

United States

5365 Military Road
Lewiston, NY 14092

P 716.285.6322

F 716.282.3292

Canada

P.O. Box 395
Niagara Falls, ON L2E 6T8

P 905.354.5641

F 905.353.6644

Niagara Falls Bridge Commission

2018 Annual Review

NIAGARAFALLSBRIDGES.COM

GENERAL_INQUIRIES@NIAGARAFALLSBRIDGES.COM

@NIAGARABRIDGES





Board of Commissioners	4
About the NFBC	5
Niagara Crossings	6-7
Year in Review Highlights	8-9
Information Technology	10
Partnerships	13
Finances	14-15
Traffic Statistics	16-17
Community	18

This publication is produced to comply with the reporting requirements of the Niagara Falls Bridge Commission's enabling legislation which states, "An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing and operating the same, and the daily tolls collected shall be kept and shall be available for the information of all persons interested." The financial data contained herein has been taken from the NFBC's 2018 audited financial statements.

2018 Board of Commissioners



Kenneth N. Bieger
General Manager

John A. Lopinski
Chairperson

Harry R. Palladino
Vice Chairperson

Marcia T. Heit

Francis A. Soda

Michael J. Goodale

Kathleen L. Neville

Linda L. McAusland

Russell G. Quarantello

The Commission's eight-member board consists of four American and four Canadian representatives. The American commissioners serve at the pleasure of the governor of the State of New York, and the Canadian commissioners serve at the pleasure of the premier of the Province of Ontario. All officers hold respective office for one year, until the next annual meeting.

About the NFBC

As our region's greatest natural attraction, Niagara Falls continues to draw visitors from around the world every season, but it is our bridges that actually deliver them to their destination. The Niagara Falls Bridge Commission (NFBC) was originally established to finance, construct and operate the Rainbow Bridge, but its effective management led to ownership, maintenance and operation responsibilities of the Rainbow, Whirlpool Rapids (Lower Arch) and Lewiston-Queenston Bridges.

The Commission, now entering its 81st year, was established through a joint resolution of the 1938 U.S. Congressional Third Session and subsequent amendments, and it is licensed to operate by the Extra-Provincial Corporations Act of the Province of Ontario, Canada.

The Commission is funded through the collection of tolls and private and public sector tenant leases, with the exception of a capital contribution from Canada and Ontario for the fifth lane on the Lewiston-Queenston Bridge and from Canada for the new Canada Border Services Agency (CBSA) facilities at Queenston.

The NFBC works to facilitate growth of trade and tourism between Canada and the United States by enhancing and investing in the three international crossings it oversees.



OUR MISSION

To build, maintain and operate lower Niagara River border crossings, which facilitate the movement of people and goods in a safe, sustainable and efficient manner.

OUR VISION

To be a world class leader in cross-border operations, enhancing the quality of life for our employees, customers and partners.

Niagara Crossings

The Niagara Falls Bridge Commission owns, maintains and operates three bridge spans stretching between the U.S. and Canada. More than 7 million passengers travel annually by way of these significant linkages of concrete and steel.



Lewiston-Queenston Bridge

2018 IN REVIEW

This past year brought significant progress on the important Lewiston Plaza project. Culminating with a groundbreaking ceremony attended by various dignitaries, the Commission formally began construction on the \$90 million modernization project. The ceremony followed the completion of the design and engineering of Phase 2 as construction drawings were completed and final bids received in the summer of 2018. Construction efforts began following the finalization of a lease agreement with the U.S. General Services Administration (GSA) for an annual rent of \$3.4 million. One month later, the Commission issued \$71.2 million in taxable revenue bonds to finance Lewiston Phase 2.

HISTORY OF THE SPAN

Connecting the villages of Lewiston, New York and Queenston, Ontario in the town of Niagara-on-the-Lake, the Lewiston-Queenston Bridge was constructed and opened in 1962. The total length from abutment to abutment is 1,600 feet, and the deck of the bridge is 370 feet above water. After the original cost of \$16 million, another \$45 million in 2005 was invested in an expansion from four fixed lanes to five reversible lanes - which allowed the span to be configured based on traffic volume. The Lewiston-Queenston Bridge continues to be a popular choice for tourists and travelers visiting Niagara Falls and the other great destinations in Western New York and Southern Ontario.



Rainbow Bridge

2018 IN REVIEW

This past year saw the completion of two major projects to improve the travel experience at the Rainbow Bridge. Construction was completed for the renovation project at the Rainbow U.S. Bus and Pedestrian Building. These renovations were designed to improve traffic flow for both buses and pedestrians. The Rainbow Bridge deck rehabilitation project was also completed in November of 2018. In addition, the Commission reviewed the Rainbow Bridge pedestrian crossing experience and developed a list of recommended improvements for further investigation and implementation in the future.

HISTORY OF THE SPAN

Positioned 202 feet above the Niagara River, the Rainbow Bridge serves as a catalyst for economic activity as a result of tourism. Opened in 1941, the bridge is 1,450 feet in length and includes four lanes, a dedicated pedestrian walkway and 33 customs inspection booths. The span is open 24 hours a day to cars, buses and pedestrians, but excludes the passage of commercial vehicles. Aside from its impressive statistics, the Rainbow Bridge's American and Canadian Plazas are among the most sought-after photo opportunities in the region.



Whirlpool Rapids (Lower Arch) Bridge

2018 IN REVIEW

There were a number of meetings between the New York State Department of Transportation, engineering consultants, and other community groups regarding the Robert Moses Parkway reconstruction project. Demolition of the Robert Moses Parkway bridge over the Whirlpool Plaza is set to occur during April 2019. NFBC staff therefore compiled a closure strategy for implementation, in order to ensure motorist and worker safety during the project. Separately, the Commission reviewed the opportunity to install eGates at the Whirlpool Bridge Canadian booths with Canada Border Services Agency (CBSA). The decision was made to implement two eGates at both booths in 2019.

HISTORY OF THE SPAN

Originally opening in 1897, the Whirlpool Rapids (Lower Arch) Bridge is the oldest of the three spans the NFBC maintains. Today, the Whirlpool Bridge sits 225 feet above the Niagara River and spans 1,069 total feet. As it stands, the bridge is dedicated to the pre-authorized customs entry program NEXUS - which expedites commuter crossings for approved trusted travelers.

2018 Year in Review Highlights



Toll Rate Increase

On November 1, 2018, a toll rate increase for commercial trucks approved by the Board of Commissioners became effective.



NFBC Staffing Updates

The Commission promoted Michelle Rheinheimer from Accounting Manager to Controller.

The Facilities & Operations Department restructured, and Sean Hudson was promoted from Plaza Superintendent of Rainbow Bridge to Operations Supervisor.

NEXUS Promotion

During 2018, the NFBC continued to support several “NEXUS Niagara” marketing efforts. Through modern aesthetics and improved functionality, the NEXUSNiagara.com website was revamped and simplified in order to direct NEXUS users and applicants to the main GOES website. New branded marketing materials were developed to enhance in-person outreach events.

The NFBC conducted educational sessions and offered expedited enrollment for a number of organizations and their employees and customers. Some prominent attendees at these sessions included 43North, Buffalo Niagara Medical Campus and Invest Buffalo Niagara. These events were held in both the U.S. and Canada.

To help educate potential NEXUS enrollees, the NFBC provided staff for tabling at popular locations amongst travelers and tourists including the Buffalo Niagara International Airport, Fashion Outlets of Niagara Falls and Walden Galleria.



Overweight Vehicles

In 2018, the Commission implemented a temporary accommodation plan in partnership with Canada Border Services Agency (CBSA) and U.S. Customs & Border Protection (CBP) to assist the over dimensional or overweight loads trucking community during the Peace Bridge re-decking operations.

These accommodations allowed super loads to continue to be processed in the Niagara area instead of having to travel west or east to alternative crossings.



Traffic Volume

For the fiscal year of 2018, westbound/toll-paying automobile traffic was up 5.5% at the Lewiston-Queenston, Rainbow and Whirlpool Rapids (Lower Arch) bridges while commercial truck traffic decreased by 1.8%. This compares to a 1.2% increase in automobile traffic and a 6.4% increase in commercial truck traffic in fiscal year 2017.

Implementation of Audiometric Testing

To ensure the long-term safety and protection of employees, audiometric testing was implemented to monitor an employee’s hearing over time. The baseline audiograms completed for all employees also provided an opportunity for the Commission to educate their workforce on the importance of protecting their hearing.



Collective Bargaining

After negotiations between the NFBC and the Teamsters Local Union No. 879 (Canadian Union) in October and November, a successful settlement was reached in January of 2019.

Information Technology

Within the past year, a number of improvements were made to the Commission's technology infrastructure to help improve efficiency of border operations. Significant accomplishments include the following:

Worked to streamline the NEXUS/Toll refund process and weekly card number exchange between NFBC and CBP.

Cameras were added to the security system and upgraded for overall video quality improvements.

Collaborated with engineers and contractors regarding I.T. infrastructure, CCTV and access control throughout Lewiston Plaza Phase 2, design of Whirlpool U.S. Administration Building first floor alteration project and the Administration Building 2nd floor office expansion.

Installed Direct Connect Emergency Phone System between U.S. Customs and Border Protection and Canada Border Services Agency at all bridges.

Evaluated NEXUS and Ready Lane enhancements to the border wait time system at the Rainbow Bridge for future consideration.

Enhanced Lewiston port runner system to provide immediate audible and visual alarm indicator at CBP radio console.

Implemented E-ZPass tag override process to allow reclassification of vehicles found using improper E-ZPass transponders.





Partnerships

NFBC maintained several collaborative partnerships in support of the improvement of border management and transportation operations.

Worked on an ongoing basis with border operators and consultants to address Canada Border Services Agency staffing, which included attendance at the Public Border Operators Association Board Meeting in Detroit, MI.

The Manager of Human Resources, Agency Relations and Security vice-chaired the Niagara International Transportation Technology Coalition (NITTEC) Border Crossing Committee, which examined such issues as Corridor Management Planning, effective border wait time measurement, Incident Management Planning and the impact of the Canadian Motor Speedways.

Hosted various events on the Rainbow Bridge, including the Special Olympics Law Enforcement Torch Run, Indian Defense League of America Crossing, Annual Tug of War and the Ride for Roswell. These events were all facilitated with little or no disruption to traffic.

Film:

- Walking Along World Borders
- Jane of the Desert

Hosted and presented ITS Canada Technical Presentation.

Day of Caring - Salvation Army of Niagara, NY & Health Association of Niagara County Inc. (Hanci).

Partnered with students from University at Buffalo who utilized the NFBC for a Demand Forecasting Research Project.

Facilitated smooth travel for IIHF World Junior Hockey Championships participants and spectators.

NFBC submitted an opinion on Bill C-23 Preclearance in the form of a formal letter.

Doubled United Way contributions by staff.

Participated in a Quarantine Communicable Disease Workshop put on by the Public Health Agency of Canada.

Served on the Advisory Committee for the Buffalo-Niagara Incident Command Model.

Participated in the Sir Adam Beck Dam Safety Table Top.

Hosted members from the Federal Bridge Corporation and Windsor-Detroit Bridge Authority to share and discuss best practices and operational challenges.

Met with representatives and elected officials in both the U.S. and Canada.

Met with U.S. Customs and Border Patrol to discuss the NFBC's role in future CBP pilot programs with respect to biometrics, non-invasive inspection (NII) using x-ray technology and other advancements.

Installed anti-climb fencing at Whirlpool Bridge.

NFBC also hosted the National Academy of Finance, passed the Transport Canada Audits and visited Seaway International Bridge.

Finances

BUDGET

The actual revenue and operating expense for the 2018 fiscal year were \$34.9 million and \$17.3 million respectively, resulting in a surplus, before investment income and sinking fund requirements of \$17.6 million. The net surplus before capital expenditures was \$10.2 million. The 2019 fiscal year budget was approved by the Board of Commissioners on September 24, 2018.

FINANCIAL BUSINESS PLAN

The Financial Business Plan, a 15-year financial forecast for the NFBC, which also aids the 2019 fiscal budget approval process, was completed on schedule and approved by the Board of Commissioners on August 13, 2018. The Strategic Plan, Infrastructure Plan and the Risk Management Plan were also developed by the senior management team and approved by the Board of Commissioners on August 13, 2018.

TOLL RATE INCREASE

On November 1, 2018, a toll rate increase for commercial trucks approved by the Board of Commissioners, became effective.

AUDITS

To ensure premiums and medical reserves being charged were accurate and warranted, the NFBC initiated a third-party Workers' Compensation Audit. No errors or additional savings were found during the process. Similarly, the Commission completed a voluntary Canadian HST Audit to review filing of HST taxes.

ASSETS	2018	2017
Current Assets		
Cash & Cash Equivalents	\$ 88,890,880	4,973,833
Accounts Receivable	3,483,509	1,777,137
Prepaid Expenses	466,063	431,027
Investments	7,213,383	17,831,565
TOTAL CURRENT ASSETS	\$ 100,053,835	25,013,562
Noncurrent Assets		
Investments	\$ 54,839,513	58,524,763
Land, Bridges, Buildings & Equipment, Net	303,719,880	310,827,547
Construction In Progress - 30 Year Plan	10,956,448	11,772
Construction In Progress - Other	2,918,191	8,622,133
TOTAL ASSETS	\$ 472,487,867	402,999,777

LIABILITIES & UNRESTRICTED NET ASSETS

Current Liabilities

Current Portion of Bonds Payable	\$ 6,800,000	6,500,000
Current Portion of Postretirement Benefit Obligation	833,890	604,036
Accounts Payable	7,154,113	3,489,051
Accrued Wages & Related Withholdings	1,442,249	1,486,992
Other Accrued Expenses	671,772	255,290
Bond Interest Payable	383,684	156,841
Deferred Income	1,020,404	1,020,404
TOTAL CURRENT LIABILITIES	\$ 18,306,112	13,517,908

	2018	2017
Noncurrent Liabilities		
Postretirement Benefit Obligation	\$ 24,494,341	22,938,351
Bonds Payable, Net	104,159,074	40,854,175
TOTAL LIABILITIES	\$ 146,959,527	77,310,434
Unrestricted Net Assets		
Revenue	\$ 1,523,310	1,015,738
Operation	(27,603,437)	(25,996,591)
General	53,915,912	48,224,201
Renewal & Replacement	(583,164)	(2,895,566)
Debt Sinking	3,751,019	3,958,031
Construction	299,530,111	302,739,516
SUBTOTAL	330,533,751	327,045,329
Cumulative Effect of Currency Translation	(5,005,411)	(1,355,986)
TOTAL UNRESTRICTED NET ASSETS	\$ 325,528,340	325,689,343
TOTAL LIABILITIES & UNRESTRICTED NET ASSETS	\$ 472,487,867	402,999,777

Revenues

Toll Income	\$ 21,331,613	20,192,609
Rental Income	10,958,945	10,792,171
Construction Reimbursement	1,444,760	293,016
Investment Income, Net	1,989,805	1,392,910
Misc.	157,808	190,022
TOTAL REVENUES	\$ 35,882,931	32,860,728

Expenses

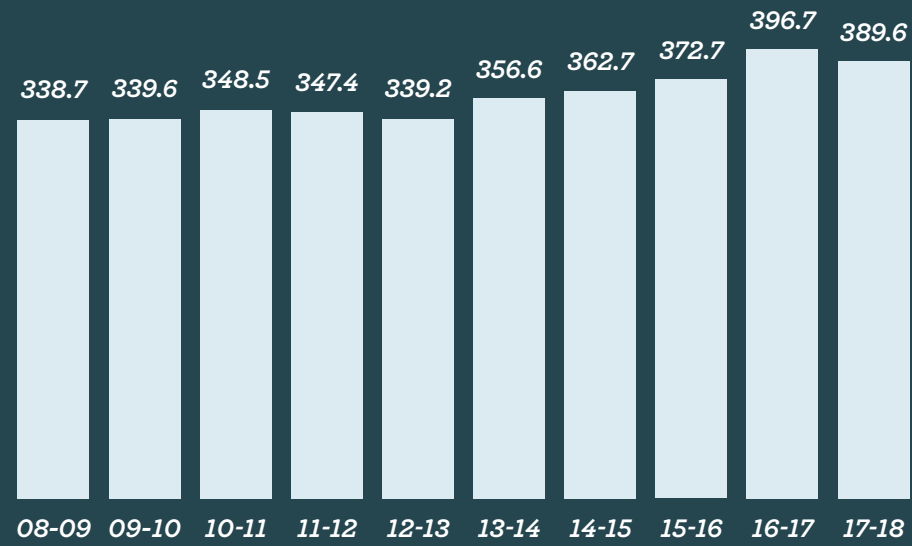
Administration & Overhead	\$ 6,428,897	5,953,740
Maintenance	5,336,785	5,515,138
Toll	2,163,971	2,616,654
Management Information Systems	918,966	967,465
Security	887,031	889,136
Postretirement	1,875,662	1,916,184
Depreciation	10,506,528	9,193,235
Interest on Indebtedness	2,887,601	2,105,760
Amortization on Bond Financing Expenses	86,742	107,405
TOTAL EXPENSES	\$ 31,092,183	29,264,717

Change In Unrestricted Net Assets

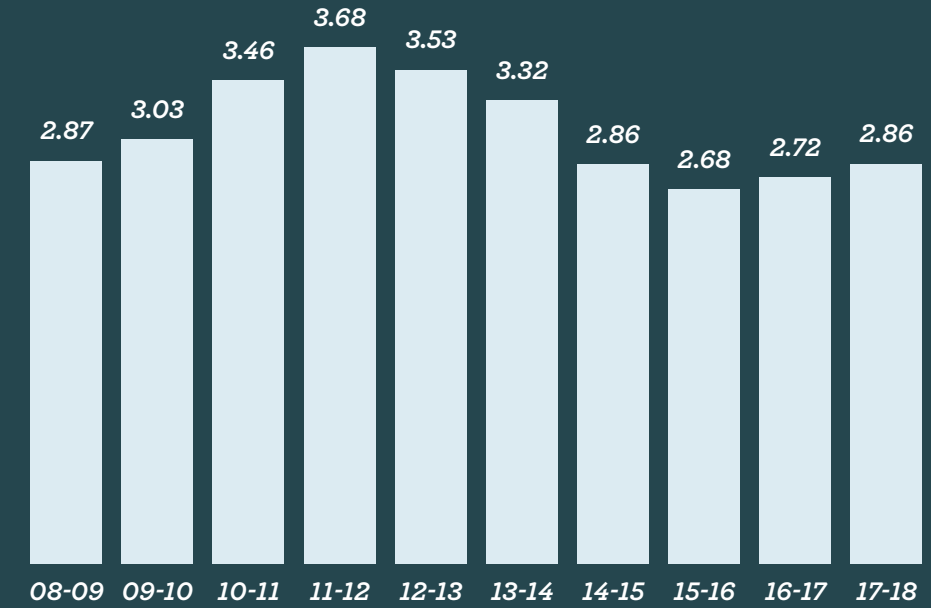
Before Unrealized Loss On Investments & Change In Foreign Currency Translation	\$ 4,790,748	3,596,011
Unrealized Loss On Investments	\$ (1,302,326)	(663,113)
Change In Foreign Currency Translation	\$ (3,649,425)	7,580,224
Change In Unrestricted Net Assets	\$ (161,003)	10,513,122
Unrestricted Net Assets - Beginning Of Year	\$ 325,689,343	315,176,221
Unrestricted Net Assets - End Of Year	\$ 325,528,340	325,689,343

Traffic Statistics

10 YEAR WEST-BOUND COMMERCIAL TRUCK TRAFFIC IN THOUSANDS



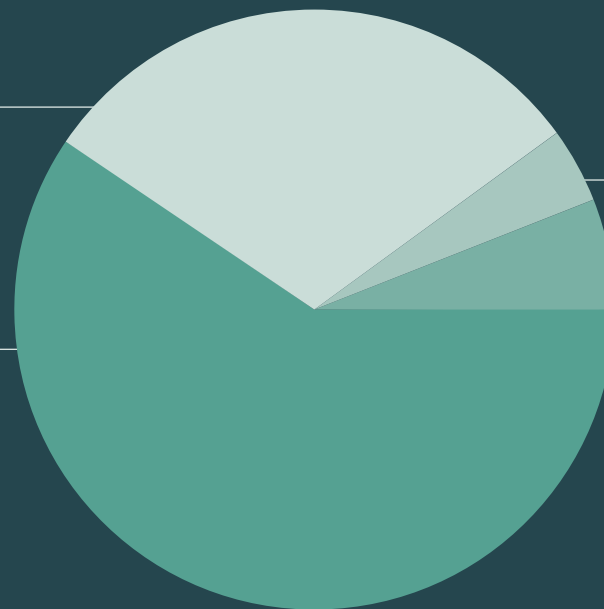
10 YEAR WEST-BOUND AUTO TRAFFIC IN MILLIONS



Income & Expenses

Rental Income
\$10,958,945

Toll Income
\$21,331,613

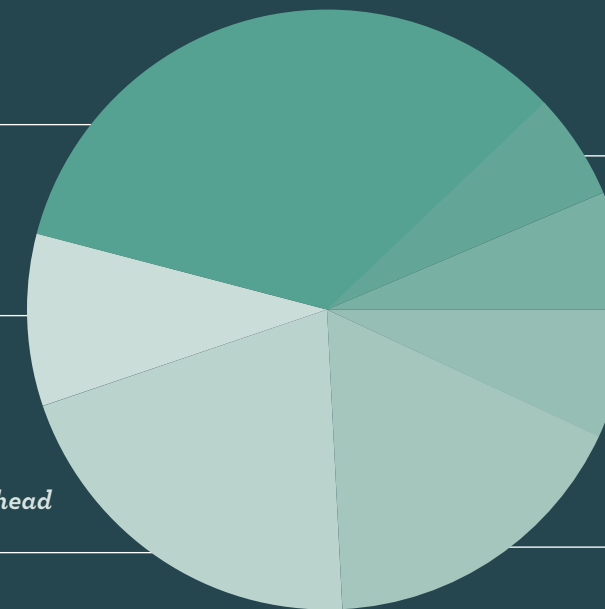


Income
Total \$35,882,931

Depreciation
\$10,506,528

Interest
\$2,887,601

Adminstration & Overhead
\$6,428,897



Expenses
Total \$31,092,183

Security & M.I.S.
\$1,805,997

Other
\$1,962,404

Toll
\$2,163,971

Maintenance
\$5,336,785

Community Sponsorships

In 2018, the NFBC supported a number of local not-for-profit organizations and cultural attractions, using funds generated by tenant leases through the donation of \$59,850 (USD) and \$59,850 (CDN).

Recipients include:

Artpark & Company, Inc.	Lewiston Veterans of Foreign Wars Downriver Post 7487	Niagara University
Canal Bank Shuffle Blues Festival Inc.	Music Niagara	Olcott Beach Jazz Trail
Celebrating Wilson	Niagara Beautification Commission	Old Fort Niagara Association
Cross Border Blues	Niagara Celtic Heritage Society, Inc.	Ontario Power Generation Winter Festival of Lights
Erwin H. Johnson Memorial Fund, Inc.	Niagara Falls Memorial Medical Center	Sanborn Area Business & Professional Association
Friends of Fort George	Niagara Falls National Heritage Area	Sanborn Area Historical Society
Historical Association of Lewiston	Niagara Falls Underground Railroad Heritage Commission Inc.	Shaw Festival Theatre
Kiwanis Club of Lewiston, New York	Niagara Pioneer Soccer League	Town of Niagara Business & Professional Association
Lewiston Council on the Arts		
Lewiston Garden Club		

Scholarship Winners



Carson Koabel | Connor Dineen | Matthew Phillips | Zachary Ross (left to right)

Each year, the NFBC opens a competitive application process to award scholarships to dependents of current Commission employees. Candidates must be entering their freshman year of an accredited post-secondary educational institution or program. The final selections are based on scholastic standing, individual achievement and participation in extracurricular activities.

