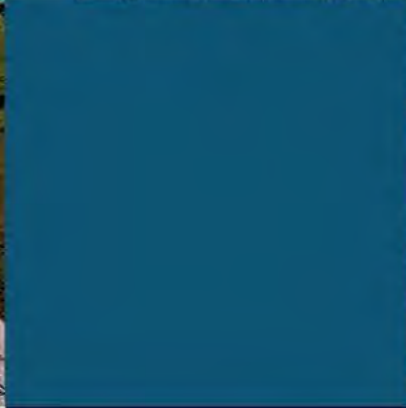
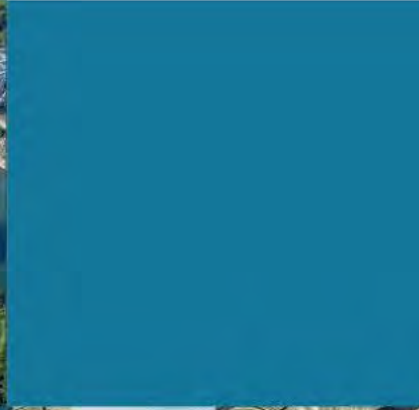




Ponts
JACQUES CARTIER +
CHAMPLAIN
Bridges
Canada



ANNUAL REPORT

20²⁰₂₁

JCCBI's Network

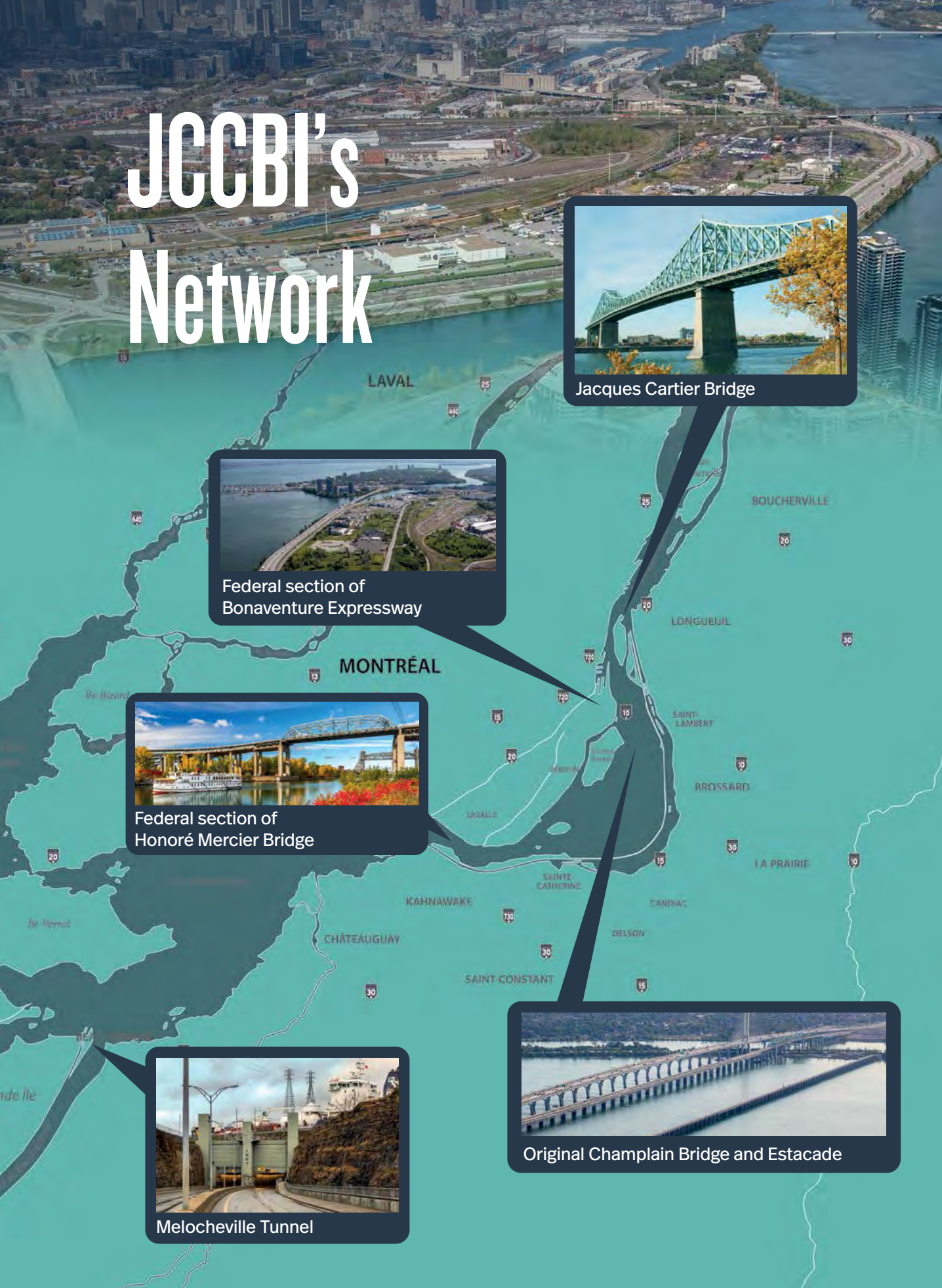


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About this Report

The Corporation is committed to providing transparent information about its activities and investments. This Annual Report covers the fiscal year from April 1, 2020 to March 31, 2021. It was reviewed and approved by the Board of Directors.

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SECTION 1

At a Glance

The Corporation

As a manager of major infrastructure, The Jacques Cartier and Champlain Bridges Incorporated (JCCBI) is a federal Crown corporation established in 1978 that is responsible for the Jacques Cartier Bridge, the original Champlain Bridge, the Champlain Bridge Estacade, the Île des Sœurs Bypass Bridge, the federal sections of the Bonaventure Expressway and the Honoré Mercier Bridge, as well as the Melocheville Tunnel.

The Corporation manages, maintains, and repairs these important Greater Montreal structures to ensure the safe passage of thousands of users every day. The Corporation also ensures that these critical structures remain safe, fully functional and aesthetically pleasing for both today and tomorrow. It conducts planning, carries out construction, repair and reinforcement projects, and oversees operations and maintenance for the infrastructure under its responsibility.



Left to right : Samuel De Champlain Bridge, the original Champlain Bridge and Estacade

Mission

Ensure user mobility, safety, and infrastructure longevity using a systemic management approach based on sustainable development.

Vision

Become a leader in major infrastructure management as an innovative expert, a mobility leader and a social and urban contributor.

Values

- + Team work
- + Transparency
- + Thoroughness
- + Innovation
- + Commitment

A Few Figures

6

key structures in the Greater Montreal area

6.4

km of dedicated active mobility paths

190

people on its multidisciplinary team

191.9

million dollars invested in 2020-2021 in major work

67,782

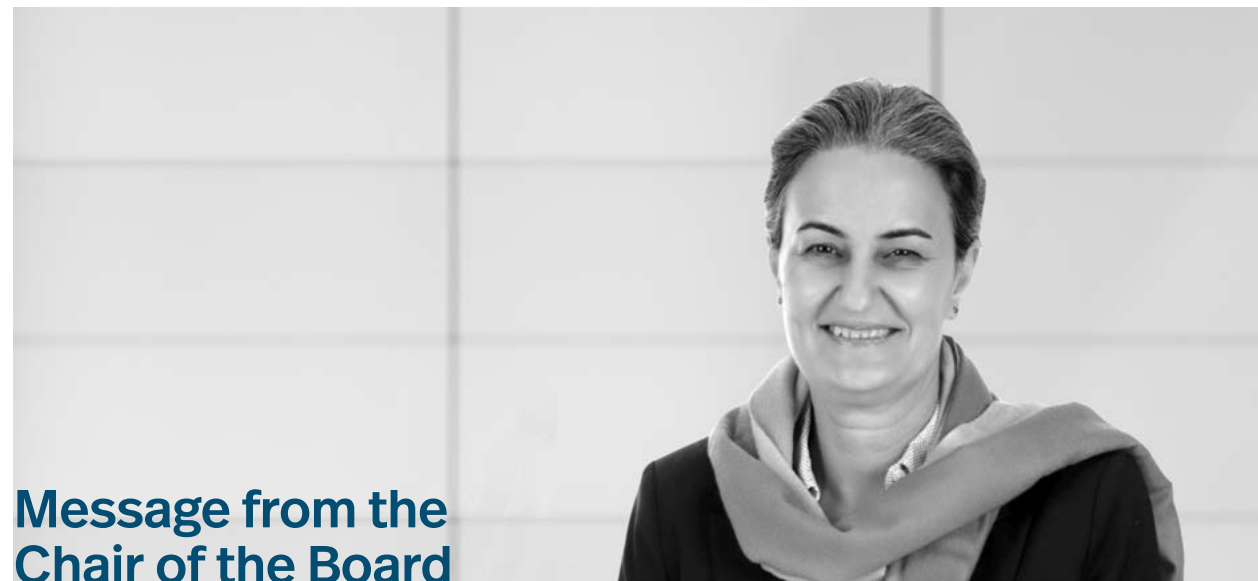
subscribers to its digital platforms



The original Champlain Bridge (left) and Samuel De Champlain Bridge (right)

SECTION 2

Messages from Senior Management



Message from the Chair of the Board of Directors

During the 2020-2021 fiscal year, the Corporation made significant investments totalling \$191.9 million despite the impacts from the COVID-19 pandemic and the seven-week construction shutdown in spring 2020. In the year's first quarter, JCCBI signed the design-build contract with Nouvel Horizon St-Laurent G.P. for the deconstruction of the original Champlain Bridge after conducting a rigorous and transparent procurement process. In addition to this unique project, our teams helped advance and complete many maintenance, improvement and repair projects involving other structures managed by JCCBI.

Mr. Paul T. Kefalas, who served as Chairman of the Board of Directors for the Corporation for 12 years, stepped down at the end of his term of office

on November 6, 2020. On behalf of our entire organization, I want to acknowledge the exceptional contribution of Mr. Kefalas who, since 2008, has inspired the entire JCCBI team through his remarkable commitment, sense of discipline, and strategic vision.

After his departure, it was with great humility and pride that I agreed to take over as Chair of the Board of Directors, of which I have been a member since 2017. On December 18, 2020, the Board also welcomed new member Ms. Lesley Antoun for a three-year term.

Throughout the year, the Board of Directors and its committees continued to prioritize the effective management of organizational risks, particularly by monitoring projects and initiatives led by the executive team. Managing major

and aging infrastructure in the Greater Montreal area poses many challenges, and we saw how skillfully JCCBI's team was able to fulfill its mission.

In my name and on behalf of the Board, I would like to thank Chief Executive Officer Sandra Martel, the Corporation's management team, and its staff for all the hard work and expertise they put into getting through this exceptional year. I would also like to acknowledge the support and trust in our organization of the Honourable Catherine McKenna, Minister of Infrastructure and Communities, without which our projects would not be possible. Finally, I cannot fail to mention our partners whose contributions to our projects are so important and valuable.

Catherine Lavoie, Eng.
Chair of the Board of Directors



Message from the Chief Executive Officer

The year 2020-2021 was marked by the start of the impressive project to deconstruct the original Champlain Bridge. As early as July 2020, Nouvel Horizon St-Laurent G. P. began work on Nuns' Island, and in the fall, virtual public meetings were held to let the public learn more about this project.

A look back at the past year must include mention of the COVID-19 pandemic, which forced us to review our operations given that, overnight, almost all staff had to start working remotely. Our employees have worked hard to keep up our operations, review procedures and contract clauses, implement important health measures, provide technical support to everyone, continue our repair and maintenance program, while ensuring mobility for all users.

Many projects on the infrastructure that JCCBI manages have also helped with the economic recovery during the pandemic. In addition to the paving program, the steel reinforcement and

protection programs continued on the Jacques Cartier Bridge. The winter operation of the multipurpose path and sidewalk became a reality, thus expanding the Corporation's active mobility services. A number of repairs were carried out on the Bonaventure Expressway, and we are currently planning the reconstruction of this corridor. The steel-structure maintenance and pier-repair programs on the federal section of the Honoré Mercier Bridge are advancing well in close cooperation with the Mohawk community of Kahnawà:ke. Finally, inspection and maintenance work continued throughout our network, enhanced by research projects to improve our knowledge and promote the adoption of best practices.

While our staff chose *adaptation* as the word of the year, I would add the words *pride* and *success* since, in addition to all the work we were able to carry out, we also invested a total of \$191.9 million in our infrastructure, which represents our best perfor-

mance in three years. I also want to thank all of our partners who work hand in hand with us to constantly and effectively serve users, whether by sharing their expertise or various professional services or by carrying out the work itself.

For these reasons and so many others, I am proud of the JCCBI team and the many things we have accomplished as we implemented the first year of our Strategic Plan: Destination 2024. I also want to acknowledge all of the effort deployed, challenges overcome, and creative and innovative ideas put forward by our staff during this unprecedented year. I thank each and every one of them for putting their commitment, perseverance and talent to the service of the Corporation and the public. Finally, I would like to recognize the support of the members of the Board of Directors, which we highly value and appreciate. Thanks to this extraordinary team, we are very excited to embark on our future projects.

Indeed, together we can go further!

Sandra Martel, Eng.
Chief Executive Officer

Honoré Mercier Bridge South approaches



SECTION 3

Infrastructure

The five axes of JCCBI's activities

The Corporation has revamped its Annual Report by including in this section the highlights for each structure including major work and advances related to mobility, innovation, environmental protection and social involvement.



An Unprecedented Event

The global COVID-19 pandemic marked the year 2020 and affected construction work, which was shut down from March 24 to May 11, 2020. This is mainly why the Corporation did not hold its annual media briefing in spring 2020. Once work resumed, contracts totalling over \$70 million were launched or resumed, allowing hundreds of employees to return to work thanks to new occupational health and safety measures in place.

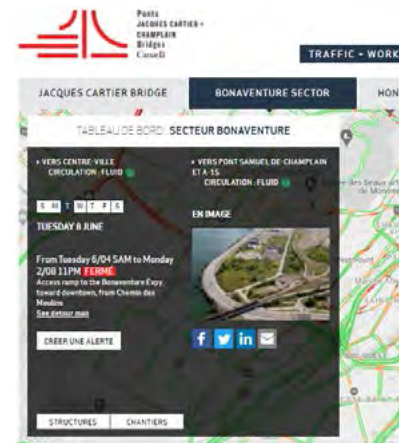


Mobility Leader

Work planning - As a key mobility partner in the Greater Montreal area, JCCBI has continued its efforts to mitigate the impact of its work on traffic flow. The Corporation implemented detailed planning and measures to optimize work from the river or shoreline.



Mobility Montréal - JCCBI is an active member of Mobility Montréal, which includes about twenty partners from the public and private sectors. Since 2011, this body has been coordinating work and different mitigation measures for major projects in the Montreal region. JCCBI sits on four of Mobility Montréal's committees: technical, communications, advisory and steering.



Mobility communications - The Corporation continued its communication efforts to inform the public about work and traffic hindrances on its network by issuing advisories and updating its website, which also provides access to live traffic camera feeds. By following the Corporation on Twitter or signing up for email alerts, road users and active mobility enthusiasts can get real-time information about all structures managed by JCCBI.

Innovative Expert

Innovation is a part of JCCBI's DNA. Since 2016, its Research and Applications Division (RAD) has been overseeing projects regarding methods and materials that improve infrastructure sustainability. JCCBI is also firmly committed to adopting a learning organization approach to encourage all employees to strive to find creative solutions.

Innovative use - In collaboration with AluQuébec, the RAD is conducting an experimental study on the use of aluminum to construct lightweight structures in keeping with the load-bearing capacity of existing bridges. One goal of this study is to help JCCBI meet its ambition to increase its active mobility services. An actual-scale aluminum gangway was built which will allow the team to evaluate and define the performance of this innovative technology under simulated operating conditions.



Integrated Traffic Management System (ITMS) - To improve traffic flow, JCCBI has acquired an ITMS that will be connected to a fibre optic loop that links the Jacques Cartier Bridge, Bonaventure Expressway, Estacade, and Samuel De Champlain Bridge. Scheduled to start operating in fall 2021, the system will centralize data from various partners and tools, such as sensors and surveillance cameras.

Sharing knowledge - Despite the pandemic, the Corporation continued to promote and share its knowledge and innovations in the sectors of transportation, civil engineering, mobility, and sustainable development. JCCBI's experts helped advance knowledge by sharing with other specialists and professionals at 11 virtual external events.

Environmental Protection

The Corporation is carrying out many simultaneous projects based on the ISO 14001 standard to protect the environment and soundly manage the environmental aspects of all its activities.

- ✦ In accordance with the requirements of the *Impact Assessment Act*, JCCBI reduces the environmental impacts of its projects in particular through mitigation measures.
- ✦ Biodiversity surveys for peregrine falcons, cliff swallows, and bats are underway on its territory.
- ✦ JCCBI is continuing to assess and implement a management plan for the contaminated sites that it manages. This action is meant to secure its positioning for the allocation of grants under the Federal Contaminated Sites Action Plan (FCSAP).
- ✦ In addition to tracking the environmental footprint of its administrative activities, JCCBI is working on a greenhouse gas calculator that also includes the construction, operation and maintenance activities on its structures.

Sustainable development strategy
As a manager of major infrastructure, JCCBI is aware that its activities have a major impact on the community and the environment. Since 2015, JCCBI has used a sustainable development strategy supported by a 2020-2023 action plan that is aligned with the objectives of the Federal Sustainable Development Strategy and those of the United Nations as a framework for its actions.

In fact, the Corporation contributes to 5 of the 13 goals of the Federal Sustainable Development Strategy:

- ✦ Greening government
- ✦ Effective action on climate change
- ✦ Pristine lakes and rivers
- ✦ Connecting Canadians with nature
- ✦ Safe and healthy communities.



To promote JCCBI's priorities and initiatives, a microsite dedicated to sustainable development was added to the corporate website in 2020-2021.

Social and Urban Contributor

Annual Public Meeting - The Corporation held its Annual Public Meeting with a virtual event on November 23, 2020. It also organized other forums for citizen participation, which are detailed below.

Donations and sponsorships - JCCBI continues to support the next generation of engineers and technical presentations and conferences through various partnership agreements. For example, it provided a total of \$12,000 to support activities at the faculties of engineering of Polytechnique Montréal, École de technologie supérieure, McGill University, and Université de Sherbrooke. JCCBI's other sponsorships totalled \$9,500.

A generous team - Once again this year, JCCBI employees showed their generosity with a total contribution of \$9,500 to the Centraide of Greater Montreal campaign in addition to a special corporate donation of \$5,000 to support this organization's efforts during the pandemic. As they have done for several years, JCCBI employees contributed to the year-end drive of L'Entraide Chez Nous to make Christmas baskets for people in need.



MAJOR WORK

\$71.6M

- + Continuation of the steel repair and paint-system replacement program on part of the superstructure
- + Completion of work to repair the pedestals in the Montreal sector and the concrete abutment in the Longueuil sector
- + Start of construction on the new building for the Operations and Maintenance team
- + Repaving on the bridge deck
- + Start of work to manage drainage water and redevelopment of the land under section 8 of the bridge in the Montreal sector

Social and Urban Contributor

Good Neighbourly Relations Committee
 One forum that JCCBI has set up to connect with citizens is the Jacques Cartier Bridge Good Neighbourly Relations Committee. Established in 2017, this committee lets residents and business owners talk with JCCBI experts about major ongoing and upcoming projects on and under the bridge.

Advisory Committee for the Jacques Cartier Bridge Bicycle Path - Since 2017, this committee has brought together partners and interest groups to discuss active mobility issues and projects and to work together to promote safe behaviour.

Other partnerships - JCCBI supports various non-profit organizations that operate near the Jacques Cartier Bridge.

+ Since 2014, the Coop Les Valoristes has set up its mobile collection site under the Jacques Cartier Bridge. Over 2.4 million returnable containers were collected during the 80 days that it operated its depot in 2020.

+ The Corporation has also worked for several years with Spectre de rue, which educates our teams on how to better co-exist with marginalized people so that work can be carried harmoniously on land under the bridge.

+ In this same sector, JCCBI has partnered with Sentier urbain, an organization that engages with local communities in planting and urban agriculture activities.

Rainbow illumination on the bridge - When the pandemic began, the "Ça va bien aller" (It's going to be okay) campaign was reflected in the Jacques Cartier Bridge, which was lit up in rainbow colours every evening from April to August 2020. When students went back to class in September and workplaces gradually reopened, the bridge illumination returned to its usual programming with the addition of a rainbow-lighting animation that played for five minutes every hour.

Jacques Cartier Bridge

Keep the bridge safe and operational until its 150th anniversary by constantly integrating it into its urban environment, promoting alternative transportation, and maintaining traffic flow.

Mobility Leader

Active mobility - For the 2020 season, JCCBI gradually opened its bicycle path network on March 12, 2020 for the Jacques Cartier Bridge multipurpose path and sidewalk and on May 9, 2020 for the Estacade, which is connected to the network of the Société du parc Jean-Drapeau.

A highly anticipated announcement - On August 31, 2020, the Honourable Catherine McKenna, Minister of Infrastructure and Communities, announced at a press conference that the Jacques Cartier Bridge multipurpose path and sidewalk would now be open to users during the winter. The Minister was accompanied by the Honourable David Lametti, Minister of Justice and Attorney General of Canada, the Honourable Steven Guilbeault, Minister of Canadian Heritage, and Ms. Sandra Martel, Chief Executive Officer of JCCBI. Everyone cycled to the event site using the multipurpose path on the bridge.

Winter operations - On December 18, 2020, the winter season was launched for the path and sidewalk, which were open daily from 6:00 a.m. to 10:00 p.m. To minimize closures during operating hours, preventive maintenance for the surfaces was performed overnight. When winter operations ended on March 18, 2021, the path and sidewalk were once again open at all times.



Special anniversary - On May 14, 2020, JCCBI marked the 90th anniversary of the Jacques Cartier Bridge with a video launched on various platforms that featured the bridge's nine decades of history, innovation, engineering and mobility. During this year of celebration, festive content was posted on the Corporation's social media accounts dedicated to this bridge, which was also decorated with banners for the occasion.

Innovative Expert

Mobile app - In February 2021, JCCBI launched the mobile app that it developed to automate communications with users of the Jacques Cartier Bridge multipurpose path and sidewalk during the winter. The Operations and Maintenance team can program or broadcast real-time closure and reopening messages directly to subscribers of our Twitter account or active mobility email alerts without the need of the Communications team.

Study of seismic performance - JCCBI continues to assess the seismic performance of the Jacques Cartier Bridge with a cutting-edge approach tailored to this iconic structure. This type of study is part of sound asset management designed to extend the service life of infrastructure. The results will help the team assess the capacity of the bridge's foundations and the risks and costs associated with any seismic reinforcement work. In 2020-2021, a complementary refinement study to optimize performance and needs was initiated to develop a response plan for all categories of seismic events.



JCCBI won the Grand prix d'excellence en transport from the Association québécoise des transports in the Winter Viability category. This award recognized the winter operation simulation project for the Jacques Cartier Bridge multipurpose path and sidewalk conducted in 2019-2020 in collaboration with ARUP, 25 test cyclists, and many partners.

Search for more durable and economical paint - Since 2018, JCCBI has been working with the Centre de métallurgie du Québec on an experimental research project on bridge paint. The goal is to identify the best paint system that will extend the service life of the structures managed by JCCBI while also reducing these work costs and overall life cycle costs. More than 150 experimental paint strips can be found on the superstructure of the Jacques Cartier Bridge, while on-site collection and laboratory testing is ongoing.

Artificial intelligence and bridge performance monitoring - Using artificial intelligence to help engineers continuously monitor the performance of structures is a promising approach. In collaboration with Polytechnique Montréal, an experimental research project to develop methods to interpret instrumentation data from the bridge is in its third phase. The preliminary results are encouraging and show that changes or variances in performance could be predicted using the collected instrumentation data. This tool may allow to anticipate damage so that proactive work can be performed in order to extend the bridge's service life.



MAJOR WORK

\$1.8M

- + No major work was undertaken on the Melocheville Tunnel this year.
- + The 2020-2021 inspection program included a general inspection of the structure, electrotechnical equipment, signal structures, and rock walls as well as a detailed inspection of the approaches.

Melocheville Tunnel

Ensure this road corridor continues to be safe and effective and that it integrates seamlessly with seaway operations.

Mobility Leader

The Melocheville Tunnel sidewalk was closed for the winter season from December 1, 2020 to March 19, 2021 inclusively.



Environmental Protection

As part of the work to redevelop the land under the Jacques Cartier Bridge on the Montreal side, follow-up soil testing was carried out to ensure compliance with the applicable laws and regulations for the planned development. Contaminated and non-compliant soils were therefore transported away to duly authorized centres. A traceability system was also put in place to track these soils up to their arrival at these disposal sites.



Honoré Mercier Bridge

Keep the federal section of the bridge safe and operational until its 125th anniversary by constantly integrating it into its local environments and by collaborating with the Mohawk community.



Mobility Leader

To minimize the construction work's impact on users, all work was carried out under the bridge and did not cause any traffic hindrances.

MAJOR WORK

\$21M

- + Pier repairs
- + Replacement of the paint system on part of the steel structure
- + Replacement of a section of the gangways used for inspection work
- + Continuation of prefeasibility studies particularly to repair the road surface on the bridge approaches, connect the multipurpose path to the municipal network, and create a memorial pathway
- + Launch of a prefeasibility study to increase the service level of the multipurpose path



Social and Urban Contributor

Collaboration with the community
JCCBI's repair and maintenance work on the federal portion of the Honoré Mercier Bridge is undertaken in collaboration with the Mohawk community of Kahnawà:ke. The Corporation's positive relationships with this community and respect for its values and traditions, allow JCCBI to fulfill its mission while contributing to the growth of the local economy.



Original Champlain Bridge Deconstruction

Keep the bridge safe until it is decommissioned; document and enhance our knowledge of the structure to share our expertise with the technical community and other bodies.

Innovative Expert

Research and development projects - In addition to the deconstruction work, ten research and development projects were selected to study aspects and components of the original Champlain Bridge, including its concrete components, metal structures and some types of reinforcements. Over 25 researchers from six Canadian universities and the National Research Council Canada have been working on these projects since fall 2020. Some components have already been removed from the bridge and given to the researchers for their projects.

Material Reuse Competition - The deconstruction of this 3.4-km bridge will generate 287,000 tonnes of materials. JCCBI plans to recycle or recover 90% of these materials. On February 24, 2021, the Corporation launched a Canada-wide Material Reuse Competition to give a second life to over 400 steel components from the bridge. These reuse projects may be architectural, artistic or commemorative in nature. The competition will close on December 31, 2021, with the announcement of the successful projects scheduled for spring 2022.

Environmental Protection

The deconstruction work includes managing soil, water and materials in compliance with prevailing legislation. The traceability system set up for this exceptional project also provides for off-site management monitoring.

Fish habitat compensation - The environmental protection measures for this project include ecosystem compensation for wildlife habitats. A first fish-habitat compensation project in Saint-Ignace-de-Loyola in the Lake Saint-Pierre archipelago consists of developing a piece of farmland into a flood plain to promote fish spawning and protect biodiversity.

Fish migration monitoring - Two fish migration corridors were constructed around the jetty on the Nuns' Island side to mitigate the negative impacts of this jetty on fish habitat. Twelve underwater cameras and two resistivity sensors were also installed to determine fish movement direction and fish size. To enhance the contractor's monitoring of fish migration, and in collaboration with the Institut national de la recherche scientifique, JCCBI is also carrying out a research project to implement other innovative techniques to monitor the migratory behaviour of fish.

A carbon-neutral project - As part of the Champlain Bridge deconstruction, JCCBI is aiming for carbon neutrality and Envision recognition.

MAJOR WORK

\$78.5M

- + Deconstruction of the abutment, two spans and a pier on Nuns' Island
- + Construction of two access jetties along the shoreline of the St. Lawrence River at Nuns' Island and Brossard
- + Deconstruction of seven spans from the Nuns' Island jetty
- + Mobilization of marine and lifting equipment for the deconstruction of the spans above the St. Lawrence River

On June 29, 2020, the Corporation announced the signing of the design-build contract with Nouvel Horizon St-Laurent G.P. (NHSL) made up of Pomerleau Inc. and Delsan-A.I.M. Environmental Services Inc. The signing of this contract marked the start of deconstruction work estimated at \$225.7 million, plus direct costs related to new health measures associated with COVID-19, which will be calculated at the end of the contract.

Deconstruction methods - At a virtual press conference on October 13, 2020, JCCBI and NHSL presented the overall work schedule and the selected methods for deconstructing the bridge. Journalists asked questions of the experts and watched a video about the deconstruction work.



Social and Urban Contributor



Meetings with the public - Virtual public meetings were held on October 20 and 29, 2020, for residents of Nuns' Island and Brossard, respectively. At these meetings, the public learned more about the project and could ask questions of our experts. A microsite dedicated to this project was also launched this year.

Neighbourhood peace and quiet - Significant mitigation measures, such as sound level meters, air quality measurement stations and foggers, have been put in place to provide residents with a peaceful environment. Only one complaint was received between the start of the work in July 2020 and March 31, 2021.

Héritage Champlain - Once the deconstruction is complete, the equivalent of seven hectares of land along the shoreline will be freed up for redevelopment. The Estacade will also be part of these enhancements which will be done with the community's contribution as part of a participatory approach started in 2019. This program is a wonderful opportunity to create a unique site, give the community improved access to the river, and preserve some components of the bridge to commemorate its place in Montreal's history.



JCCBI received national recognition with an honourable mention in the Excellence in Public Participation Awards, Advancement of Practice category, handed out by the International Association for Public Participation – Canada. This recognition acknowledges JCCBI's participatory approach for the Champlain Bridge deconstruction project, which enlisted the participation of close to 5,000 people in 2019.



MAJOR WORK

\$1.6M

- + No major work was undertaken on the Champlain Bridge Estacade this year.
- + The 2020-2021 inspection program included instrumentation and a detailed inspection of all components of this structure.

Champlain Bridge Estacade

Extend the service life of this corridor that plays a key role in structural maintenance, ice control, and active transportation while enhancing its social and urban value.

Mobility Leader

The Estacade bicycle path operates for about eight months of the year. It was closed during the winter from December 6, 2020 to April 10, 2021 inclusively, the same dates as for the Société du parc Jean-Drapeau's network, to which the path is connected.





MAJOR WORK

\$14.8M

- + Various repairs to the structures of the elevated sections
- + Various repairs to the surfaces of the non-elevated sections

The non-elevated sections of the Bonaventure Expressway are at the end of their service life, and the goal of this work is to keep these sections safe until they can be replaced. Work on the elevated sections, which will remain in place for a longer period, is being done to ensure their integrity.

Bonaventure Expressway

Keep the expressway safe and integrate its use with new corridors in the sector and active mobility needs while improving access to the river, downtown, the Pointe-Sainte-Charles industrial park, and the Port of Montreal using a sustainable development approach.

Mobility Leader

Reconstruction Project - Since 2016, JCCBI has been planning the reconstruction of the Bonaventure Expressway and its reconfiguration into an urban boulevard, in collaboration with the City of Montreal. With this project, the Corporation plans to maintain current capacity of this route to ensure traffic flow, including freight transport to or from the Port of Montreal, while adding a 3.5-km active mobility corridor and giving the public access to the river through shoreline developments.



Environmental Protection

Solution Bonaventure

Help protect the St. Lawrence River by capturing and treating contaminated groundwater flowing into the river; increase our knowledge in this area and share our expertise.

Operating costs \$2.6M

During the fiscal year, the Corporation continued to operate the containment and treatment system of contaminated groundwater in the west sector of the Bonaventure Expressway as well as the hydrocarbon capture system in the east sector.

Social and Urban Contributor

Partner Committee - As part of the pre-feasibility study for the reconstruction of the Bonaventure Expressway, JCCBI formed a committee of institutional partners to allow members to discuss their respective projects and mobility needs in the Bridge-Bonaventure sector. As part of JCCBI's participatory approach, this initiative aims for territorial coherence among all partners involved. Several stakeholders were also met with during the fiscal year.





SECTION 4

Governance

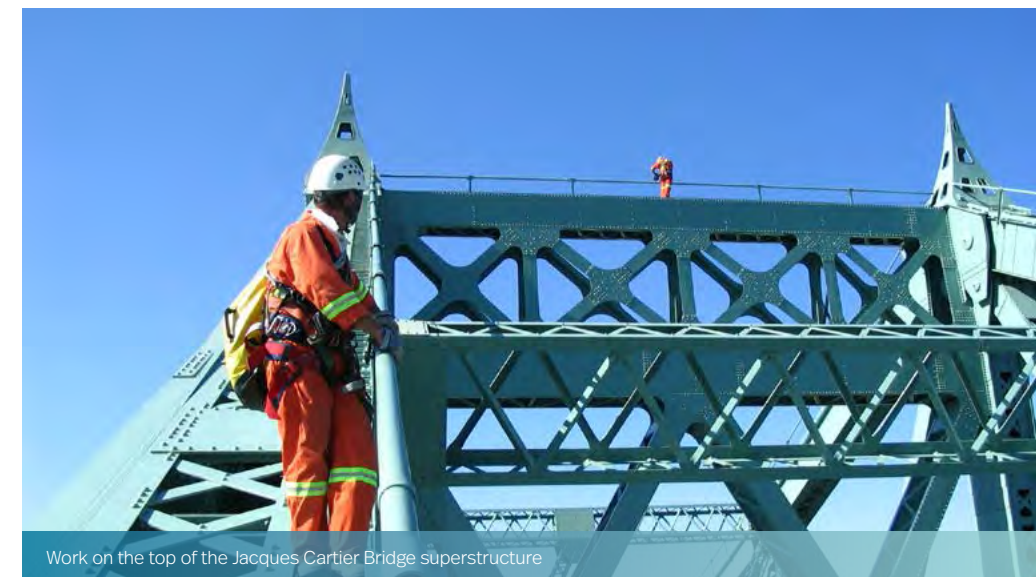
Jacques Cartier Bridge rainbow illumination during the COVID-19 pandemic

Accountability

The Jacques Cartier and Champlain Bridges Incorporated is a parent Crown corporation, agent of Her Majesty under *The Jacques Cartier and Champlain Bridges Inc. Regulations* (SOR/98-568). It is subject to Part X of the *Financial Administration Act* (FAA). The Corporation reports to Parliament through the Minister of Infrastructure and Communities. It is mainly financed through parliamentary appropriations, but it also receives revenue to a lesser extent from other sources such as leases and permits.

Audit regime

JCCBI's auditor is the Auditor General of Canada, as per *The Jacques Cartier and Champlain Bridges Inc. Regulations*. The Auditor General conducts an annual audit of the Corporation's activities in accordance with the FAA to ensure that the financial statements accurately represent the Corporation's financial results as per recognized accounting principles and that JCCBI's operations have been conducted in accordance with the FAA, its charter and by-law and the directive issued under section 89 of the *Financial Administration Act*.



Work on the top of the Jacques Cartier Bridge superstructure



Jacques Cartier Bridge multipurpose path

Special examination by the Auditor General

A special examination of JCCBI's activities by the Auditor General was launched in fall 2020 and will continue through fiscal year 2021-2022. This accountability mechanism is conducted on parent Crown corporations every 10 years. The goal is to obtain an independent opinion on whether there are reasonable assurances that the Crown corporation has the required systems and practices to guarantee that it can protect and control its assets; that its operations are in accordance with the FAA and associated regulations, its charter, and by-laws; that its financial, human, and material resources are managed economically and efficiently; and that its activities are carried out efficiently. The special examination report will be made public by the Board of Directors within 60 days of receipt.

Internal audits

JCCBI develops multi-year internal audit plans to determine, among other things, whether its risk management, control and governance systems allow it to carry out its mission in a fiscally responsible, efficient and effective way in accordance with the applicable legislation. To create these plans, JCCBI retains the services of external firms.

Board of Directors

The Corporation's Board of Directors is made up of the following seven members: Lesley Antoun, Henri-Jean Bonnis, Richard Cacchione, Catherine Lavoie (Chair), Sandra Martel (CEO), Sylvain Villiard (Acting Vice Chair) and Dale Ellen Williams. The Board of Directors held 16 meetings in 2020-2021.



The Board members are appointed by the Minister, with the approval of the Governor in Council. The Chair of the Board of Directors and the Chief Executive Officer are appointed by the Governor in Council upon the recommendation of the Minister. The Chair of the Board of Directors has no executive role on the management team.

In accordance with sound governance practices, the Board of Directors has formed three standing committees:

- + The **Governance and Ethics Committee** is responsible for assessing all aspects and practices of the Corporation's governance. Its mandate is to advise the Board of Directors on how the Corporation will address issues related to its governance practices and apply the guidelines related to the governance of Crown corporations issued by the Treasury Board of Canada Secretariat.
- + The **Audit Committee**, whose responsibilities are set out in the *Financial Administration Act*, monitors the Corporation's integrity and behaviour standards, the integrity and credibility of its financial statements, and its internal control systems and practices.
- + The **Human Resources Committee** provides guidance on the development of human resources policies, programs and practices that are consistent with the Corporation's mission, vision and values as well as with its strategic plan.

The Board of Directors has also formed other advisory committees without decision-making powers to help ensure that major projects run smoothly. A list of the members of these committees can be found in the appendix.

Our team

JCCBI's multidisciplinary team consists of 190 people from various disciplines and trades, including 129 who fall under a collective agreement. Our staff breakdown is as follows:

- 20% **engineers**
 - 18% **managers**
 - 22% **professionals**
 - 16% **administrative assistants and clerks**
 - 17% **technicians**
 - 7% **blue collar employees**
-
- 7% **Less than 30 years old**
 - 66% **Between 30 and 50 years old**
 - 27% **More than 50 years old**
-
- 53% **Women**
 - 47% **Men**

JCCBI's management team includes Dominique Blouin, Claude Lachance, Nathalie Lessard, Sandra Martel, André Morin, Paul Robert and Robert Sauvé.



Emergency training under the Jacques Cartier Bridge

Access to information and protection of personal information

The Corporation processes all requests for access to information and personal information as set out in the *Access to Information Act* (ATIA) and the *Privacy Act* (PA). For this fiscal year, the Corporation received and handled four access to information requests. In addition to its annual reports to Parliament under the ATIA and the PA, the Corporation posts on its website all completed access to information requests, which may be subject to an informal access to information request. For transparency purposes, the Corporation also posts reports and studies related to its activities. The public is invited to visit the "Information about programs and information holdings" section of its website, which provides relevant information about the type of information held by the Corporation as a guide to help people make an access to information request.



Emergency training under the Jacques Cartier Bridge

Staff development

The Corporation constantly invests in the development of its staff to provide a workplace that is stimulating, respectful, healthy, and safe and where they can all develop their talents. The average number of training hours per employee during the fiscal year was 23.3 hours.

Workplace health and wellness

In 2018-2019, JCCBI engaged in a workplace health and wellness program, which is essential to not only ensure the organization's success but also the physical and mental health of staff. JCCBI's Workplace Health and Wellness Committee launched many initiatives during this past fiscal year, related particularly to the pandemic.

Occupational Health and Safety

The Corporation is firmly committed to occupational health and safety (OHS) in every aspect of its operations. JCCBI continued to update its OHS Management Program to meet its obligations under the *Canada Labour Code*, Part II - Occupational Health and Safety. This program now covers the management of the OHS prequalification of contractors and consultants in addition to many safe work practices.

The Corporation also maintains and enhances the contractual requirements for its work-site supervision activities. Commitment from senior management, the work of two local OHS committees, and involvement by all staff have helped the Corporation meet its OHS goals.

OHS report

19 declared accidents (4 requiring first aid)

1 disabling injury

5 minor injuries

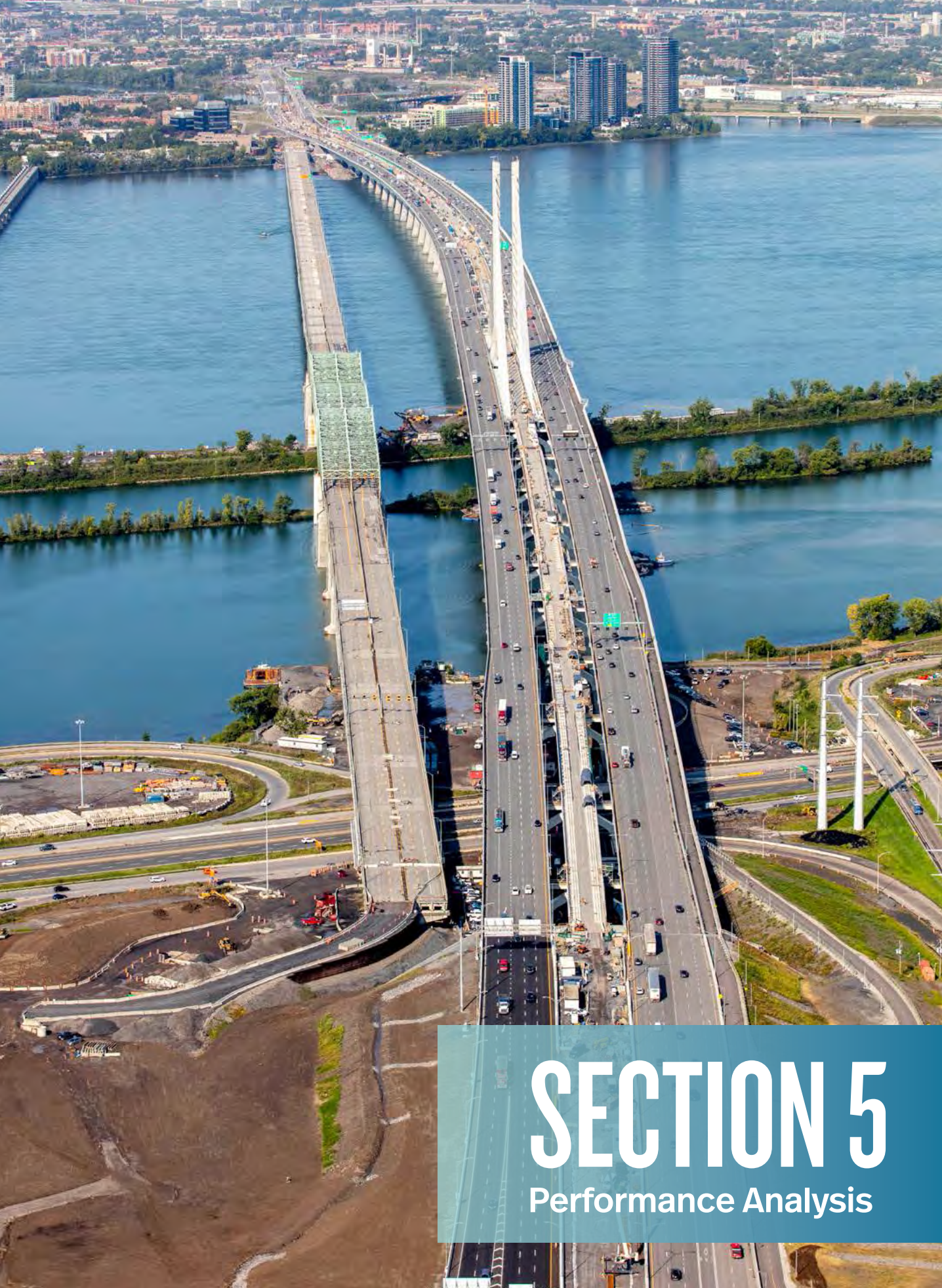
Travel, hospitality and conferences

The summary below lists the travel, hospitality and conference expenses, which were much lower than the previous fiscal year due to the COVID-19 pandemic. In thousands of dollars:

	2021	2020
Travel	6.0	60.8
Accommodation	1.7	16.0
Conferences	14.1	41.1
Total	21.8	117.9

COVID-19

The 2020-2021 fiscal year was marked by the global COVID-19 pandemic. The variety of measures set up by JCCBI include creating a COVID-19 Committee, dividing staff into two groups (A and B) who alternated coming into the office (in accordance with Public Health directives), implementing large-scale remote work, and creating a special COVID-19 section on the internal communications platform. A staff survey showed a 92% satisfaction rate with these measures.



The original Champlain Bridge partially deconstructed (left) and Samuel De Champlain Bridge (right)

SECTION 5

Performance Analysis

Strategic issues and risks

Infrastructure Safety and Sustainability

The infrastructure operated and maintained by JCCBI has been subjected to heavy traffic, harsh weather conditions and extensive use of road salt. The age of the infrastructure, the funding required to ensure its maintenance and rehabilitation, as well as deliberate acts such as terrorism, vandalism or even protests, represent real risks.

Any closure of lanes, of a bridge or of the seaway could affect:

- user safety;
- the regional and national economy;
- the reputation of both JCCBI and Canada.

In order to determine the actual condition of its structures and their level of damage, JCCBI has developed a management and inspection plan. Inspections, load-carrying capacity studies, instrumentation, applied research projects, diagnoses and master plans are the main tools that enable JCCBI to manage the risks associated with the safety of the structures, prioritize interventions and prepare an investment plan over a ten-year period. The work is determined from a longer-term perspective, aimed at ensuring the longevity of the structures and extending their useful life according to the vision established for each of the structures.

Through funding received in Budget 2018-2023, JCCBI has continued a major repair and maintenance program to extend the service life of the structures for which it is responsible.

The Corporation also has an emergency measures plan and works with other partners to coordinate emergency procedures and approaches. JCCBI organizes regular follow-up meetings and collaborative plans with police services to manage the risks related to terrorism, vandalism and protests. Systems have been installed on certain structures for ongoing monitoring.

Sustainable Funding

JCCBI has received funding until 2022-2023. Such funding enables the Corporation to conduct inspections and carry out maintenance work, thereby reducing the risk associated with the deterioration of the bridges and structures.

JCCBI continues to work with Infrastructure Canada to identify short- and long-term funding needs with a ten-year financing plan that is reviewed annually.

Risk reserves have been set aside to cover professional services and construction costs and should be sufficient to cover any unexpected work or events. In addition, as the maintenance program is carried out, JCCBI reuses the funds released to accelerate certain priority work.

Asset Management

The Asset Management department continues its change management. This 36-month plan aims to foster communication and resource mobilization through an approach of shared responsibility between the Planning-Inspection, Research and Applications, and Expert divisions. Indeed, the complexity of the structures under JCCBI's responsibility requires a clear understanding of the roles and responsibilities in an integrated asset management approach that encompasses not only the condition of the asset, but also the environment, sustainable development and stakeholder management, which are critical to the realization of the investments.

The preparation of the next five-year 2023-2028 investment plan is underway. This new plan is an opportunity for the Corporation to update its business plans.

By the end of June 2021, the final report on the analysis of the maturity of the Corporation's asset management practices should be completed. Based on the ISO 55 000 approach and industry best practices, this analysis aims to position the Corporation on all 39 recognized asset management themes.

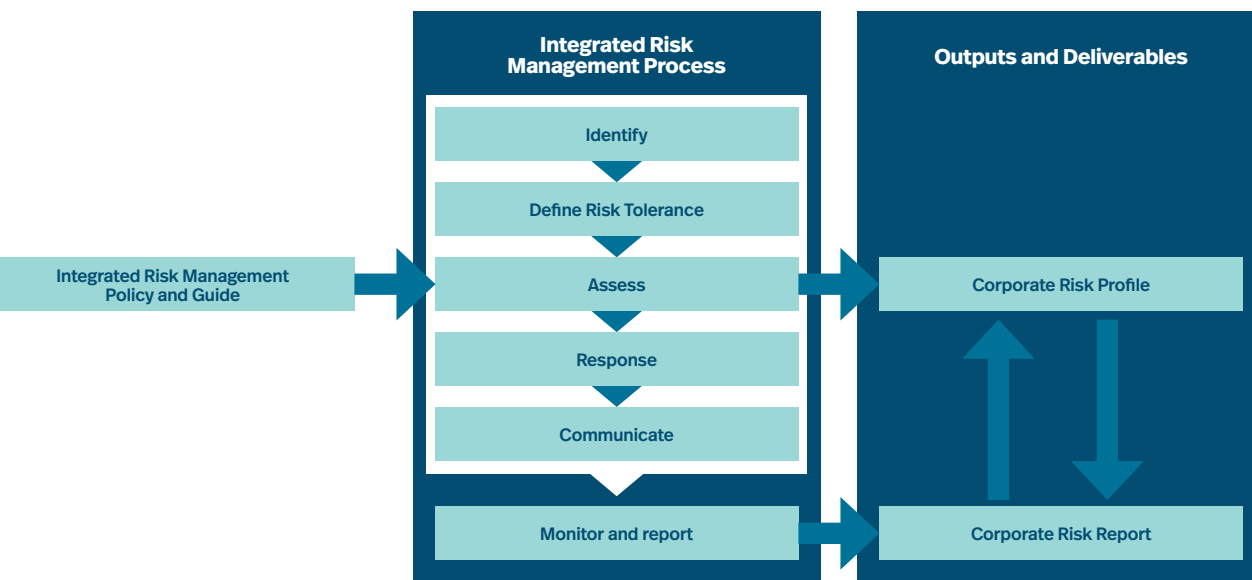
The optimization of investments in the rehabilitation and replacement of structures requires the deepening of knowledge. The costs of structural rehabilitation and replacement could be significantly reduced and/or deferred through the integration of the results and research into the relevant projects.

The RAD pilots several research and development projects annually. The main areas of research that are targeted concern the following: criteria for evaluating the capacity of older structures, instrumentation, validation of loads applied to structures, materials, durability and longevity of the existing structures.

Risk and Associated Mitigation Measures

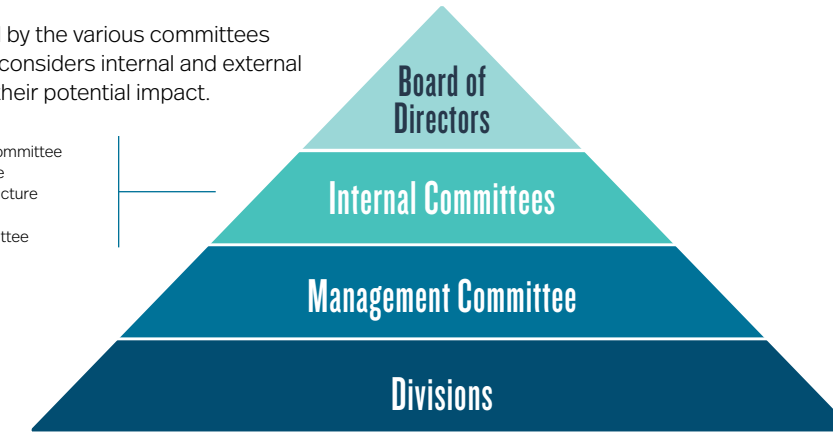
Integrated Risk Management Approach

JCCBI uses an integrated risk management approach to ensure that corporate, asset and project risks are considered at all stages of the cycle of activities, from the strategic planning process to the day-to-day operations, at all levels of the organization. The focus is placed on identifying and mitigating the risks that could hinder the execution of its strategic priorities.



Risks are reviewed by the various committees and management considers internal and external factors as well as their potential impact.

Governance and Ethics Committee
Corporate Risk Committee
Risk Committee - Infrastructure
Audit Committee
Human Resources Committee



Risk identification

To assess inherent and residual risks, JCCBI uses a matrix (overall risk severity), taking into account the likelihood of occurrence of a risk and its impact, namely the potential consequences for JCCBI. This matrix provides a clear view of the issues, their evolution and the importance of the mitigation measures to reduce negative impacts.

Through this risk identification methodology, JCCBI has a detailed understanding of all risks and of the various components thereof, which allows for the development of specific action plans to reduce the residual risk. The risk assessment focuses on the following points:

- Inherent risk;
- Components of risk;
- Risk scenarios, implications and impacts;
- Mitigation measures and mitigating factors; and
- Residual risk trend.

During fiscal year 2020-2021, JCCBI reassessed the severity of the 14 residual corporate risks that had been prioritized following the previous evaluation. As a result, given that all mitigation measures and action plans have been implemented and integrated into operations, two (2) risks have been removed:

- Unplanned additional costs;
- Non-fulfilment of the contract or delay in the delivery times.

On the other hand, three (3) risks have been added:

- Environmental protection;
- Relations with stakeholders;
- Level of knowledge of the infrastructure.

Also as part of the 2020-2021 analysis, the following two (2) risks, which had been assessed as having a high level of residual risk, have been reduced to a medium level of residual risk for the year 2020-2021.

- Occupational health and safety;
- Health and safety on worksites involving suppliers.

The 15 prioritized residual corporate risks are therefore the following:

1. Political environment
2. Leadership and succession
3. Business model – performance
4. Decision making – information management
5. Performance measurement
6. Level of knowledge of the infrastructure
7. Environmental protection
8. Contractual disputes and claims
9. Health and safety on worksites involving suppliers
10. Recruitment and retention
11. Occupational health and safety
12. Technology infrastructure and quality of management information
13. Security of information systems
14. System disruption or failure
15. Relations with stakeholders

Mitigation measures for these risks have been identified and put in place and further measures will be implemented as part of the action plan for each risk.

Analysis of Results

COVID-19 Pandemic

Fiscal year 2020-2021 took place in the context of the global pandemic caused by COVID-19. In fact, on March 24, 2020, all construction work was suspended and did not resume until May 11, 2020. During this period, almost all of JCCBI's employees have worked remotely, with the exception of the Operations and Maintenance Division which ensured that critical infrastructures remained in good working order. JCCBI's staff continued to make every effort to maintain the timelines related to the preparation of the drawings, specifications and studies and to carry out the administrative tasks that can be performed remotely and thus minimize the impact on operations.

The reopening of construction sites in May 2020 and the prescription of the health measures to be put in place in the context of the COVID-19 pandemic had an impact, but did not lead to a significant increase in the costs of construction contracts. Therefore, they had little impact on the financial results for the year ended March 31, 2021.



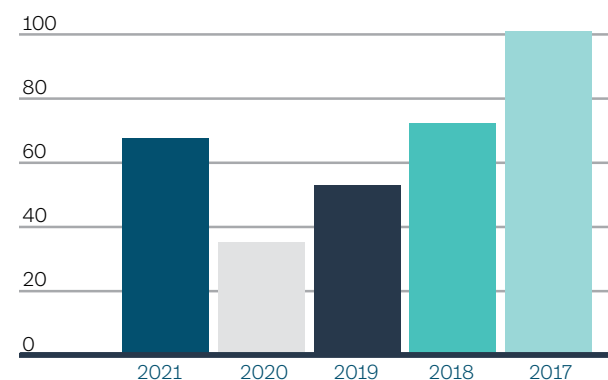
The Jacques Cartier Bridge during major work

Statement of Financial Position

Financial Assets

The financial assets amounted to \$67.6M as at March 31, 2021 (2020 - \$35.3M). This \$32.3M increase is mainly due to the increase in cash and amounts receivable from the government. The cash position continues to be closely linked to the payments of the federal government parliamentary appropriations and is mainly related to the \$40.5M increase in accounts payable to suppliers. As at March 31, 2021, the amount receivable from government departments and agencies was \$17.9M (2020 - \$1.2M).

Financial Assets (in \$M)

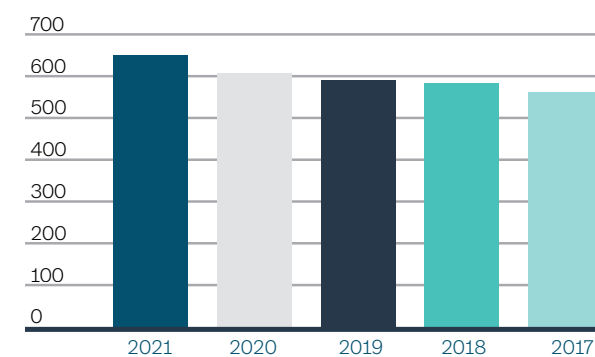


The original Champlain Bridge with the Samuel De Champlain Bridge in the background

Non-Financial Assets

For the year ended March 31, 2021, non-financial assets amount to \$650.3M (2020 - \$607.5M), a \$42.8M (2020 - \$16.7M) increase over the previous fiscal year. This increase is mainly due to the net \$32.3M (2020 - \$16.4M) increase in tangible capital assets, which amount to \$638.7M (2020 - \$606.4M) at fiscal year-end. The change in tangible capital assets is explained by investments of \$63.6M (2020 - \$49.4M) in capital expenditures, mainly at the Jacques Cartier Bridge - \$46.6M, the Honoré Mercier Bridge - \$11.2M, the Bonaventure Expressway - \$3.1M and the Melocheville Tunnel - \$1.0M. The amortization for the period, in the amount of \$31.3M (2020 - \$32.9M), reduces the tangible capital assets as of March 31, 2021. Almost all capital assets are paid through parliamentary appropriations from the Government of Canada.

Non-Financial Assets (in \$M)



Tangible Capital Assets

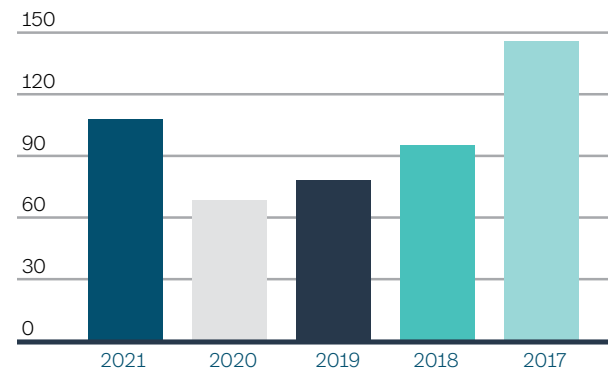
Tangible capital assets, which include bridges, roads, and related structures and whose useful life is limited, are amortized over their useful life, which is based on the estimates made by management as to the service life of these assets and is subject to periodic review to confirm the validity thereof. Due to the long service life of tangible capital assets and to the amounts involved, any changes in estimates could have a material effect on the Financial Statements. The deterioration of long-lived assets is subject to verification when events or circumstances indicate that it is impossible to recover their carrying value from future cash flows. If future conditions were to deteriorate compared to management's best estimate on key economic assumptions and if associated cash flows were to decrease significantly, the Corporation could eventually have to recognize significant expenses as a result of the write-down of its tangible capital assets.

The Corporation incurs expenses to maintain its tangible capital assets. Many of these expenses fall within the context of major multi-year infrastructure projects. In recognizing these expenses, management must make significant estimates of the progress of the work carried out to be able to value the liabilities at fiscal year-end. A change in the estimated percentage of the work progress could have a significant impact on the estimated value of recognized expenses or tangible capital assets.

Liabilities

Liabilities, in the amount of \$107.8M (2020 – \$68.4M), increased by \$39.4M during the period (2020 – \$9.6M decrease). This increase is mainly due to the increase in accounts payable and accrued liabilities, and to contractual holdbacks. It is offset by a slight decrease in environmental obligations.

Liabilities (in \$M)



Accounts payable and accrued liabilities increased by \$40.5M (2020 – \$15.3M decrease) to total \$69.5M (2020 – \$29.0M) at fiscal year-end. This change is explained by the increase in infrastructure investments during the year, which resulted in an increase in accounts payable related to major work and to the deconstruction of the original Champlain Bridge.

To carry out the work on its structures, the Corporation awarded construction contracts that provide for the withholding of a portion of the amounts payable until completion of the work in compliance with the requirements of the construction contracts and as warranty. A portion of these amounts will become payable upon the issuance of an Interim Certificate of Completion, and another portion will become payable about one year later, after the expiration of the warranty period. Contractual holdbacks totalled \$6.4M as at March 31, 2021 (2020 – \$4.2M), mainly for projects at the Jacques Cartier and Honoré Mercier Bridges. The \$2.2M increase (2020 – \$2.2M decrease) recognized during the fiscal year is related to the increase in asset maintenance and capital expenditures on these structures.

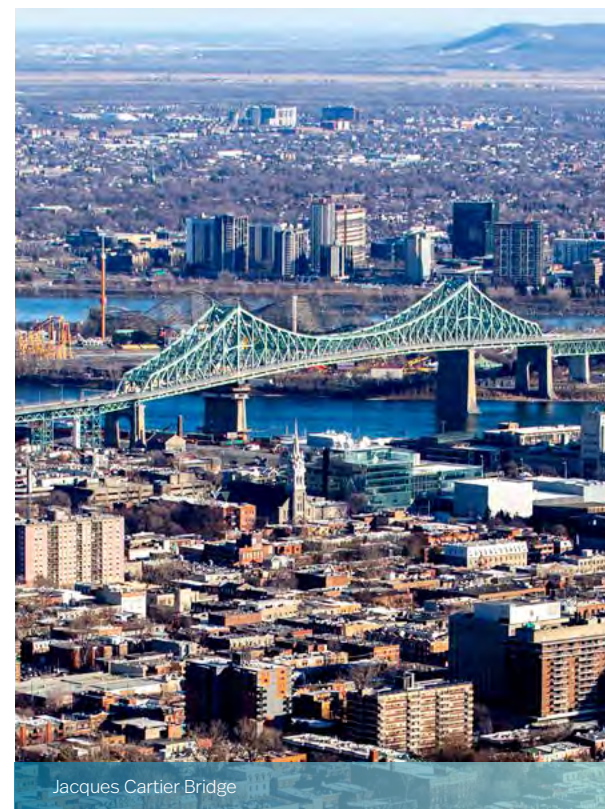
Environmental Obligations

The environmental obligations, presented in the Statement of Financial Position, amount to \$31.2M (2020 – \$34.4M) at year end and represent primarily a liability for environmental obligations in connection with the containment, treatment and pumping of the contaminated groundwater of the lands in the Bonaventure Expressway sector, as indicated in Note 7 to the Financial Statements. The estimates underlying this liability take into account the long-term nature of the necessary water containment, treatment and pumping measures. The changes in the magnitude of the estimated costs could have a material effect on the Financial Statements.

The \$3.2M decrease as at March 31, 2021 (2020 – \$7.8M increase) is due to work carried out during the fiscal year as well as the annual review of assumptions.

Change In Accounting Policy

Periodically, the Public Sector Accounting Board issues new accounting standards that management reviews to determine whether or not they apply to the Corporation. During the financial year, no new accounting standards affecting the Corporation were adopted.



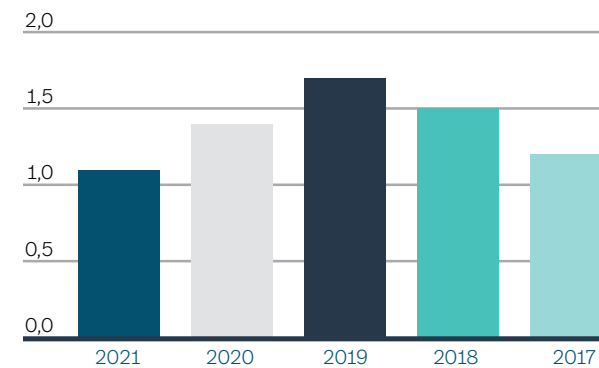
Jacques Cartier Bridge

Statement of Operations

Revenue

The Corporation's revenue for the year ended March 31, 2021 was \$1.1M (2020 – \$1.4M), a \$0.3M decrease over the previous fiscal year. Apart from the reduction in interest income due to lower market rates, revenue remained relatively stable.

Revenue (in \$M)



The use of parliamentary appropriations attributable to operations, maintenance and administration expenses is 11.9% lower than the planned appropriations for these types of expenses.

With respect to major work, the parliamentary appropriations planned for 2020-2021 were \$276.6M, including \$136.3M for the original Champlain Bridge and deconstruction thereof. The value of the work carried out during the year was \$191.9M, of which \$78.5M was for the original Champlain Bridge, including the deconstruction project.

Excluding the original Champlain Bridge and the deconstruction project, the unused portion of the forecasted \$140.3M budget amounts to \$26.8M, or 19.1%. The variance is primarily due to the following:

- \$16.9M for unbudgeted work carried out;
- + \$23.9M for professional services and work that were budgeted but not performed;
- + \$19.8M of unused funds that were budgeted for professional services and work to be determined and performed as part of risk mitigation strategies.

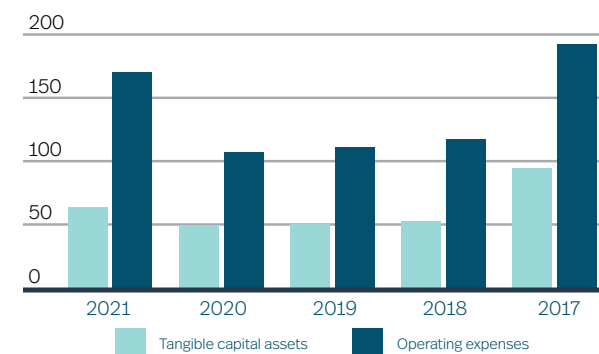
For the original Champlain Bridge, including the deconstruction project, unused funds amount to \$57.8M, or 42.4% of the forecasted \$136.3M budget. The variance is primarily due to the following:

- \$8.7M for unbudgeted work carried out to maintain the bridge;
- + \$28.9M for professional services and work that were budgeted but not performed;
- + \$37.6M of unused funds that were budgeted for the deconstruction project.

Parliamentary Appropriations

The parliamentary appropriations recognized in the Statement of Operations totalled \$234.2M as at March 31, 2021 (2020 – \$155.7M). These appropriations are divided between the operating expenses, which represent \$170.5M (2020 – \$106.6M), and the tangible capital assets, which represent \$63.7M (2020 – \$49.1M).

Parliamentary Appropriations (in \$M)

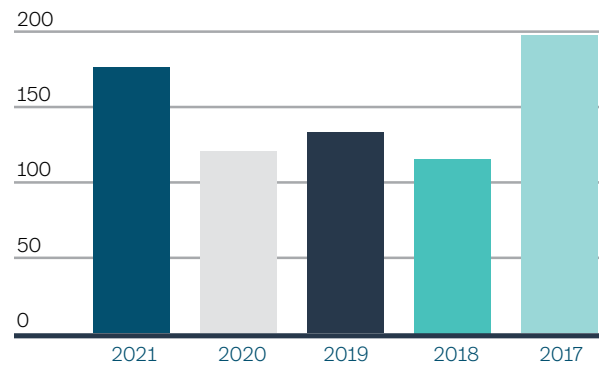


Parliamentary appropriations are the main source of funding for the Corporation's activities. For 2020-2021, the appropriations allotted in JCCBI's budget totalled \$327.6M (2020 – \$322.7M). The use of parliamentary appropriations in the payment of the expenses for the year was 71.5%, or \$234.2M (2020 – 48.2% or \$155.7M).

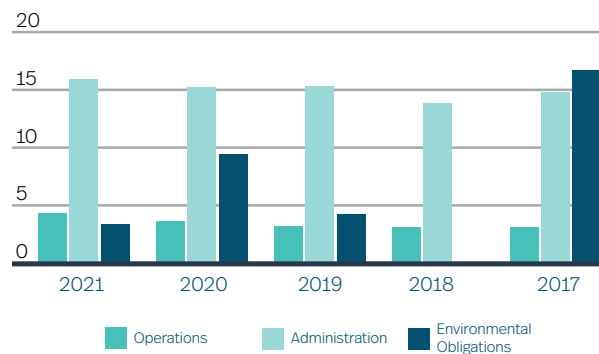
Expenses

The Corporation's expenses total \$199.8M (2020 - \$148.8M) for the year ended March 31, 2021. The \$51.0M increase (2020 - \$7.7M decrease) in expenses is primarily due to a \$55.5M increase (2020 - \$12.5M decrease) in maintenance and deconstruction expenses related to the Corporation's increased level of investment as well as to a slight increase of \$1.4M (2020 - \$0.4M) in operations and administration expenses. This increase is offset by a \$6.0M decrease in environmental expenses (2020 - \$5.2M increase).

Maintenance Expenses (in \$M)



Other Expenses (in \$M)



Maintenance

The maintenance expenses of \$176.1M (2020 - \$120.6M) represent an increase of 46.0% over the previous year's expenses (2020 - 9.4% decrease). The variance is mainly due to the increase in investments in major work during the year, including the deconstruction of the original Champlain Bridge.

Operations

Operating expenses amounted to \$4.3M (2020 - \$3.6M), an increase of 19.4% over the previous year. This increase is mainly due to the coming into force of a new contract for police patrol services on the infrastructures.

Administration

Administration expenses totalled \$15.9M (2020 - \$15.2M), a slight increase of 4.6% over the previous fiscal year.

Environmental Obligations

Expenses related to environmental obligations amounted to \$3.4M (2020 - \$9.4M). The \$6.0M decrease is attributable to the variation of hypothesis and the cost estimate of attributed contracts in establishing the environmental obligation.

Statement of Cash Flow

The Corporation's cash flows are primarily dependent on the date of receipt of funding from the Government of Canada for project and maintenance expenditures. This funding is issued only upon request, following the recognition of the value acquired for the work, as well as of the goods and services received.

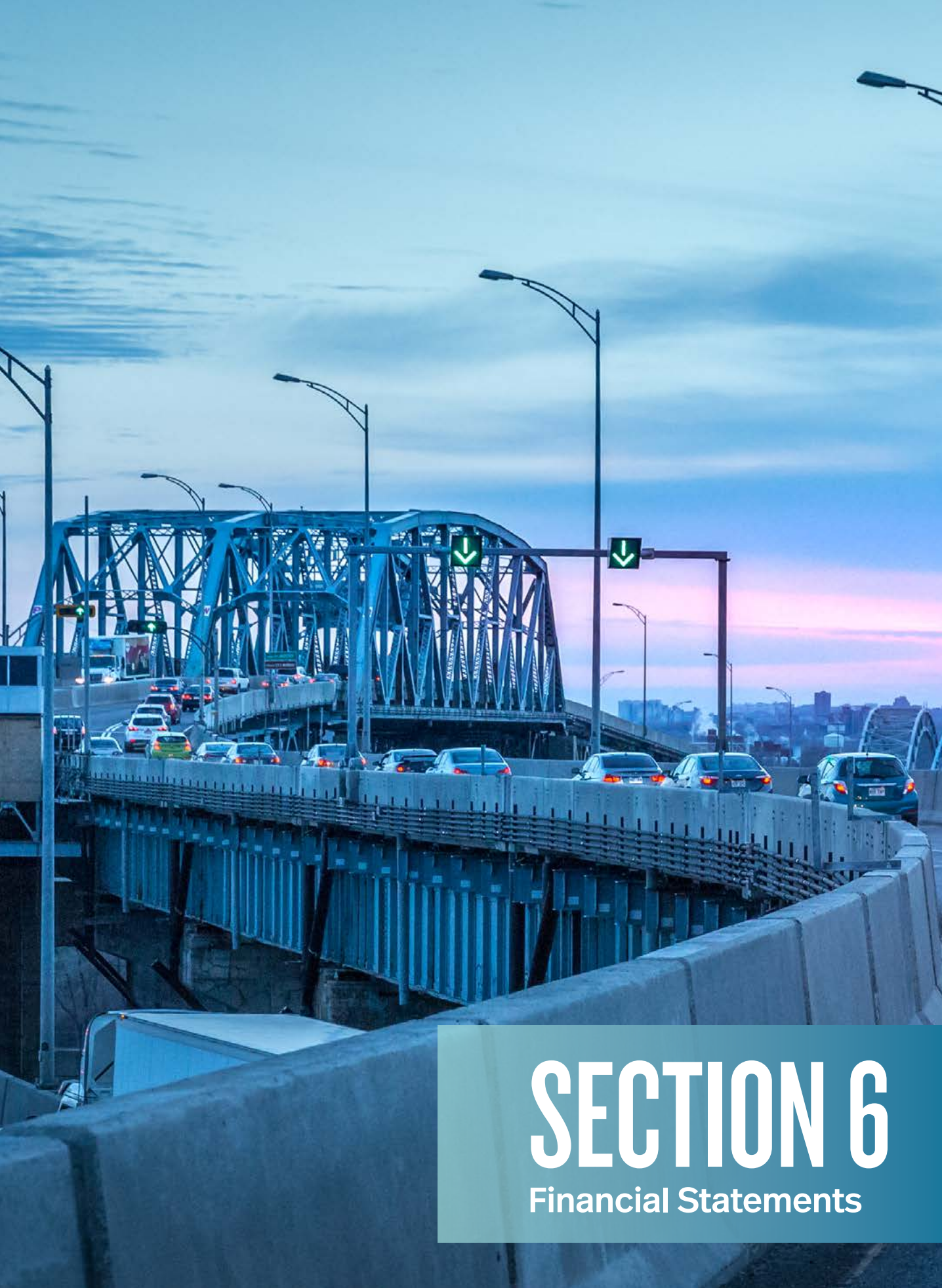
Five-Year Financial Review

YEAR ENDED MARCH 31
(IN MILLIONS OF DOLLARS)

	2021	2020	2019	2018	2017
	\$	\$	\$	\$	\$
REVENUE					
Leases and permits	0.6	0.6	0.6	0.6	0.6
Interest and other sources	0.4	0.8	1.1	0.9	0.6
Material disposal - Original Champlain Bridge	0.1	-	-	-	-
TOTAL REVENUE	1.1	1.4	1.7	1.5	1.2
EXPENSES					
Maintenance and deconstruction	176.1	120.6	133.1	115.6	195.4
Operations	4.3	3.6	3.2	3.1	3.1
Administration	15.9	15.2	15.3	13.9	14.8
Environmental obligations	3.4	9.4	4.2	(2.7)	16.7
Loss on disposal of tangible capital assets	0.1	-	0.7	-	1.3
TOTAL DES CHARGES	199.8	148.8	156.5	129.9	231.3
Deficit before Government of Canada funding	(198.7)	(147.4)	(154.8)	(128.4)	(230.1)
Portion of transfer payments for operating expenses	170.5	106.6	111.1	117.4	191.9
Portion of transfer payments for tangible capital assets	63.7	49.1	50.3	52.8	94.3
Transfer payments - Other	-	0.3	-	-	-
ANNUAL OPERATING SURPLUS	35.5	8.6	6.6	41.8	56.1

NOTE

Following a review by Revenu Québec of the Corporation's status effective October 1, 2016, the status of municipality assigned to JCCBI for the purposes of the Goods and Services Tax (GST) and Quebec Sales Tax (QST) was revoked. Thus, since October 1, 2016, the Corporation qualifies as non-profit organization (NPO) for the application of these two taxes. As a result, since that date, JCCBI has been entitled to partial GST and QST rebates of 50%.



Honoré Mercier Bridge

SECTION 6

Financial Statements

Management's Responsibility for Financial Information

The management of The Jacques Cartier and Champlain Bridges Incorporated ("the Corporation") is responsible for preparing the Financial Statements in accordance with the Canadian Public Sector Accounting Standards. This responsibility requires the selection of appropriate accounting principles and the ability to exercise judgment in establishing reasonable estimates.

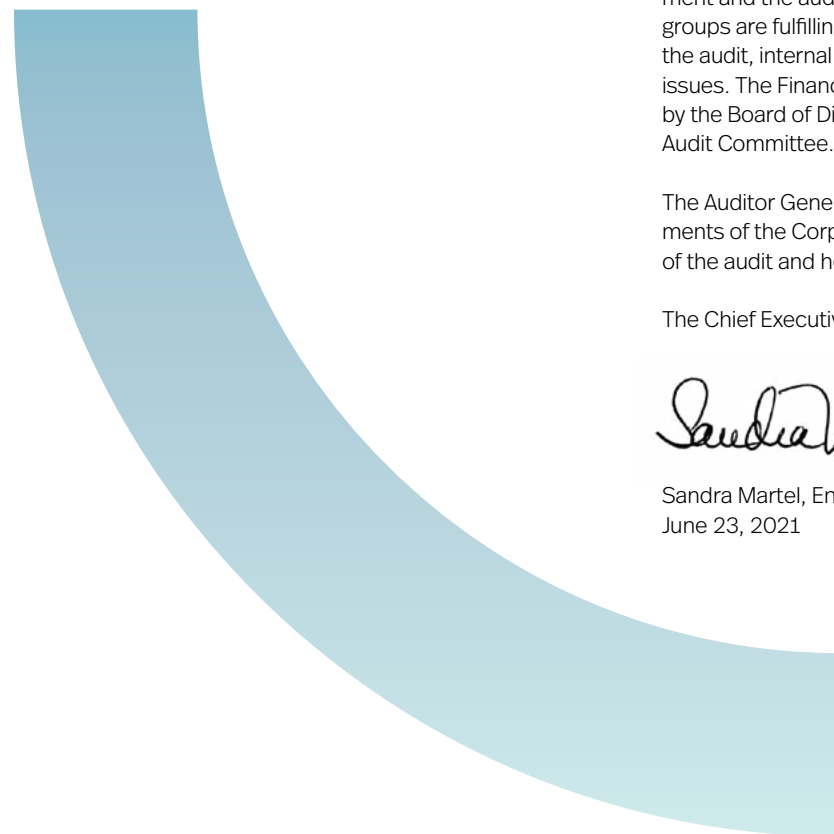
The Corporation's management maintains appropriate financial systems and internal controls. These systems and practices are designed to provide reasonable assurance as to the reliability of financial information and to ensure that the Corporation's assets are adequately safeguarded, that its resources are managed economically and efficiently, and that its transactions are conducted efficiently. These systems and practices are also designed to provide reasonable assurance that the Corporation's transactions are duly authorized and conducted in accordance with the directive issued under section 89 and Part X of the *Financial Administration Act* and its regulations, the *Canada Business Corporations Act*, *The Jacques-Cartier and Champlain Bridges Inc. Regulations* passed pursuant to the *Canada Marine Act*, as well as the Corporation's articles and regulations.

The Board of Directors is made up of six (6) Directors and the Corporation's Chief Executive Officer. Through the Audit Committee, the Board of Directors ensures that management fulfills its responsibilities for financial reporting and internal controls. The Audit Committee meets with management and the auditors to review the manner in which these groups are fulfilling their responsibilities as well as to discuss the audit, internal controls, and other relevant financial issues. The Financial Statements are reviewed and approved by the Board of Directors on the recommendation of the Audit Committee.

The Auditor General of Canada audits the Financial Statements of the Corporation and her report indicates the scope of the audit and her opinion on the Financial Statements.

The Chief Executive Officer,

Sandra Martel, Eng.
June 23, 2021





INDEPENDENT AUDITOR'S REPORT

To the Minister of Infrastructure and Communities

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Jacques Cartier and Champlain Bridges Incorporated, which comprise the statement of financial position as at 31 March 2021, and the statement of operations, statement of change in net debt and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Jacques Cartier and Champlain Bridges Incorporated as at 31 March 2021, and the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of The Jacques Cartier and Champlain Bridges Incorporated in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing The Jacques Cartier and Champlain Bridges Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Jacques Cartier and Champlain Bridges Incorporated or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing The Jacques Cartier and Champlain Bridges Incorporated's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Jacques Cartier and Champlain Bridges Incorporated's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Jacques Cartier and Champlain Bridges Incorporated's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Jacques Cartier and Champlain Bridges Incorporated to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Compliance with Specified Authorities

Opinion

In conjunction with the audit of the financial statements, we have audited transactions of The Jacques Cartier and Champlain Bridges Incorporated coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are Part X of the *Financial Administration Act* and regulations, the *Canada Business Corporations Act*, *The Jacques-Cartier and Champlain Bridges Inc. Regulations of the Canada Marine Act*, the articles and by-law of The Jacques Cartier and Champlain Bridges Incorporated, and the directive issued pursuant to section 89 of the *Financial Administration Act*.

In our opinion, the transactions of The Jacques Cartier and Champlain Bridges Incorporated that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in Canadian public sector accounting standards have been applied on a basis consistent with that of the preceding year.

Responsibilities of Management for Compliance with Specified Authorities

Management is responsible for The Jacques Cartier and Champlain Bridges Incorporated's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable The Jacques Cartier and Champlain Bridges Incorporated to comply with the specified authorities.

Auditor's Responsibilities for the Audit of Compliance with Specified Authorities

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Tina Swiderski, CPA auditor, CA
Principal
for the Auditor General of Canada

Montréal, Canada
23 June 2021

STATEMENT OF FINANCIAL POSITION

As At March 31

	2021	2020
	\$	\$
FINANCIAL ASSETS		
Cash	48,835,821	33,506,048
Accounts receivable (Note 3)	18,724,379	1,841,819
Total Financial Assets	67,560,200	35,347,867
LIABILITIES		
Accounts payable and accrued liabilities (Note 4)	69,517,464	29,003,524
Employee future benefits (Note 5)	518,210	530,545
Contractual holdbacks (Note 6)	6,353,181	4,214,047
Deferred revenue	299,882	229,907
Environmental obligations (Note 7)	31,157,000	34,396,000
Total Liabilities	107,845,737	68,374,023
Net Debt	(40,285,537)	(33,026,156)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 8)	638,676,972	606,449,339
Prepaid expenses	1,217,121	1,065,886
Contract advance	10,359,479	-
Total Non-Financial Assets	650,253,572	607,515,225
Accumulated Surplus	609,968,035	574,489,069

CONTINGENCIES, CONTRACTUAL OBLIGATIONS AND DECONSTRUCTION OF THE ORIGINAL CHAMPLAIN BRIDGE (NOTES 10, 11 AND 15).

The accompanying notes form an integral part of the Financial Statements.

Approved by the Board of Directors:



Director



Director

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED MARCH 31

	2021	2020
	Budget	Actual
	\$	\$
REVENUE		
Leases and permits	597,000	633,465
Interest	793,000	445,192
Material disposal – Original Champlain Bridge	-	48,026
Other sources	-	14,713
Total Revenue	1,390,000	1,141,396
EXPENSES (NOTE 13)		
Maintenance and deconstruction	273,669,000	176,106,063
Operations	4,554,000	4,349,774
Administration	17,879,000	15,853,579
Environmental obligations	(1,585,000)	3,403,781
Loss on disposal of tangible capital assets	-	110,193
Total Expenses	294,517,000	199,823,390
Deficit before Government of Canada funding	(293,127,000)	(198,681,994)
Portion of transfer payments for operating expenses	278,758,000	170,512,798
Portion of transfer payments for tangible capital assets	48,862,000	63,648,162
Transfer payments – Other (Note 12)	-	-
	-	314,950
Annual Operating Surplus	34,493,000	35,478,966
Accumulated Operating Surplus, Beginning of the Year	604,451,000	574,489,069
Accumulated Operating Surplus, End of the Year	638,944,000	574,489,069

The accompanying notes form an integral part of the Financial Statements.

STATEMENT OF CHANGE IN NET DEBT

FOR THE YEAR ENDED MARCH 31

	Budget	2021 Actual	2020 Actual
	\$	\$	\$
Annual Operating Surplus	34,493,000	35,478,966	8,592,389
Acquisition of tangible capital assets (Note 8)	(62,776,000)	(63,648,162)	(49,362,682)
Amortization of tangible capital assets (Note 8)	29,868,000	31,310,336	32,925,145
Gain on disposal of tangible capital assets	-	(8,000)	(64,000)
Proceeds from disposal of tangible capital assets	-	8,000	64,000
Loss on disposal of tangible capital assets	-	110,193	6,366
Total Variation Due to Tangible Capital Assets	(32,908,000)	(32,227,633)	(16,431,171)
Addition of prepaid expenses	-	(1,897,338)	(1,964,303)
Use of prepaid expenses	-	1,746,103	1,687,784
Total Variation Due to Prepaid Expenses	-	(151,235)	(276,519)
Total Variation Due to Contract Advance	-	(10,359,479)	-
(Increase) decrease in net debt	1,585,000	(7,259,381)	(8,115,301)
Net debt, beginning of the year	(22,822,000)	(33,026,156)	(24,910,855)
Net Debt, End of the Year	(21,237,000)	(40,285,537)	(33,026,156)

The accompanying notes form an integral part of the Financial Statements.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31

	2021	2020
	\$	\$
OPERATING TRANSACTIONS		
Annual Operating Surplus	35,478,966	8,592,389
Non-Cash Items		
Transfer payment - Other (Note 12)	-	(314,950)
Amortization of tangible capital assets (Note 8)	31,310,336	32,925,145
Loss on disposal of tangible capital assets	110,193	6,366
Gain on disposal of tangible capital assets	(8,000)	(64,000)
Changes in environmental obligations	1,906,000	9,120,000
Changes in Other Items		
(Increase) decrease in accounts receivable	(16,882,560)	3,428,138
Increase (decrease) in accounts payable and accrued liabilities	34,669,774	(6,169,712)
(Decrease) increase in employee future benefits	(12,335)	34,783
Increase (decrease) in contractual holdbacks	2,139,134	(2,147,447)
Increase (decrease) in deferred revenue	69,975	(39,529)
Increase in prepaid expenses	(151,235)	(276,519)
Increase in contract advance	(10,359,479)	-
Decrease in environmental obligations	(5,145,000)	(1,316,000)
Cash Flow Provided by Operating Transactions	73,125,769	43,778,664
TANGIBLE CAPITAL ASSET INVESTMENT ACTIVITIES		
Proceeds from disposal of tangible capital assets	8,000	64,000
Cash used to acquire tangible capital assets	(57,803,996)	(58,169,468)
Cash Flow Used for Tangible Capital Asset Investment Activities	(57,795,996)	(58,105,468)
Increase (Decrease) in Cash	15,329,773	(14,326,804)
Cash, Beginning of the Year	33,506,048	47,832,852
Cash, End of the Year	48,835,821	33,506,048

The accompanying notes form an integral part of the Financial Statements.

Notes to the Financial Statements

As at March 31, 2021

1. AUTHORITY AND ACTIVITIES

The Jacques Cartier and Champlain Bridges Incorporated (the Corporation) was incorporated on November 3, 1978, under the *Canada Business Corporations Act*, as a wholly owned subsidiary of the St. Lawrence Seaway Authority. On October 1, 1998, it became a wholly owned subsidiary of The Federal Bridge Corporation Limited (FBCL). On February 13, 2014, pursuant to an Order in Council from the Governor in Council, FBCL transferred all its shares in The Jacques Cartier and Champlain Bridges Incorporated to the Minister of Infrastructure, Communities and Intergovernmental Affairs on behalf of Her Majesty in right of Canada. After this transfer, the Corporation became a parent Crown corporation listed under Part I, Schedule III of the *Financial Administration Act*.

Since December 1, 1978, the Corporation has been responsible for the management, maintenance and control of the Jacques Cartier Bridge, the original Champlain Bridge and a section of the Bonaventure Expressway. On October 1, 1998, in accordance with a directive issued by the Minister of Transport under the *Canada Marine Act*, the Corporation became responsible for managing the federal section of the Honoré Mercier Bridge and the Melocheville Tunnel. The management of the original Champlain Bridge Estacade (ice control structure) was transferred to the Corporation from the Minister of Transport on December 2, 1999. On April 1, 2015, the south and north approaches to the

original Champlain Bridge were transferred by Order in Council, meaning the Corporation is no longer responsible for the management and maintenance of the lands and structures constituting the transferred assets. By letter dated May 3, 2018, the Minister of Infrastructure and Communities confirmed that the Corporation was mandated to undertake the deconstruction of the original Champlain Bridge in accordance with the principles of sustainable development upheld by the Corporation.

In July 2015, the Corporation received a directive (*P.C. 2015-1112*) under section 89 of the *Financial Administration Act* to harmonize its travel, hospitality, conference and event expenditure policies, guidelines and practices with the Treasury Board of Canada's policies, directives and related instruments on travel, hospitality, conference and event expenditures in a manner that is consistent with its legal obligations and to report on the implementation of this directive in its next corporate plan. The Corporation confirms that it has met the requirements of this directive since December 2015.

The Corporation is not subject to income tax legislation.

The Corporation is dependent on the Government of Canada for its funding.

2. SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements have been prepared by management in accordance with the Canadian Public Sector Accounting Standards (CPSAS).

The main accounting policies followed by the Corporation are the following:

Government Transfers

Government transfer payments are recognized as revenue when the transfer is authorized and eligibility criteria are met, except to the extent that the stipulations give rise to an obligation that meets the definition of a liability. The transfers are recognized as deferred revenue when stipulations lead to the creation of a liability. The revenue is recognized in the Statement of Operations as the stipulations are met. Any portion of government transfers to which the Corporation is entitled, but has not yet received, is recognized under Due from the Government of Canada.

Tangible Capital Assets

Tangible capital assets are recognized at cost. Replacements and major improvements that extend the service life of existing assets are capitalized. Repair and maintenance costs are charged to operations when they are incurred. Costs that increase their service capacity, safety or effectiveness are capitalized.

Amounts related to projects in progress are transferred to the appropriate tangible capital assets category when the project is completed and are amortized in accordance with the Corporation's policy.

Capital assets received as contributions from departments, agencies and Crown corporations within the jurisdiction of the Government of Canada are recognized at their fair market value at the date of transfer.

Tangible capital assets are amortized based on the estimated useful life of the components, on a straight-line basis, over the following periods:

- ✦ Bridges and roads: between 5 and 48 years;
- ✦ Vehicles and equipment: between 3 and 10 years;
- ✦ Leasehold improvements, the lesser of: the useful life or the term of the lease.

When the conditions indicate that a tangible capital asset no longer contributes to the ability of the Corporation to provide services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying value, the cost of the tangible capital asset is reduced to reflect the impairment. Net write-downs on tangible capital assets are recorded as expenses in the Statement of Operations.

Revenue Recognition

Revenue from leases and permits, interest and other sources are recognized in the fiscal year in which they are earned. Revenue from leases and permits collected in advance are recorded as "Deferred revenue" in the Statement of Financial Position.

Employee Future Benefits

PENSION PLAN

All employees of the Corporation are covered by the Public Service Pension Plan (the "Plan"). This is a contributory-defined benefit plan established by law and sponsored by the Government of Canada. Employees and the Corporation must contribute to the Plan to cover the cost of services rendered during the fiscal year. Under current legislation, the Corporation has no legal or constructive obligation to pay additional contributions to cover past services or to fund deficiencies of the Plan. Consequently, contributions are charged to expenses in the fiscal year during which the employees render the services, and these contributions represent the total pension obligation of the Corporation. The Corporation is not required by law to make up for the actuarial deficiencies of the Plan.

POST-EMPLOYMENT BENEFITS AND COMPENSATED ABSENCES

Employees are entitled to days of sick leave and compensation for work injuries, as provided for under their conditions of employment. Employees of the Corporation are subject to the *Government Employees Compensation Act*. Annually, they are paid the unused portion of their days of sick leave. These annual payments are recognized directly in current costs for the fiscal year. Before December 9, 2016, unionized employees accumulated their unused days of sick leave, which were redeemable at the end of their employment with the Corporation. The Corporation has recorded a liability for employees with banked leave balances at that date who have elected to retain them until their departure. Moreover, the Corporation recognizes the cost of compensation for work injuries payable at the time the event obligating the Corporation occurs. The liability that these benefits represent is determined based on management's best assumptions in terms of salary increases, age of employees, years of service, the probability of employees leaving, and average life expectancy. These assumptions are reviewed annually. Post-employment benefits and compensated absences are recognized at present value.

Environmental Obligations

Whenever the Corporation accepts responsibility for sites where contamination exceeds environmental standards, when it plans to abandon future economic benefits to that effect, and when the amount involved can be reasonably estimated, an obligation for the clean-up of the contaminated sites is recognized as a liability in the Statement of Financial Position. The estimated future costs are recognized as a liability and are based on the present value of the estimated cash flows associated with the most likely costs to be incurred. If it proves impossible to make a reasonable estimate of the amount, the situation will be disclosed through a note to the Financial Statements. Other expenses related to environmental measures are recognized as an Environmental Obligation expense as they are incurred.

Financial Instruments

The Corporation identifies, assesses, and manages the financial risks to minimize the impact thereof on its results and financial position. Financial risks are managed in accordance with specific criteria disclosed in Note 14. The Corporation neither engages in speculative transactions nor uses derivatives.

The accounting of financial instruments depends on their classification as presented in the following table:

CATEGORIES	FINANCIAL INSTRUMENTS	MEASUREMENT
Financial assets	Cash Accounts receivable (other than taxes receivable)	Cost or amortized cost
Financial liabilities	Accounts payable and accrued liabilities Contractual holdbacks	Cost or amortized cost

Contingencies

Contingencies result from uncertain situations whose outcome depends on one or more future events. Contingencies include contingent liabilities and contingent assets.

Contingent liabilities are possible liabilities which could become actual liabilities if one or more future events occur. If it is likely that an event could occur, and a reasonable estimate of the liability can be made, a provision is recognized, and an expense is recorded. If the likelihood of the event cannot be determined or if the amount involved cannot be reasonably estimated, a contingency is disclosed in the notes to the Financial Statements.

Contingent assets are possible assets that could become assets if one or more future events occur. If the future event is likely to occur, the existence of the contingent asset is disclosed in the notes to the Financial Statements.

Measurement Uncertainty

In preparing the Financial Statements in accordance with the CPSAS, management must use estimates and assumptions that affect the reported amounts of assets and liabilities and the presentation of assets and contingent liabilities at the date of the Financial Statements, as well as the amounts of the revenue and expenses recognized during the period covered by the Financial Statements. Actual results could differ significantly from these estimates.

The most significant estimates used in the preparation of these Financial Statements relate, in particular, to the useful life of tangible capital assets, accrued liabilities and claims received from suppliers, the liability for employee future benefits, expected costs for liabilities arising from environmental obligations as well as contingencies.

Budgetary Data

Budgetary data included in the Financial Statements have been provided for comparison purposes and approved by the Board of Directors.

3. ACCOUNTS RECEIVABLE

The Corporation's accounts receivable consist of the following:

	2021	2020
	\$	\$
Due from the Government of Canada	14,276,121	402,327
Taxes receivable	3,650,828	844,759
Re-invoicing of work to business partners	125,696	88,396
Other accounts receivable	671,734	506,337
Total Accounts Receivable	18,724,379	1,841,819

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Corporation's accounts payable and accrued liabilities consist of the following:

	2021	2020
	\$	\$
Suppliers and accrued liabilities	67,960,129	27,501,335
Salaries and employee benefits	1,557,335	1,502,189
Total Accounts Payable and Accrued Liabilities	69,517,464	29,003,524

5. EMPLOYEE FUTURE BENEFITS

Pension Plan

All employees of the Corporation are covered by the Public Service Pension Plan (the "Plan"). The President of the Treasury Board of Canada sets the required employer contributions, which represent a multiple of the required employee contributions. The Corporation's base contribution rate in effect at the end of the period was 9.93% (9.63% in 2020) of the annual salary paid to employees hired before January 1, 2013, and 8.89% (8.69% in 2020) of the annual salary paid to employees hired after December 31, 2012.

The contributions to the Plan during the fiscal year are broken down as follows:

	2021	2020
	\$	\$
Employer's contributions	1,778,066	1,643,650
Employee's contributions	1,675,835	1,566,276

The Government is required by law to pay the benefits associated with the Plan. The pension benefits accrue up to a maximum of 35 years at an annual rate of 2% by year of pensionable service, times the average of the best five (5) consecutive years of earnings. The benefits are coordinated with the Canada Pension Plan and Quebec Pension Plan benefits and are indexed to inflation.

Post-Employment Benefits and Compensated Absences

To calculate the liability for compensated absences relating to sick leave accrued as at December 9, 2016 for employees who have chosen to keep this leave until their departure, the Corporation uses a rate of compensation increase of 1.5% (1.5% in 2020), a discount rate of 0.16% (0.42% in 2020), and a probability of employee departure of 15% (15% in 2020) before retirement eligibility.

For post-employment benefits relating to work injuries, the Corporation recognized a liability amounting to \$186,848 (\$220,944 in 2020). To calculate this post-employment benefit, the Corporation uses a rate of compensation increase of 1.5% (1.5% in 2020), a discount rate of 0.16% (0.42% in 2020) for an average life expectancy of 80 years (80 years in 2020) as an assumption for the end of the payment of the compensation.

The liability for post-employment benefits comprises the following elements:

	2021	2020
	\$	\$
Accrued benefit obligation, beginning of the year	530,545	495,762
Cost of the services rendered during the year	36,326	68,406
Benefits paid during the year	(48,661)	(33,623)
Accrued Benefit Obligation, End of the Year	518,210	530,545

6. CONTRACTUAL HOLDBACKS

Contractual holdbacks (including performance holdbacks and warranty holdbacks) represent the total amount that the Corporation temporarily retains on amounts due to contractors during the performance of the work, to guarantee that the latter fulfill their obligations pertaining to the warranties of rectification and correction of defects and poor workmanship in the work performed. The warranty periods applicable to each contract begin following the issuance of the Interim Certificate of Completion for the work concerned. The Corporation then pays the 5% contractual holdback (designated as performance holdback) and

retains a new amount equal to 2.5% as a contractual holdback (designated as warranty holdback).

The contracts provide that the Corporation will pay the second portion of 2.5% of the contractual holdback (designated as warranty holdback) less, where applicable, any amount owed by the contractor under the terms of the contract once the warranty period has expired.

7. ENVIRONMENTAL OBLIGATIONS

The Corporation conducts an inventory of all the lands under its management in order to classify their environmental condition and prioritize any required interventions. The Corporation's portfolio comprises a number of lands with soil contamination that exceeds the acceptable criteria. The lands concerned are located under the Jacques Cartier Bridge, under the original Champlain Bridge and along the Bonaventure Expressway.

The Corporation has identified a total of 16 sites (16 in 2020) that may be contaminated and require assessment, remediation, or a risk management strategy, and monitoring. Among these 16 sites, four (4) have been assessed (four (4) in 2020) for which remediation measures or risk management strate-

gies are in place or planned, for which a liability of \$31,157,000 (\$34,396,000 in 2020) has been recognized.

No liability has been recognized for the other 12 sites (12 in 2020). However, eight (8) of these 12 sites are in various stages of testing and assessment and, if remediation or a risk management strategy is required, the Corporation plans to abandon future economic benefits to that effect and a liability will be recognized as soon as a reasonable estimate can be determined. With respect to the other four (4) sites, the Corporation does not plan to forego future economic benefits due to the likely absence of environmental impacts or significant threat to human health.

The following table presents the estimated total environmental liabilities by sector, which are based on the following assumptions:

- ✦ The discount rates are determined based on the actual zero-coupon yield curve for Government of Canada bond market issued by the Bank of Canada. The discount rate ranges from 0.16% to 1.86% (2020 - 0.37% to 1.14%).
- ✦ The inflation rate of 3.08% (2020 - 3.07%) is based on the Non-Residential Building Construction Price Index.

Sectors	2021		2020	
	Undiscounted Liability to which the Inflation Rate was Applied	Discounted Liability to which the Inflation Rate was Applied	Undiscounted Liability to which the Inflation Rate was Applied	Discounted Liability to which the Inflation Rate was Applied
Bonaventure Expressway: East Sector ⁽¹⁾	20,879,000	18,333,000	21,718,000	20,189,000
Bonaventure Expressway: West Sector ⁽¹⁾	10,183,000	9,084,000	8,150,000	7,653,000
Jacques Cartier Bridge ⁽²⁾	1,511,000	1,511,000	2,769,000	2,752,000
Original Champlain Bridge ⁽³⁾	2,229,000	2,229,000	3,836,000	3,802,000
Total	34,802,000	31,157,000	36,473,000	34,396,000

(1) EAST AND WEST SECTORS OF THE BONAVENTURE EXPRESSWAY

As at March 31, 2021, the priority environmental issue for the Corporation remains that of the lands located in the Bonaventure Expressway sector in Montreal. These lands, which have been managed by the Corporation since 1978, are located on a portion of and close to a former landfill site operated by the City of Montreal between 1866 and 1966. This former landfill site covers several tracts of land belonging to different owners. Since 2003, the Corporation has conducted studies and toxicity tests on the groundwater in this location. The tests revealed that the groundwater is contaminated beyond acceptable criteria. Given the complexity of the issue, the involvement of numerous owners and the significant costs involved, the federal government has focused on integrated solutions to the environmental issues at this site. This site can be divided into two sectors: the East Sector and the West Sector.

For the East Sector, the containment and pumping operations began in 2018. For the West Sector, both the containment of groundwater and the operation of the treatment plant began in 2017. The Corporation is managing this project. The portion of the costs borne by the Corporation for the West Sector is 50% of the total costs to be incurred.

The obligations of the East and West Sectors represent management's best estimate of the expected expenses for the containment, treatment and pumping operations and are based on the costs of the contracts already awarded. The duration of the operations included in the obligations related to the East and West Sectors is estimated at 15 years. The duration of the operations will extend beyond this period, but it is impossible, at this time, to determine the costs beyond 15 years. There is no residual value to the projects.

(2) LANDS UNDER THE JACQUES CARTIER BRIDGE

With respect to the lands under the Jacques Cartier Bridge, the Corporation is conducting characterization studies to classify the contaminated sites and determine whether the Corporation needs to clean up the lands or adopt a risk management strategy to limit the contamination. For one section of these lands, a study confirmed the presence of residual materials and soils contaminated with polycyclic aromatic hydrocarbons (PAHs) and metals whose level exceeds the acceptable environmental standards. The lands were contaminated as a result of past commercial and industrial operations. The obligation represents management's best estimate of the expected costs of carrying out the work required to manage drainage water from the Jacques Cartier Bridge and is based on the costs of the contract awarded. The Corporation has started the decontamination work during the summer of 2020. Said work will extend over a period of approximately two (2) years.

(3) LANDS UNDER THE ORIGINAL CHAMPLAIN BRIDGE

The Corporation assessed the environmental condition of the lands located under the original Champlain Bridge based on the results of characterizations carried out on adjacent lands. Said characterizations confirmed the presence of soils contaminated by metals, polycyclic aromatic hydrocarbons (PAHs) and petroleum hydrocarbons (PHCs) beyond acceptable criteria. The contamination results from backfill soils from unknown sources. The obligation represents management's best estimate of the expected costs of managing the soils that will be excavated under the bridge and is based on the information available at the date of the Financial Statements. The management of the excavated soils under the bridge is planned as part of the deconstruction work, which started in the summer of 2020 and will extend over a period of approximately 43 months.

8. TANGIBLE CAPITAL ASSETS

	LANDS	BRIDGES AND ROADS	VEHICLES AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	PROJECTS IN PROGRESS	TOTAL
	\$	\$	\$	\$	\$	\$
COST						
April 1, 2019	5,250,117	831,725,962	3,982,922	1,255,644	21,006,519	863,221,164
Acquisitions	-	19,314,554	934,194	(63,653)	29,177,587	49,362,682
Disposals	-	-	(196,420)	-	-	(196,420)
Transfers	-	17,870,262	-	-	(17,870,262)	-
March 31, 2020	5,250,117	868,910,778	4,720,696	1,191,991	32,313,844	912,387,426
Acquisitions	-	33,771,255	1,387,783	56,398	28,432,726	63,648,162
Disposals	-	(349,710)	(45,672)	-	-	(395,382)
Decommissioning	-	(72,146,915)	-	-	-	(72,146,915)
Transfers	-	32,059,834	-	-	(32,059,834)	-
March 31, 2021	5,250,117	862,245,242	6,062,807	1,248,389	28,686,736	903,493,291
ACCUMULATED AMORTIZATION						
April 1, 2019	-	270,597,313	2,442,849	162,834	-	273,202,996
Amortization	-	32,281,396	361,555	282,194	-	32,925,145
Disposals	-	-	(190,054)	-	-	(190,054)
March 31, 2020	-	302,878,709	2,614,350	445,028	-	305,938,087
Amortization	-	30,536,493	479,354	294,489	-	31,310,336
Disposals	-	(239,517)	(45,672)	-	-	(285,189)
Decommissioning	-	(72,146,915)	-	-	-	(72,146,915)
March 31, 2021	-	261,028,770	3,048,032	739,517	-	264,816,319
NET BOOK VALUE						
March 31, 2020	5,250,117	566,032,069	2,106,346	746,963	32,313,844	606,449,339
March 31, 2021	5,250,117	601,216,472	3,014,775	508,872	28,686,736	638,676,972

As at March 31, 2021, "Accounts payable and accrued liabilities" includes acquisitions related to tangible capital assets of \$15,356,871 (\$9,512,705 in 2020).

9. SHARE CAPITAL

The authorized share capital is 50 shares without par value, and the Corporation has issued and fully paid one (1) share in the amount of \$100.

10. CONTINGENCIES

Legal Proceedings and Claims

In the normal course of its operations, the Corporation is subject to claims or lawsuits, the outcome of which cannot be predicted with certainty. Management has made, in the affected accounts, provisions which it deems sufficient, and believes that the resolution of such contingencies should not have any material adverse effect on the Corporation's financial position.

As at March 31, 2021, some contingent assets are under negotiation with business partners and their estimated amount cannot be determined. The contingent assets are not recognized in the Financial Statements.

Other contingencies

a) The Corporation has signed agreements to install, maintain and use closed circuit cables on lands it does not own. In the event of the termination of these agreements, the Corporation will have to remove its facilities, at its own expense. As at March 31, 2021, neither the owners of the lands nor the Corporation has indicated an intention to terminate the agreements. Therefore, no contingent liability related to these capital assets has been recognized.

b) The Corporation holds a structure erected on lands whose owner has transferred the management and administration to the Government of Canada. The owner of the lands could reclaim them in the event of a change of use, without any compensation for the structure built, provided that it is in a condition satisfactory to the owner. The Corporation currently has no intention of changing the current use of these lands. Therefore, no liability has been recognized for this capital asset.

c) The Corporation holds other structures also erected on lands whose owner has transferred the administration to the Government of Canada. In the event that any of these lands are no longer required or cease to be used for the purposes for which the transfer of administration was granted, such land shall revert to the owner, who will advise if the structures, constructions or improvements built thereon are required. If so, the retrocession will include the structures, constructions and improvements. If not, said structures, constructions and improvements shall be deconstructed and removed within five (5) years. In both cases, the land shall have been restored to good condition to the satisfaction of the owner and in accordance with the agreed environmental requirements, all without compensation. The Corporation currently has no intention of changing the current use of these lands. Therefore, no liability has been recognized for these capital assets.

11. CONTRACTUAL OBLIGATIONS

Operating Services

The minimum amount payable for police services for the year is \$3,647,848 (\$3,563,425 in 2020). The current agreement expires on June 24, 2029 and its renewal is not automatic.

Suppliers

The Corporation has committed to pay an amount of \$299,339,283 over the next few years (\$116,995,651 in 2020), mainly for major work, the deconstruction of the original Champlain Bridge and professional services. The minimum payments due for the next fiscal years are the following:

2022	\$174,614,583
2023	\$90,963,059
2024	\$27,283,416
2025	\$3,263,435
2026 and beyond	\$3,214,790

Leases

The Corporation has committed, under leases for the rental of offices and equipment, to pay an amount of \$6,712,911 in the coming years (\$2,357,219 in 2020). The minimum payments due for the next fiscal years are the following:

2022	\$1,339,171
2023	\$1,344,470
2024	\$1,328,788
2025	\$1,156,278
2026 and beyond	\$1,544,204

12. RELATED PARTY TRANSACTIONS

The Corporation is related in terms of common ownership to all departments, agencies and Crown corporations created by the Government of Canada, as well as to the Corporation's Board of Director members, Chief Executive Officer and Senior Directors, close family members thereof and entities subjected to the control of said individuals. The Corporation enters into transactions with these entities in the normal course of business. These transactions are recognized at the exchange amount, except for the cost of the audit of the Financial Statements, which is carried out without consideration and not recognized in the Statement of Operations.

During the previous fiscal year, Infrastructure Canada transferred to JCCBI, for no consideration, the responsibility for temporary ramps located near the original Champlain Bridge. Income equivalent to the fair market value was recognized in the Statement of Operations for the year ended March 31, 2020.

13. EXPENSES BY TYPE

	2021	2020
	\$	\$
Regular and major maintenance	47,306,797	57,337,992
Deconstruction – Original Champlain Bridge	73,340,052	7,773,876
Environmental obligations	3,403,781	9,407,394
Amortization of tangible capital assets	31,310,336	32,925,145
Salaries and employee benefits	24,288,578	22,549,236
Professional services	14,340,722	12,607,109
Goods and services	5,722,931	6,191,982
Loss on disposal of tangible capital assets	110,193	6,366
Total Expenses	199,823,390	148,799,100

14. FINANCIAL INSTRUMENTS

Fair Value

The carrying value of the Corporation's financial instruments approximates their fair value.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation is subject to credit risk on cash and accounts receivable other than taxes receivable. The Corporation manages this risk by dealing mainly with the government and by closely monitoring credit allocation and collections from commercial clients. The carrying value reported in the Corporation's Statement of Financial Position for its financial assets exposed to credit risk represents the maximum amount exposed to credit risk. The Corporation's credit risk is not significant.

The credit risk associated with cash is minimal, since it is composed of cash balances and since the Corporation only deals with well-known financial institutions that are members of Payments Canada.

The credit risk associated with accounts receivable is minimal since the majority of accounts receivable are due from government agencies. The other accounts receivable showed no outstanding balance (none in 2020).

The level of credit risk and the procedures in place to mitigate this risk are similar to those of the previous year.

Liquidity Risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they become due. The Corporation manages the risk by establishing budgets and detailed estimates of the cash associated with its operations and by regularly monitoring them. The liquidity risk is low, given that the Corporation is funded, for the most part, by the Government of Canada.

Maturities of the Corporation's financial liabilities are as follows, according to estimates:

	2021	2020
	\$	\$
Less than 90 days		
Accounts payable and accrued liabilities	45,756,916	29,003,524
Contractual holdbacks	639,880	1,322,017
Subtotal	46,396,796	30,325,541
90 Days to One Year		
Accounts payable and accrued liabilities	13,124,032	-
Contractual holdbacks	2,914,998	2,066,929
Subtotal	16,039,030	2,066,929
More than One Year		
Accounts payable and accrued liabilities	10,636,516	-
Contractual holdbacks	2,798,303	825,101
Subtotal	13,434,819	825 101
Total	75,870,645	33,217,571

The level of liquidity risk and the procedures in place to mitigate this risk are similar to those of the previous year.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes three (3) types of risk: currency risk, interest rate risk and the price risk. The Corporation is only exposed to interest rate risk. This exposure is attributable to its cash flow. To reduce this risk to a minimum, the Corporation must, in keeping with its investment policy, invest its working capital surplus in highly liquid and low-risk instruments. If interest rates had varied by 1% during the fiscal year, the interest revenue on cash would have varied by approximately \$496,099 (\$333,092 in 2020).

The level of risk for the interest rate and the procedures in place to mitigate this risk are similar to those of the previous fiscal year.

15. DECONSTRUCTION OF THE ORIGINAL CHAMPLAIN BRIDGE

The Corporation was mandated to undertake the deconstruction of the original Champlain Bridge in accordance with the principles of sustainable development that it advocates.

Deconstruction work started during the fiscal year. The expenses related to the deconstruction are recognized under "Maintenance and deconstruction" in the Statement of Operations. They are also disclosed in Note 13 – Expenses by Type under "Deconstruction – Original Champlain Bridge". Contractual obligations for deconstruction are disclosed in Note 11 Contractual Obligations – Suppliers.



Jacques Cartier Bridge, Montreal sector

Board of Directors and Officers

Directors

Lesley Antoun
Henri-Jean Bonnis
Richard Cacchione
Catherine Lavoie
Sandra Martel
Me Sylvain Villiard
Dale Ellen Williams

Officers

Catherine Lavoie
Chair of the Board

Me Sylvain Villiard
Acting Vice Chair of the Board

Sandra Martel
Chief Executive Officer

Claude Lachance
Treasurer

Me John Papagiannis
Acting Corporate Secretary

List of committees of the Board of Directors

Audit Committee

Richard Cacchione, Chair
Henri-Jean Bonnis
Me Sylvain Villiard
Dale Ellen Williams

Risk Committee – Infrastructure

Catherine Lavoie, Chair
Lesley Antoun
Richard Cacchione
Me Sylvain Villiard

Governance and Ethics Committee

Me Sylvain Villiard, Chair
Catherine Lavoie
Dale Ellen Williams

Corporate Risk Committee

Me Sylvain Villiard, Chair
Henri-Jean Bonnis
Richard Cacchione

Human Resources Committee

Dale Ellen Williams, Chair
Lesley Antoun
Henri-Jean Bonnis
Richard Cacchione

Initialisms

CPSAS	Canadian Public Sector Accounting Standards
FAA	Financial Administration Act
FSDS	Federal Sustainable Development Strategy
JCCBI	The Jacques Cartier and Champlain Bridges Incorporated
NHSL	Nouvel Horizon St-Laurent G.P.
OAG	Office of the Auditor General of Canada
OHS	Occupational Health and Safety
RAD	Research and Applications Division

