

2021 ANNUAL REPORT



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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, 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 2021 audited financial statements.

ABOUT THE NFBC

Entering its 84th year, the Niagara Falls Bridge Commission (NFBC) was established through a joint resolution of the 1938 U.S. Congressional Third Session and subsequent amendments. It is licensed to operate by the Extra-Provincial Corporations Act of the Province of Ontario, Canada. Through a bi-national appointment of an eight-member Board of Commissioners, Canada and the U.S. are equally represented.

The NFBC was originally established to finance, construct and operate the Rainbow Bridge. Its effective management of that span led to the additional ownership, maintenance and operational responsibilities of the Whirlpool Rapids and Lewiston-Queenston Bridges.

Self-supportive, largely through user fees (tolls) and private-sector tenant leases, the NFBC is authorized to conduct international commercial financial transactions and empowered to issue tax-exempt bonds in the United States.

The Commission strongly encourages the continued growth of trade and tourism between Canada and the United States through enhancements and investments to ensure the safest and most efficient flow of goods, services and people over the three international crossings that it oversees.

2021 BOARD OF COMMISSIONERS

The Commission's eight member board consists of four Canadian and four American 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. During 2021, the NFBC had one vacancy.



Kenneth N. Bieger
Chief Executive Officer



Kathleen L. Neville
Chairperson



Carmine C. McShane
Vice Chairperson



Harry R. Palladino



Barton J. M. Maves



Francis A. Soda



K. Geoffrey Topping



Murna L. Dalton

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.

VISION

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

VALUES

TEAM WORK

We promote mutual respect and the pursuit of a common goal.

INTEGRITY

We take transparent actions that inspire trust and confidence.

SAFETY

We are committed to creating an environment focused on the health and wellbeing of our employees, partners and customers.

SUSTAINABILITY

We are committed to improving the social, economic and environmental health of the organization.

INNOVATION

We are committed to promoting new ideas and embracing technology.

PROFESSIONALISM

We take pride in our work and pursue excellence.

RAINBOW BRIDGE

2021 in Review

In 2021, the Rainbow Bridge Concrete Pier Rehabilitation Project (Canadian side) was completed under budget. NFBC staff completed various bridge, building and grounds repairs to help preserve the structure and extend the useful life of the assets.



History

Built in 1941, just 1,000 feet downriver from the American Falls, the Rainbow Bridge continues to be a major tourism gateway between Canada and the United States, generating tens of millions of dollars of activity on both sides of the border.

Offering 18 traffic lanes in New York and 16 in Ontario to facilitate the flow of traffic for

governmental inspections, the Rainbow Bridge is open 24 hours a day to passenger vehicles and buses. No commercial vehicles are allowed on the Rainbow Bridge. The bridge is 1,450 feet long and sits approximately 200 feet above the Niagara River.

WHIRLPOOL RAPIDS BRIDGE

2021 in Review

Throughout 2021, enhancements were made to various security components on the bridge. In addition, the existing border wait time technology was evaluated to determine its feasibility for use at the crossing.



History

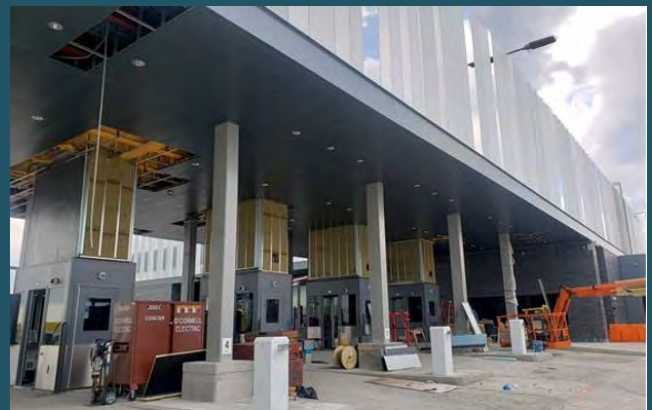
The oldest of the three spans under the authority of the Niagara Falls Bridge Commission, the Whirlpool-Rapids Bridge was built in 1897 and purchased by the Commission in 1959. The two deck steel arch bridge spans 550 feet with a total length of 1069 feet, and soars 225 feet above the Niagara Rapids. The upper deck is dedicated for rail crossings, while the lower roadway is dedicated to passenger vehicles only. In addition, the Whirlpool-Rapids Bridge is a NEXUS only

crossing, providing passenger vehicles enrolled in the NEXUS “trusted traveler” program a quick and easy crossing. NEXUS is a joint program implemented by the Canada Border Services Agency (CBSA) and United States Customs and Border Protection (CBP) designed to expedite the border clearance process for low-risk, pre-approved travelers between the two countries. The Whirlpool Rapids Bridge is open daily from 7 a.m. to 11 p.m.

LEWISTON-QUEENSTON BRIDGE

2021 in Review

Reconstruction of the Lewiston Plaza has continued throughout the pandemic. As there were periods where the bridge was only available to essential traffic, it created the opportunity to combine and expedite phases of the construction. Eight new primary inspection lanes were turned over to U.S. Customs and Border Protection during the second half of 2021. As work on the new facilities continued, Bridge Commission staff painted the Lewiston Commercial Building to improve aesthetics and match the color scheme of the reconstructed plaza. Meanwhile, on the Canadian side of the bridge at the Queenston Plaza, a new video-based vehicle classification system was evaluated for its effectiveness.



History

Millions of dollars in trade value cross over the Lewiston-Queenston Bridge each hour, representing thousands of jobs for both countries. Built in 1962, the bridge sits 370 feet above the Niagara River and measures 1,600 feet long. The span features five reversible lanes, which allow traffic flows to be configured based

on volume. The Lewiston-Queenston Bridge connects United States Interstate 190 with Highway 405 in Canada, making it an optimal crossing for both passenger vehicles and commercial trucks.

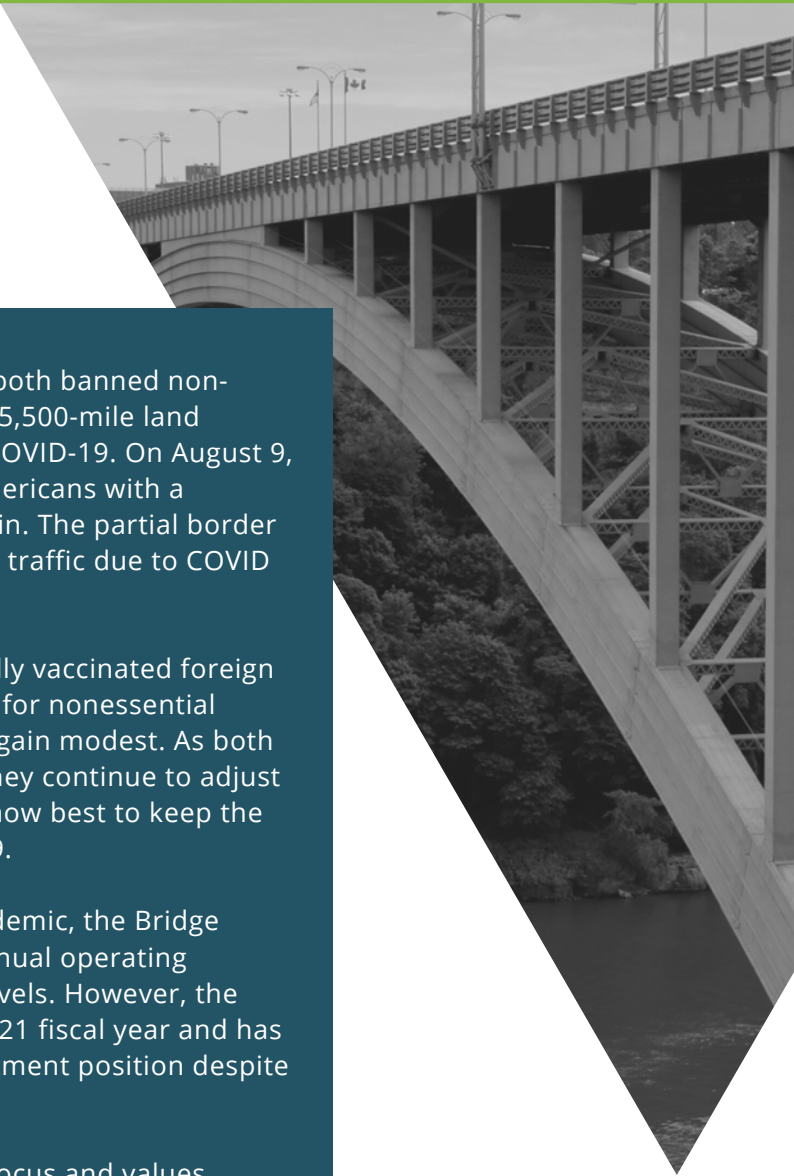
COVID-19 PANDEMIC

For almost 16 months, the U.S. and Canada had both banned non-essential traffic at international ports across the 5,500-mile land border in an effort to contain further spread of COVID-19. On August 9, 2021, Canada began allowing fully vaccinated Americans with a negative pre-arrival test to enter the country again. The partial border opening offered a marginal improvement in auto traffic due to COVID testing requirements.

On November 8, 2021, the U.S. began to allow fully vaccinated foreign nationals to cross the land borders from Canada for nonessential purposes. The improvement in auto traffic was again modest. As both countries battle the COVID-19 Omicron variant they continue to adjust various entry and exit restrictions to determine how best to keep the border open but mitigate the impact of COVID-19.

For the second year in a row and due to the pandemic, the Bridge Commission has had a significant decrease in annual operating revenues, compared to pre-pandemic revenue levels. However, the Commission met its bond covenant for the 2020-21 fiscal year and has maintained a strong unrestricted cash and investment position despite the revenue decline.

The Commission remains committed to its core focus and values, which has allowed it to continue to navigate changing information and challenges.



TRAFFIC

Westbound (toll paying) automobile traffic was down -73.5% for fiscal year 2021, compared with fiscal year 2020, due to the border restrictions for almost the entire fiscal year caused by the second year of the pandemic. Commercial truck traffic was up +7.9% for the same period. This compares to a -67.2% decrease in automobile traffic and a -8.8% decrease in commercial truck traffic in fiscal year 2020, which was the first year of the pandemic.

YEAR IN REVIEW HIGHLIGHTS



Electronic Toll Collection

Electronic toll increased from 45.6% in 2019, to 55.6 % in 2020, to 80.2% in 2021, due in large part to essential travelers tending to use electronic tolling more than the non-essential traveler.

Website Updates

Replaced static images on public website with live streaming video.

Information Technology

Information technology is an integral component of the NFBC's operations, and 2021 included the following initiatives:

- Completed the installation of 18 cameras, 17 access control doors, 5 wireless access control points, temperature monitoring system for the back-flow preventer and the port runner console within the new main building during the Lewiston Phase 2 Construction Project.
- Integrated auto resetting, swing away flanges in existing gates at the Whirlpool Bridge.
- Integrated fiber optic treadle in Queenston Toll Lane #2 and continue to assess its reliability.
- Replaced the core network at Rainbow Canada and added 5 wireless access points to improve equipment portability.
- Evaluated existing Border Wait Time technology for the Whirlpool Rapids Bridge.
- Assisted with relocating staff to alternate work locations and supported remote users with technical issues.
- Initiated monthly cyber phishing campaign with automated remedial training as part of Cyber Security protocols.
- Implemented new point of sale credit card terminals at Queenston and Rainbow toll lanes.

Employee Relations

- Employee wellness and health training continues to be provided to staff through the Commission's learning management system.
- A human resources information system upgrade was begun that will streamline payroll, recruitment, onboarding, performance management, scheduling processes, and analytics.

PARTNERSHIPS

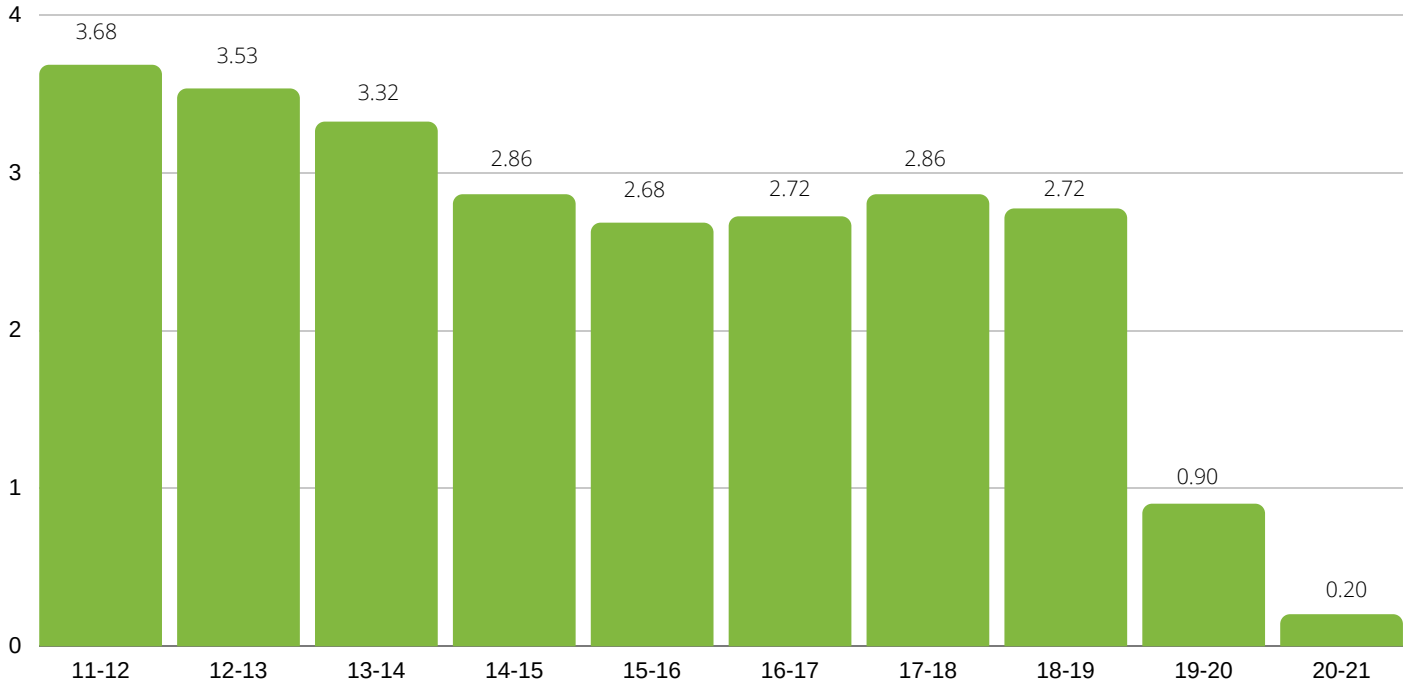
- Participated in the Parliamentary Assistant Roundtable on Transportation in the Greater Golden Horseshoe to plan traffic through 2050.
- Met with various representatives at the federal, state/provincial and local levels to ensure they understood our operations and the impact of the COVID cross border restrictions.
- Joined the Canada Border Services Agency (CBSA) Cross-Border Transportation Resiliency Study Team. The goal of the team was to gain a better understanding of the associated physical infrastructure, the nature of the goods moved, hazards and cascading impacts, and existing and potential mitigating procedures to ensure the bi-directional flow of goods across the international border between New York State and the Provinces of Ontario and Quebec.
- Planned upcoming capital project opportunities with our partners at CBP and General Services Administration and with local representatives.
- Worked with CBSA on digital radio deployment.
- Worked with CBP on Z-Portal and rapid scan deployment.
- Participated in the United States – Canada Transportation Border Working Group Plenary.
- Worked with CBSA, Canadian Armed Forces, Public Health Agency of Canada, and Red Cross to set up temporary facilities at the Rainbow Canada and Queenston Plazas to perform mandatory testing for returning Canadian citizens.
- Added 2 NFBC video workstations to CBSA and upgraded remaining workstations with equipment furnished by CBSA.
- Assisted New York State Department of Transportation on Niagara Street traffic study near Rainbow Bridge.
- Participated in the Ontario Power Generation Dam Safety Emergency Preparedness and Response table top.



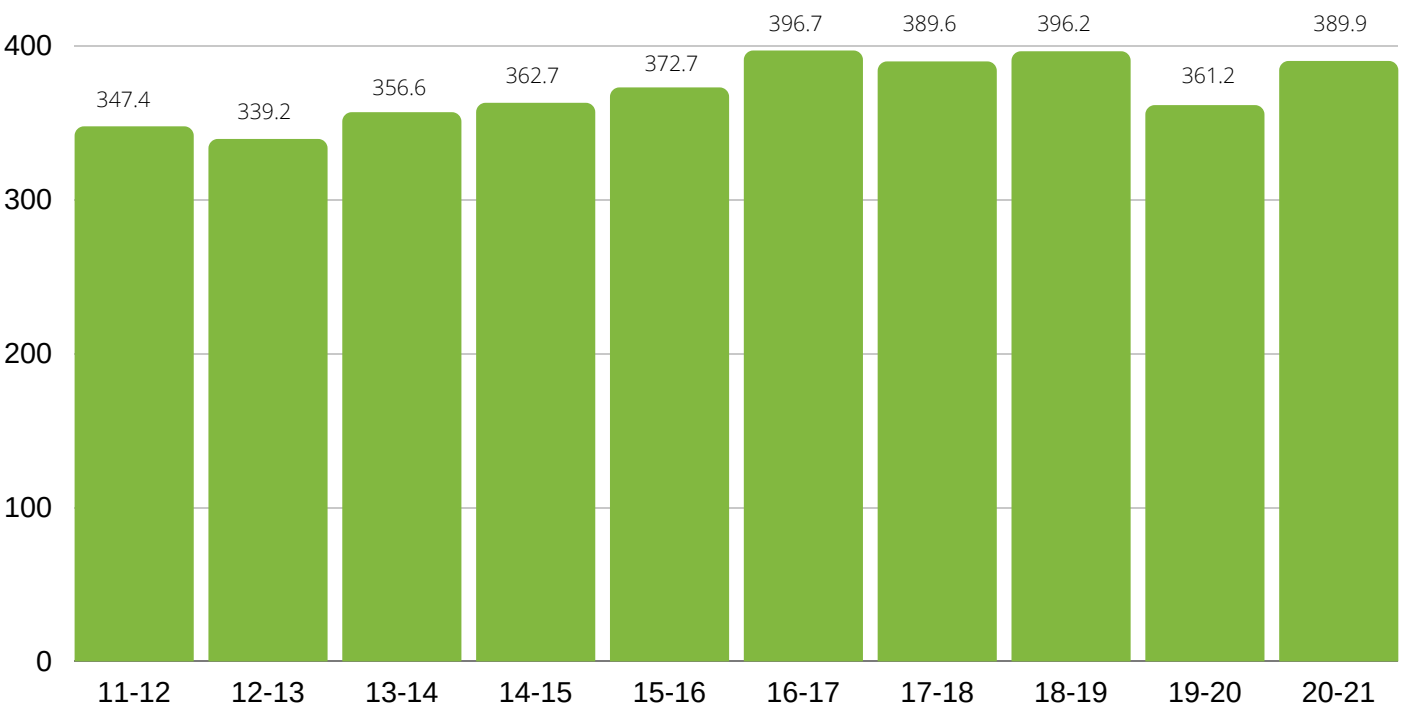
In November 2021, the Niagara Falls Bridge Commission hosted the Mayors of Niagara Falls, New York and Ontario in the center of the Rainbow Bridge as they formally expressed their support for a clean water infrastructure for the Niagara River.

TRAFFIC STATISTICS

10 YEAR WEST-BOUND AUTO TRAFFIC IN MILLIONS



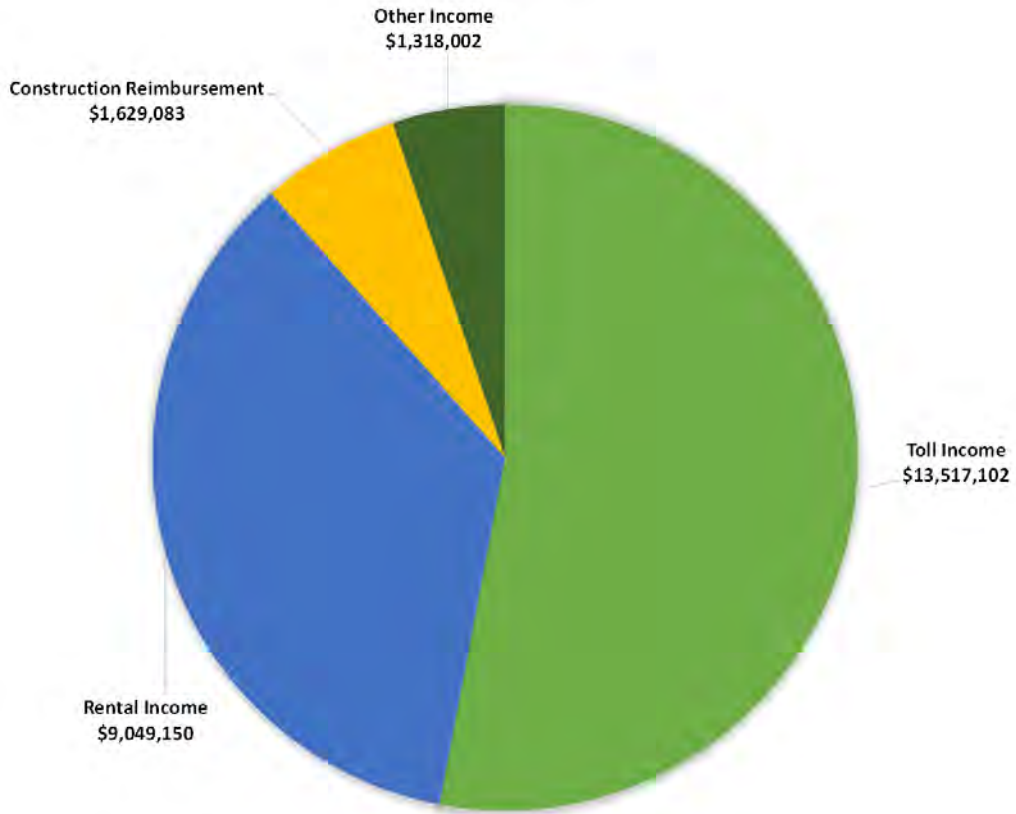
10 YEAR WEST-BOUND COMMERCIAL TRUCK TRAFFIC IN THOUSANDS



FINANCES

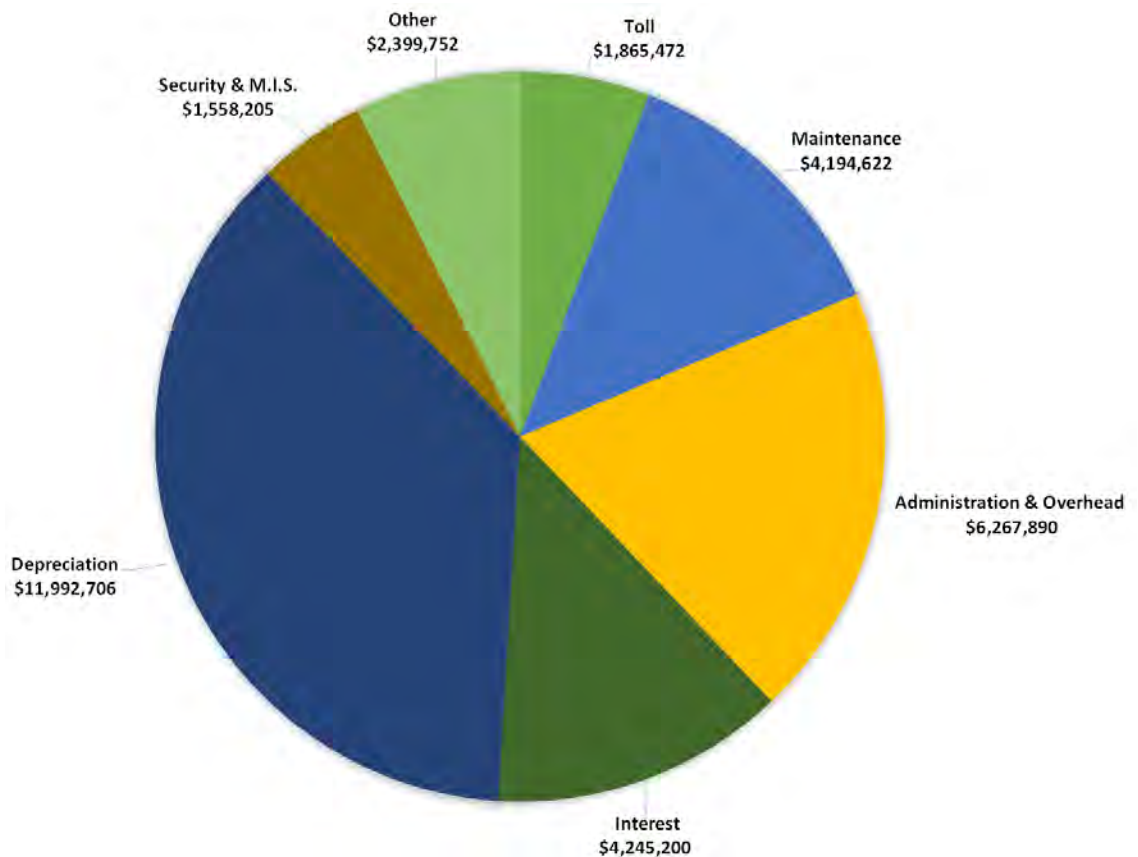
INCOME

Total \$25,513,337



EXPENSES

Total \$32,523,847



STATEMENTS OF FINANCIAL POSITION
 OCTOBER 31, 2021 AND 2020

	2021	2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 20,772,423	\$ 25,722,100
Accounts receivable, net	1,597,061	2,448,200
Current portion of promissory notes receivable	128,721	-
Prepaid expenses	469,045	458,386
Investments	16,645,125	34,038,745
TOTAL CURRENT ASSETS	39,612,375	62,667,431
NONCURRENT ASSETS:		
Promissory notes receivable	1,805,445	-
Investments	47,762,949	44,306,410
Land, bridges, buildings and equipment, net	299,634,566	297,147,607
Construction in progress - 30 year plan	80,345,022	64,190,993
Construction in progress - other	4,712,448	2,704,152
TOTAL ASSETS	\$ 473,872,805	\$ 471,016,593
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of bonds payable, net	\$ 2,325,000	\$ 2,240,000
Current portion of postretirement benefit obligation	1,034,450	1,006,350
Accounts payable	5,804,187	9,227,203
accrued wages and related withholdings	1,072,711	1,134,797
Other accrued expenses	1,887,916	1,379,806
Bond interest payable	347,229	354,361
Deferred income	980,067	943,112
TOTAL CURRENT LIABILITIES	13,451,560	16,285,629
NON CURRENT LIABILITIES		
Postretirement benefit obligation	30,807,594	28,083,513
Bonds payable, net	97,596,386	99,881,586
TOTAL LIABILITIES	141,855,540	144,250,728
NET ASSETS WITHOUT DONOR RESTRICTION		
Revenue	2,537,871	1,262,284
Operation	(33,688,719)	(31,728,684)
General	51,610,322	54,494,413
Renewal and replacement	(2,341,840)	(2,017,562)
Debt sinking	3,832,597	3,824,832
Construction	304,153,916	308,477,178
	326,104,147	334,312,461
Cumulative effect of foreign currency translation	5,913,118	(7,546,596)
Total net assets without donor restriction	332,017,265	326,765,865
TOTAL LIABILITIES AND NET ASSETS WITHOUT DONOR RESTRICTION	\$ 473,872,805	\$ 471,016,593

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
 FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020

	2021	2020
REVENUES:		
Toll income	\$ 13,517,102	\$ 14,241,317
Rental income	9,049,150	7,890,897
Construction reimbursement	1,629,083	6,176,158
Investment income, net	1,231,471	1,880,827
Miscellaneous	86,531	101,820
TOTAL REVENUES	25,513,337	30,291,019
EXPENSES:		
Administration and overhead	6,267,890	6,734,398
Maintenance	4,194,622	4,757,643
Toll	1,865,472	1,876,709
Management information systems	765,689	897,722
Security	792,516	751,010
Postretirement	2,359,952	1,888,023
Depreciation	11,992,706	11,645,184
Interest on indebtedness	4,245,200	4,325,556
Amortization of bond financing expenses	39,800	39,791
TOTAL EXPENSES	32,523,847	32,916,036
CHANGE IN NET ASSETS BEFORE UNREALIZED GAIN (LOSS) ON INVESTMENTS AND CHANGE IN FOREIGN CURRENCY TRANSLATION	(7,010,510)	(2,625,017)
UNREALIZED GAIN (LOSS) ON INVESTMENTS	(1,197,803)	1,119,984
CHANGE IN FOREIGN CURRENCY TRANSLATION	13,459,713	(2,273,316)
CHANGE IN NET ASSETS	5,251,400	(3,778,349)
NET ASSETS WITHOUT DONOR RESTRICTION - beginning of year	326,765,865	330,544,214
NET ASSETS WITHOUT DONOR RESTRICTION - end of year	332,017,265	326,765,865

CDN CONVERTED TO USD AND COMBINED WITH USD

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