from the bridge in the Chateauguay bound (West) direction (Quebec section of bridge) for an undetermined period due to recent inspections about the safety of the rails. JCCBI is working with the MTQ on evaluating

other potential options for reinstating truck traffic. The actual deck replacement of that specific Quebec portion of the bridge is scheduled for 2012.

CONTRACT A

JCCBI is undertaking the first of two major contracts to rehabilitate the Honoré Mercier Bridge. The contract that is currently underway is Contract A. The challenge is to oversee this unique contract, ensuring that its impact on the travelling public is mitigated. The re-decking of ramp 3 was successfully completed in August 2010 and ramp 2A in December 2010. The re-decking portion of Contract A should be completed by June 2011.

CONTRACT B

Contract B is a design build contract that was awarded in August 2010. The contractor has commenced engineering work and fabrication of deck panels could start in the spring of 2011 so that work may commence on the bridge in the summer of 2011. Issues have been encountered between union and non-union labour in regards to the application of provincial laws which in turn has affected the contractor's capacity to execute the work for the 2nd phase of the project. These issues are out of JCCBI's control.

The rehabilitation of the bridge is scheduled to be completed in 2011-2012 for contract A works and in 2012-2013 for contract B works.

JACQUES CARTIER BRIDGE

The 2010 annual inspection was completed and the principal recommendations concern the replacement of the expansion bearings, rehabilitation of the piers and needed works to certain steel components including the repair of deficient access devices which are required to enable proper and efficient inspection of the bridge. Priorities identified in the inspection reports will be amended on a timely basis.

BONAVENTURE EXPRESSWAY

The annual inspection of Bonaventure Expressway was also successfully carried out in 2009 and 2010. Priorities identified in the inspection reports were addressed, in particular, the need to rehabilitate the elevated section of the Bonaventure Expressway. To this end, a second portion of this multi-phase rehabilitation project was carried out in 2010 and design work for the 2011 repair program also got underway.

THE MELOCHEVILLE TUNNEL

Urgent works relate to repairing concrete surfaces (with risks of spalling concrete), repairing/protecting the tunnel's footing, roadway repair work along the approaches and replacing/upgrading mechanical systems which date back to the time of construction.

THE ESTACADE

Most urgent works relate to a minimal amount of selective local underwater repair to the piers stemming from underwater inspection reports (cracks in steel casings) and replacement of the railings.

APPENDIX B - REVIEW OF FBCL'S 2010-2011 PERFORMANCE

The strategic objectives and performance targets from the 2010-2011 to 2014-2015 Corporate Plan are based on findings and recommendations of the OAG's 2008 Special Examination of FBCL and its subsidiaries. The strategic objectives represent the key risk areas identified in the special examination and the performance targets and the year to date assessment identify the management actions taken by FBCL to mitigate these risks to achieving its strategic outcome.

STRATEGIC OBJECTIVE : CORPORATE STRUCTURE		
Ensure FBCL Board functions according to best governance practices.		
2010-2011 PERFORMANCE TARGETS	YEAR TO DATE ASSESSMENT	PERFORMANCE STATUS
1. Clarify roles, responsibilities and accountabilities for the FBCL Board, subsidiary boards, the CEO, and management throughout the Corporation.	<p>Preliminary options to simplify FBCL's complex corporate structure were presented to the government for consideration.</p> <p>Letters of expectations were issued by the Chair of FBCL Board to subsidiary Boards and initial subsidiary reporting in place.</p> <p>Project clarifying roles and responsibilities nearing completion.</p>	Partially Met
2. Confirm information needs of the FBCL Board so it can review key activities, consider risks and analyze alternatives in making important decisions for the Corporation; set up a reporting system through the CEO.	<p>Information needs of the FBCL Board were drafted and a reporting system was set up through the President and CEO.</p> <p>Internal quarterly reporting has been initiated for this fiscal year. Processes and procedures will serve to inform the Quarterly Financial Reports to be published as of Q1 2011-2012 as per amendment of the FAA and Bill C-51.</p> <p>A corporate-wide internal audit approach and multi-year audit plan were developed and audits are being initiated.</p>	Met
3. Complete a gap analysis of skills and ex-perience of the FBCL Board (existing skills versus those required) for communication with the responsible Minister and central agencies.	A draft gap analysis was completed but due small size of FBCL Board not all skills are covered.	Ongoing
4. Review authorities of Boards and management, and amend by-laws and corporate policies.	The FBCL Board completed the review and put in place by-laws of its Audit and Governance Committees to increase the oversight function and is in the process of completing a full review of its other by-laws and policies.	Ongoing

STRATEGIC OBJECTIVE: SAFETY OF BRIDGE STRUCTURES		
Continue to ensure the safety of bridge structures in order to avoid harm to end users, employees and contractors.		
2010-2011 PERFORMANCE TARGETS	YEAR TO DATE ASSESSMENT	PERFORMANCE STATUS
1. Establish preventative measures including training for employees and re-confirm protocol with well-communicated roles and responsibilities among all stakeholders for quick identification and management of emergency situations.	<p>THOUSAND ISLANDS BRIDGE Detailed inspection (2-year cycle) of the Canadian Bridge at the Thousand Islands Bridge was carried out in July 2010. The detailed inspection concluded that the Canadian Bridge is well maintained and the overall condition of the Canadian Bridge is good, due to ongoing maintenance program carried out by the bridge operator.</p> <p>SAULT STE. MARIE Annual inspection of the bridge was carried out in August 2010. No urgent items which require immediate attention and remedial measures to ensure public safety and structural integrity were found. Fracture critical member inspection (2 year cycle) of the Canadian spans of the bridge was also carried out in August 2010. No major deficiencies were discovered and all inspected fracture critical members are in good structural condition throughout.</p> <p>CORNWALL A formal presentation of the condition of the North Channel Bridge was received by both the FBCL Board and the SIBC Board. Repairs to the underside of the North Channel Bridge have been initiated.</p> <p>MONTREAL JCCBI awarded a contract for the services of a Health & Safety firm, whose mandate is to review JCCBI's current prevention program, to implement and reinforce prevention measures as required to mitigate certain risks, as well as its applicable requirements to its contractors and consulting firms.</p> <p>The Engineering department has reviewed the deck condition, superstructure condition, functional structure, risk assessment and risk trend for each structure.</p>	Met
2. Expand the role of the recently established corporate engineering committee to share intelligence and best practices for completing annual inspections and critical maintenance.	FBCL engineers have met on various projects such as the rehabilitation of the Honoré Mercier Bridge and the Champlain Bridge Replacement pre-feasibility study as well as projects in Cornwall for the construction of the new North Channel Bridge.	Ongoing
3. Ramp up JCCBI employment to give more capacity in engineering, contracting administration and the environment for delivering multi-phase projects requiring stakeholder consultations, partnership agreements, engineering studies and designs, environmental assessments and public hearings.	JCCBI continues to fill new positions in order to increase their capacity to deliver on major upcoming capital works. As of December 31, 2010, five positions have been filled in 2010-11 and three are in progress to be filled.	Partially Met
4. Install an integrated system of surveillance cameras at the toll plaza in Cornwall to support security and enforcement of tolling infractions; review security best practices for daily "road checks", access control and document control.	SIBC is finalizing the installation of security cameras and data links to support the efficient functioning of the crossing. SIBC will continue to upgrade the in-house toll collection software to enhance customer service and effectiveness.	Met
5. Prepare options and be pro-active in seeking a government decision on Cornwall re: proceeding to build a new bridge and the location and scope of the CBSA facilities and SIBC's toll plaza.	Project and budget approvals were obtained and the Minister of Transport, Infrastructure and Communities formally announced the project on August 10, 2010. Due to inflation and cost escalation, the total project budget of \$74.8M initially intended for a three component project has been reallocated to the bridge construction itself.	Partially Met Location of CBSA and SIBC tolling facilities outstanding

STRATEGIC OBJECTIVE: FINANCIAL SUSTAINABILITY

Achieve financial sustainability by obtaining adequate funding and exploring revenue generation opportunities to maintain safe, efficient and effective infrastructure over the long term, including capital requirements to replace structures at the end of their life cycle.

2010-2011 PERFORMANCE TARGETS	YEAR TO DATE ASSESSMENT	PERFORMANCE STATUS
<p>1. Seek approval of new funding for JCCBI to address major rehabilitation of bridge infrastructure and reinstatement of appropriate operating reference levels.</p>	<p>New funding was approved as part of Budget 2010 including an increase in operating funding for 4 years to 2014-2015 and infrastructure stimulus funding in the amount of \$31.8M for 2010-2011 only.</p> <p>Three years of funding was approved in Budget 2011 (\$227.6M).</p> <p>Revenue generation options such as hydroelectricity, wind power and tolling have also been examined.</p>	<p>Partially Met</p>
<p>2. For the Cornwall location, (i) seek a decision by government to build a new North Channel Bridge and (ii) initiate promotion activities to attract additional traffic flow.</p>	<p>Decision approved to build new North Channel Bridge.</p> <p>SIBC has formed a board sub-committee the PIT Crew (Promoting International Traffic) to support management's efforts to boost revenues but is on hold due to ongoing issues between the Mohawk community and CBSA.</p>	<p>Met</p>
<p>3. For all international bridges, verify that projected toll revenues are reasonable and sufficient to maintain their long-term viability. If necessary, adjust tolls to compensate for any declines in traffic volumes, cost escalation and to fund long-term capital requirements.</p>	<p>SMRBC has developed a 40 year plan resulting in scheduled toll increases necessary to meet self sufficiency. The most recent increase was in April 2010.</p> <p>At the TIB a 10 year plan has been developed and tolls are reviewed by an International Board on a regular basis.</p> <p>Challenges for SIBC to collect sufficient revenues continue. Tolls are currently the highest on the St. Lawrence Seaway and any increase possibility is limited. The temporary location of CBSA is further complicating traffic flow at this location. Paid traffic has been recovering since the bridge closure in 2009 and is now at approximately 80% of pre-closure volumes.</p>	<p>Ongoing</p>

STRATEGIC OBJECTIVE: RELATIONSHIP		
Improve internal and external relationships with key stakeholders		
2010-2011 PERFORMANCE TARGETS	YEAR TO DATE ASSESSMENT	PERFORMANCE STATUS
1. Initiate community contribution studies to clearly identify the value of the various bridge crossings for all stakeholders, starting with Champlain Bridge.	<p>Studies have been submitted to government to further inform the decision-making process regarding the potential replacement of the Champlain Bridge.</p> <p>Operators are also participating in ongoing meetings with local stakeholders (emergency services, police, etc.) to ensure optimal responsiveness in regards to the bridges. In Montreal, this extends to the overall traffic issues and coordination of planned works with the Province of Québec, the City of Montreal and other stakeholders.</p>	Ongoing
2. Within the FBCL portfolio: (i) enhance transparency, mobility, shared resources/services and cross-functional teams; and (ii) improve internal communications by establishing clear processes and procedures, identifying information requirements and coordinating core messages.	<p>Reviewed existing Communication Policy, and obtained FBCL Board approval on a plan of action to strengthen communication links with the subsidiaries while reinforcing the centralization of communication strategies through FBCL leadership. New media platforms such as blog sites and Twitters were initiated in the year in order to reach out further to inform bridge users.</p> <p>FBCL finance is coordinating Public Sector Accounting and new Quarterly Reporting with the subsidiaries.</p> <p>FBCL's Human Resources (HR) has extended their services to SIBC. HR is also working closely with JCCBI to provide advice on benefits administration.</p> <p>FBCL engineers meet with all subsidiaries on various projects and manage projects for SMRBC, TIBA and SIBC.</p>	Met
3. Enhance federal relationships by continuing to work with Transport Canada and participating in all interdepartmental committees related to bridge safety, security and specific bridge transportation issues.	<p>FBCL has been very active in the federal community with a series of exchange meetings with Transport Canada on major issues and projects as well as with CBSA in coordination of activities at each location. FBCL is also represented on a number of committees including the Federal Heads of Agencies, Transport Canada security committee, Public Border Operators Association, Can-Am Border Trade Alliance and the Treasury Board Secretariat's working group on the transition to public sector accounting standards.</p> <p>Media and public relations activities have included the organization and coordination of a press conference with Transport Canada's communications group in Cornwall for Minister's announcement of new North Channel Bridge. Communications support was also provided for the pre-Budget funding announcement for federal domestic bridges in Montreal.</p>	Met

APPENDIX C – LIST OF ABBREVIATIONS

CBCA	CANADA BUSINESS CORPORATIONS ACT
CBSA	CANADA BORDER SERVICES AGENCY
CEO	CHIEF EXECUTIVE OFFICER
CICA	CANADIAN INSTITUTE OF CHARTERED ACCOUNTANTS
FAA	FINANCIAL ADMINISTRATION ACT
FBCL	THE FEDERAL BRIDGE CORPORATION LIMITED
FCSAP	FEDERAL CONTAMINATED SITES ACTION PLAN
IBA	INTERNATIONAL BRIDGE ADMINISTRATION
IBTA	INTERNATIONAL BRIDGES AND TUNNELS ACT
JCCBI	THE JACQUES CARTIER AND CHAMPLAIN BRIDGES INCORPORATED
MDOT	MICHIGAN DEPARTMENT OF TRANSPORTATION
MTQ	QUEBEC MINISTRY OF TRANSPORTATION
OAG	OFFICE OF THE AUDITOR GENERAL
PSAS	PUBLIC SECTOR ACCOUNTING STANDARDS
SIBC	SEAWAY INTERNATIONAL BRIDGE CORPORATION LIMITED
SLSA	THE ST. LAWRENCE SEAWAY AUTHORITY
SLSDC	ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION
SMRBC	THE ST. MARY'S RIVER BRIDGE COMPANY
SSMBA	SAULT STE. MARIE BRIDGE AUTHORITY
TBS	TREASURY BOARD SECRETARIAT
TIBA	THOUSAND ISLANDS BRIDGE AUTHORITY