



# 2 0 1 1 A N N U A L R E V I E W

# ABOUT THE NFBC

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Marking its 74th year, the Niagara Falls Bridge Commission is the bi-national entity that owns, maintains and operates the Lewiston-Queenston, Rainbow and Whirlpool-Rapids Bridges. A Joint Resolution of the 1938 U.S. Congressional Third Session and subsequent amendments created the Niagara Falls Bridge Commission (NFBC) as it currently is constituted. The NFBC is licensed to operate by the Extra Provincial Corporations Act of the Province of Ontario, Canada.

The Commission is comprised of an eight-member Board consisting of four United States and four Canadian representatives. The United States 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 their respective office for one year until the next annual meeting.

Initially established to finance, construct and operate the Rainbow Bridge, the Commission, because of its efficient and effective management of that bridge, assumed responsibilities for the Whirlpool-Rapids (Lower Arch) and Lewiston-Queenston Bridges.

With the exception of one-time capital contributions from Canada and Ontario for the fifth lane on the Lewiston-Queenston Bridge and from Canada for the new Canada Border Services Agency facilities at Queenston, the Niagara Falls Bridge Commission does not use taxpayer dollars and operates solely through the collection of tolls as well as private and public-sector tenant leases. The Niagara Falls Bridge Commission builds and maintains all facilities for Customs and Immigration functions on both sides of the international border. 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 under its auspices.

*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 Commission's 2011 audited financial statements.*

# 2011 BOARD OF COMMISSIONERS



PATRICK D. BROWN - Chairperson



MICHAEL J. GOODALE - Vice Chairperson



THOMAS G. PRYCE - Treasurer



ERNEST K. SMITH - Secretary



LINDA M. DIPASQUALE



JANICE A. THOMSON



NORMA I. HIGGS



KENNETH E. LOUCKS



## OUR MISSION

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

## OUR VISION

The Niagara Falls Bridge Commission is a unique self-financing, bi-national, public benefit organization, which delivers superior cross border value to its stakeholders.

# NIAGARA CROSSINGS



## WHIRLPOOL RAPIDS (LOWER ARCH) BRIDGE

The oldest of the three spans under the auspices of the Niagara Falls Bridge Commission, the Whirlpool-Rapids Bridge was opened 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.

The Whirlpool-Rapids Bridge is a NEXUS only crossing, providing passenger vehicles enrolled in the NEXUS "trusted traveler" program a quick and easy crossing, averaging less than a minute. 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.

Since 2008, the Niagara Falls Bridge Commission has invested \$24 million to re-paint the Whirlpool-Rapids Bridge and repair structural steel deficiencies to ensure its continued longevity.

Rock stabilization in the gorge was completed in 2011.



## LEWISTON-QUEENSTON BRIDGE

The Lewiston-Queenston Bridge has the 5th highest volume of commercial traffic between Canada and the United States. Millions of dollars in trade value cross over the bridge each hour, representing thousands of jobs for both countries.

Built in 1962, the bridge spans 370 feet above the Niagara River and measures 1,600 feet long, and features five reversible lanes. 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.

# NIAGARA CROSSINGS



## **LEWISTON-QUEENSTON BRIDGE ...continued**

Phase One of the reconstruction of the Canadian Plaza of the Lewiston-Queenston Bridge has been completed at the cost of \$49 million. The footprint of the entire plaza, a new toll house, and five new commercial inspection lanes were constructed.

Phase Two of the reconstruction of the Canadian Plaza, a \$78 million investment in new Canada Food Inspection Agency and Canada Border Services Agency facilities, including ten new primary vehicle inspection booths, is now substantially complete.

Phase Three is currently underway which includes a new Duty Free Store, Currency Exchange, public washrooms, road reconfiguration and landscaping.

## **RAINBOW BRIDGE**

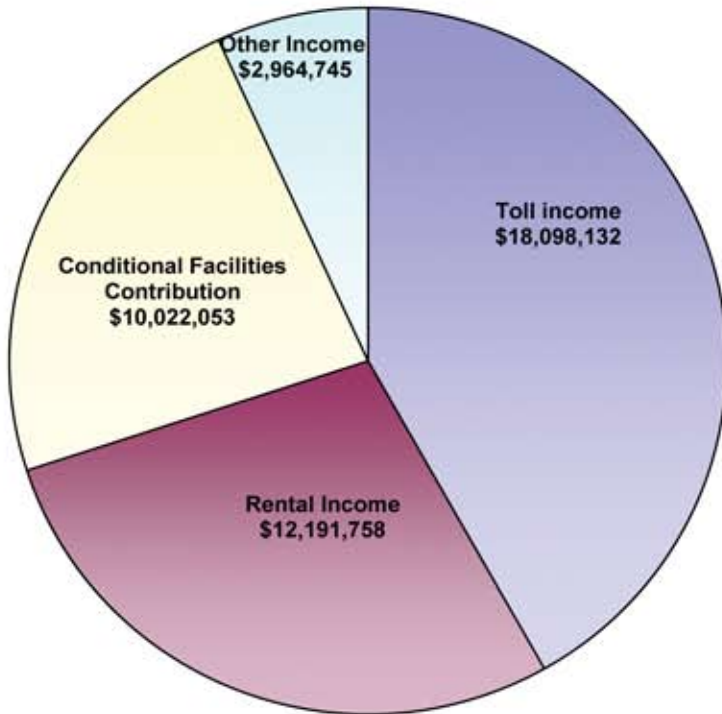
Opened in 1941, just 1,000 feet downriver from the American Falls, the Rainbow Bridge continues to be a major tourism gateway between Canada and the United States, generating tens of millions of dollars of activity on both sides of the border. Offering 18 traffic lanes in New York and 16 in Ontario to facilitate 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 deck of the Rainbow Bridge is approximately 202 feet above the Niagara River. It is 1,450 feet long with two, two laned twenty-two foot roadways. In the late 1990's both bridge plazas were completely redesigned and rebuilt and their approaches widened to increase the efficient movement of traffic on the bridge. This work was completed in 2000 at a cost of \$72 million. Annual maintenance in 2011 included repaving of the U.S. Plaza, installation of perimeter security fencing in conjunction with U.S. General Services Administration, and rock stabilization in the gorge.

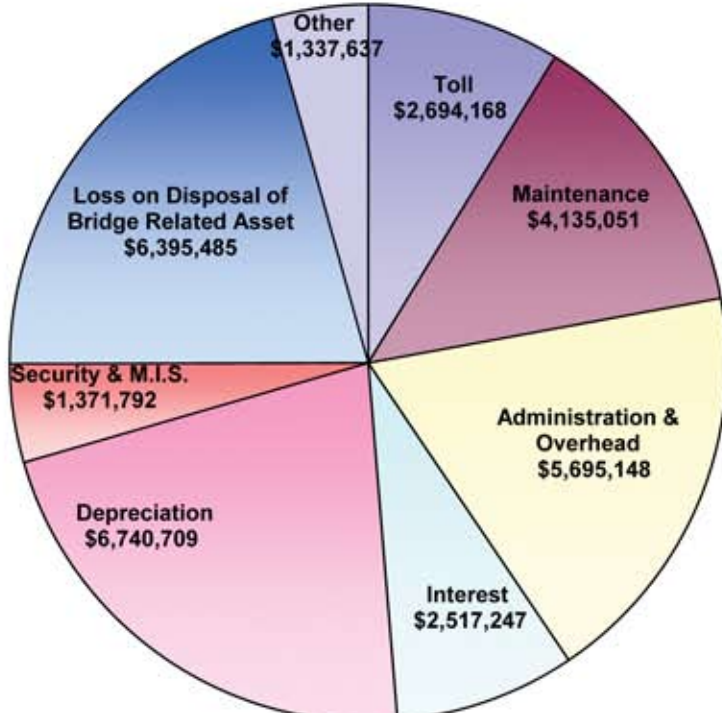
# YEAR IN REVIEW HIGHLIGHTS

## FINANCIAL OVERVIEW EXHIBIT A

2010-2011 Income



2010-2011 Expenses



### Substantial Completion of Phase II, Queenston Plaza:

Work on Phase II of the Queenston Port of Entry was substantially completed in 2011 and included:

- A modern two storey 10,313 Sq. M. (110,000 Sq. Ft.) Canada Border Services Agency administration and processing facility.
- A new 568 Sq. M. (6,100 Sq. Ft.) Canadian Food Inspection Agency inspection facility.
- Ten new primary vehicle inspection booths.
- State of the art motor coach passenger inspection facilities.
- 2,271 Sq. M. (24,445 Sq. Ft.) of newly designed secondary inspection area.
- Addition of a new, designated NEXUS lane.



Minister of Justice & Attorney General of Canada Rob Nicholson joins the NFBC Commissioners and General Manager at the Opening of Phase II of the Queenston Plaza on January 27, 2011.

### Initiation of Work on Phase III, Queenston Plaza

Work on Phase III began in the Fall of 2011 and includes:

- A new Duty Free Store
- A new Currency Exchange and public washrooms
- A Pedestrian Bridge connecting Phase II to Phase III
- Removal of the old Duty Free Store
- Civil works, road realignment and landscaping.

# YEAR IN REVIEW HIGHLIGHTS



## Lewiston Plaza-Initiation of Design

Similar to the Queenston Plaza, the Lewiston Port of Entry was also built in the early 1960's and is outdated and in need of replacement. New facilities are necessary to increase security, the safety of officers and expedite the flow of passengers and goods by segmenting traffic into specialized services for efficient processing at modern facilities. Replacement of the Lewiston Plaza is the next major capital project for the Niagara Falls Bridge Commission. Application was made to the U.S. General Services Administration in 2009 for funding. The Commission was subsequently advised that funding would not be forthcoming in the foreseeable future. After reviewing its Mission and the impact that the outdated facility is having on the efficient movement of goods and people, the Board of Commissioners allocated \$50 million to modernize and rebuild the most critical aspects of the port of entry. The Architects/Engineers have been selected and workshops on port design began in late January in anticipation of the initiation of construction work in late Spring 2013.

## ExpressPass Commercial

In 2011, significant advancement was made in electronic toll collection by the addition of ExpressPass Commercial. ExpressPass Commercial is an electronic toll system that allows commercial truck drivers to use NFBC issued Radio Frequency Identification (RFID) devices to pay toll at unmanned toll booths at the Lewiston-Queenston Bridge. Fifty-five percent (55%) of the commercial trucking that crosses the Lewiston-Queenston Bridge is utilizing the system. ExpressPass Commercial is being very favorably received by both the companies and their drivers.

## Beyond the Border Initiative

On February 4, 2011, Prime Minister Stephen Harper and President Barack Obama issued a Declaration on a Shared Vision for Perimeter Security and Economic Competitiveness.

Canada and the United States will develop a joint action plan that will set out a range of initiatives in areas of cooperation to promote security and support trade and economic growth. This initiative has the potential to increase economic activity and trade across NFBC's international crossings by increasing efficiencies, reducing wait times and facilitating the movement of goods and people. The NFBC will continue to work with both United States and Canadian government departments and agencies to implement the Beyond the Border initiatives as expeditiously as possible.



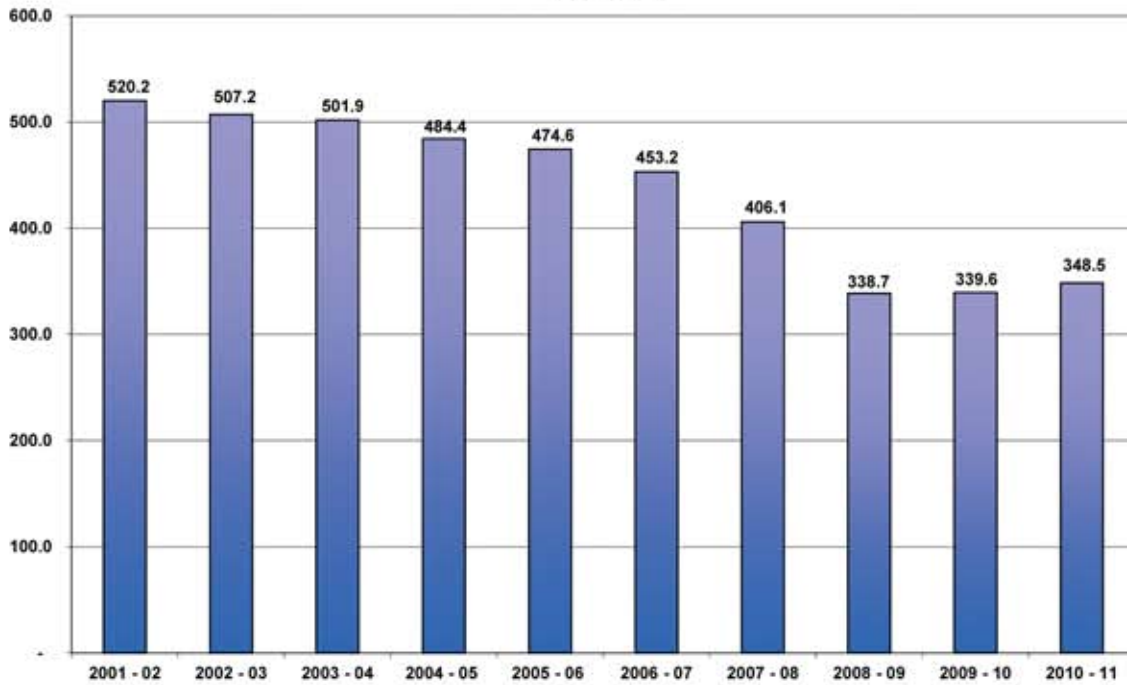
The Niagara Falls Bridge Commission will donate \$62,000 US and \$62,000 CDN in 2012 to various not-for-profit organizations in local communities adjacent to the Commission's three bridges such as Artpark, Shaw Festival, Lewiston Jazz Festival, Friends of Fort George and the Historical Association of Lewiston.

*Featured in picture: Chairperson Pat Brown joins representatives from the Historical Association of Lewiston, Friends of Fort George, and the Niagara 1812 Bicentennial Legacy Council following check presentations to each organization. The Commission has provided a combined total of \$70,000 to these organizations in support of War of 1812 Bicentennial celebrations.*

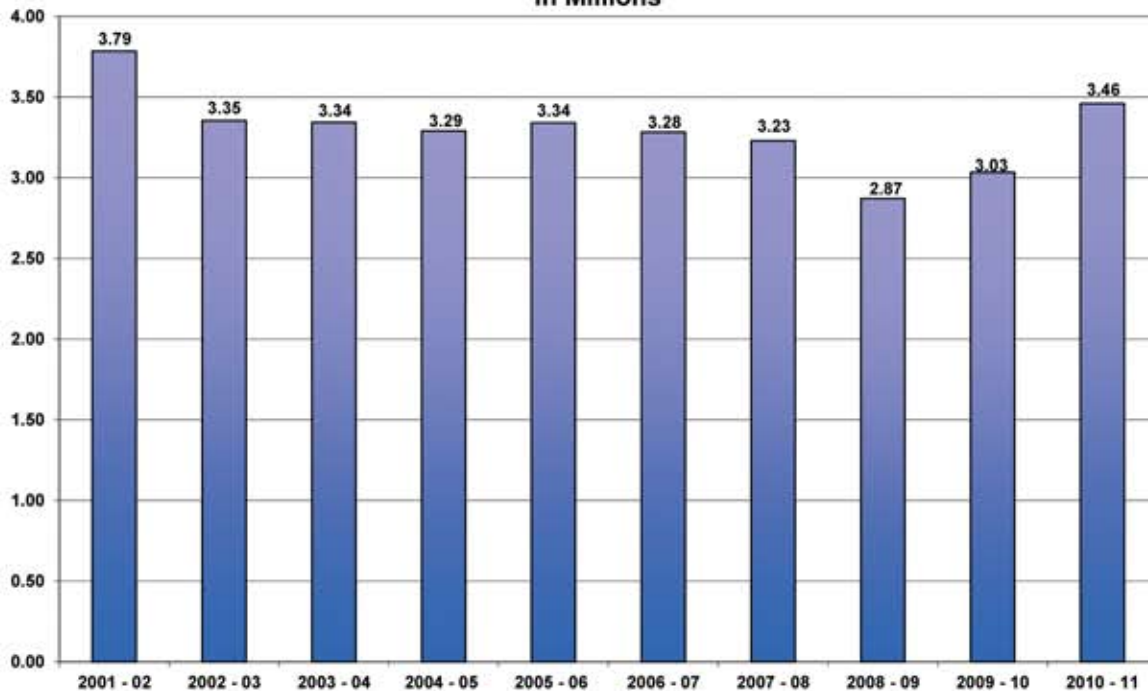
# YEAR IN REVIEW HIGHLIGHTS

## FINANCIAL OVERVIEW EXHIBIT B

10 Year West-Bound Truck Traffic  
In Thousands



10 Year West-Bound Auto Traffic  
In Millions





# YEAR IN REVIEW HIGHLIGHTS



## Rock Stabilization in the Niagara Gorge

Annual inspections by NFBC's consulting engineers revealed several areas of concern at each of the bridgeheads including undercut and/or fractured stone blocks at the top of the cliff, masses of loose stone blocks in various locations in the cliff face, and several large slabs of rock separated from the cliff face by open joints. Following review and analysis of existing conditions, a corrective action plan was implemented at five bridgeheads to avoid potential damage to the concrete bridge piers and steelwork and reduce the threat to the safety of Commission maintenance employees, annual inspection personnel, and workers conducting remedial actions and security monitoring. Remedial work included scaling, rock removal, rock bolting, shotcrete injection and fencing above the Lewiston-Queenston, Whirlpool and Rainbow Bridge foundations in the Niagara Gorge and was completed in 2011.

## Traffic Volume

Traffic volumes declined significantly in 2008 and did not improve for 2009 and the better part of 2010. This was mainly attributable to a less than favorable economic climate. In 2011, with the strengthening economy, passenger vehicle traffic volumes increased by 14.6% and commercial vehicle traffic increased by 2.6%.

## NIAGARA FALLS BRIDGE COMMISSION SCHOLARSHIP WINNERS

The NFBC awards two scholarships annually to dependents of Commission employees. The candidate must be entering the freshman year of an accredited post-secondary program, and is awarded based on scholastic standing, achievements and extracurricular activities.

*Featured in picture (left to right): NFBC Chair Pat Brown, scholarship winner Douglas Decker, scholarship winner Brandon Comerford, NFBC Vice Chair Mike Goodale.*



## In Memoriam - Paul E. Lewis, BA, MA, MLS, CD



On November 30, 2011, the Niagara Falls Bridge Commission lost a dedicated and energetic archivist, writer and colleague. Paul E. Lewis was a remarkable man whose legacy will live on through his accomplishments and through the many lives that he has touched. He was one of those rare individuals who went out of his way to help others.

Mr. Lewis was a passionate educator and had a long and prestigious career with Ridley College. He began volunteering his time to the Niagara Falls Bridge Commission in 2004, and was the driving force in the establishment of the Commission's archives. Thanks to his dedication, the historical records and artifacts of the Bridge Commission and its predecessor companies have been appropriately preserved. He also wrote several books pertaining to the history of the Niagara Region, including one he researched while working in the Niagara Falls Bridge Commission's archives, entitled "Niagara's Gorge Bridges".

The Niagara Falls Bridge Commission will remain forever grateful to Paul E. Lewis for his service and dedication in preserving the Commission's history.

**NIAGARA FALLS BRIDGE COMMISSION****STATEMENTS OF FINANCIAL POSITION  
OCTOBER 31, 2011 AND 2010**

<b>ASSETS</b>	<b>2011</b>	<b>2010</b>
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 10,941,449	\$ 5,803,403
Accounts receivable	939,773	6,261,143
Prepaid expenses	273,608	364,767
Investments	8,687,374	6,157,718
Total current assets	<u>20,842,204</u>	<u>18,587,031</u>
<b>NONCURRENT ASSETS:</b>		
Investments	66,228,531	66,477,471
Land, bridges, buildings and equipment, net	246,158,626	205,746,399
Construction in progress - 30 year plan	673,591	906,821
Construction in progress - other	77,075,615	106,715,969
Total assets	<u>\$ 410,978,567</u>	<u>\$ 398,433,691</u>
<b>LIABILITIES AND UNRESTRICTED NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of bonds payable	\$ 5,780,000	\$ 5,495,000
Current portion of postretirement benefit obligation	253,869	246,781
Accounts payable	7,686,563	8,915,307
Accrued wages and related withholdings	1,092,105	1,040,325
Other accrued expenses	173,427	393,647
Bond interest payable	187,734	211,774
Deposits payable	-	35,592
Deferred income	988,362	893,878
Total current liabilities	<u>16,162,060</u>	<u>17,232,304</u>
<b>NONCURRENT LIABILITIES:</b>		
Postretirement benefit obligation	15,394,638	14,223,299
Bonds payable, net	43,111,584	48,641,369
Total liabilities	<u>74,668,282</u>	<u>80,096,972</u>
<b>UNRESTRICTED NET ASSETS:</b>		
Revenue	813,873	753,430
Operation	(15,797,842)	(14,588,489)
General	42,913,227	38,407,853
Renewal and replacement	(3,424,906)	(2,141,875)
Debt sinking	5,505,096	5,999,138
Construction	247,843,282	237,082,349
	<u>277,852,730</u>	<u>265,512,406</u>
Cumulative effect of currency translation	58,457,555	52,824,313
Total unrestricted net assets	<u>336,310,285</u>	<u>318,336,719</u>
Total liabilities and unrestricted net assets	<u>\$ 410,978,567</u>	<u>\$ 398,433,691</u>

## NIAGARA FALLS BRIDGE COMMISSION

### STATEMENTS OF ACTIVITIES AND CHANGES IN UNRESTRICTED NET ASSETS FOR THE YEARS ENDED OCTOBER 31, 2011 AND 2010

	2011	2010
<b>REVENUES:</b>		
Toll income	\$ 18,098,132	\$ 16,286,038
Rental income	12,191,758	11,063,693
Conditional facilities contribution	10,022,053	32,167,980
Investment income	2,836,931	3,986,113
Miscellaneous	127,814	188,896
Total revenues	<u>43,276,688</u>	<u>63,692,720</u>
<b>EXPENSES:</b>		
Administration & Overhead	5,695,148	4,999,512
Maintenance	4,135,051	3,463,740
Toll	2,694,168	3,158,871
Management information systems	818,557	796,273
Security	553,235	503,492
Post Retirement	1,087,423	979,233
Depreciation	6,740,709	5,753,370
Interest on indebtedness	2,517,247	1,336,290
Amortization of bond financing expenses	250,214	244,365
Loss on disposal of asset	6,395,485	-
Total expenses	<u>30,887,237</u>	<u>21,235,146</u>
CHANGE IN UNRESTRICTED NET ASSETS BEFORE UNREALIZED GAIN ON INVESTMENTS AND CHANGE IN FOREIGN CURRENCY TRANSLATION	12,389,451	42,457,574
UNREALIZED GAIN ON INVESTMENTS	(49,126)	143,070
CHANGE IN FOREIGN CURRENCY TRANSLATION (See Note 2)	<u>5,633,241</u>	<u>10,326,916</u>
CHANGE IN UNRESTRICTED NET ASSETS	17,973,566	52,927,560
UNRESTRICTED NET ASSETS - beginning of year	<u>318,336,719</u>	<u>265,409,159</u>
UNRESTRICTED NET ASSETS - end of year	<u>\$ 336,310,285</u>	<u>\$ 318,336,719</u>



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