

**CORPORATE PLAN SUMMARY**  
2019-2020 to 2023-2024

**OPERATING BUDGET 2019-2020 TO 2023-2024**  
**CAPITAL BUDGET 2019-2020 TO 2023-2024**

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# 1. JCCBI'S PROFILE AND ACTIVITIES

## 1.1 STATUS AND MANDATE

Incorporated in 1978 under the *Canada Business Corporations Act*, JCCBI is a parent Crown corporation listed in Part I of Schedule III of the *Financial Administration Act* (FAA) and is an agent of Her Majesty. JCCBI is subject to Part X of the FAA and regulations thereof, which define the powers, duties and responsibilities of Crown corporations.

Its mandate is to manage, maintain and rehabilitate infrastructures such as bridges, highways and tunnels as well as properties, to ensure a safe passage for users.

JCCBI manages most of the bridges and tunnels under federal jurisdiction located in the Greater Montreal metropolitan area, namely the original Champlain Bridge and the Jacques Cartier Bridge, the Île des Sœurs Bypass Bridge, the federal section of the Honoré Mercier Bridge as well as their approaches, the Melocheville Tunnel and two (2) related infrastructures, namely the federal section of the Bonaventure Expressway and the Champlain Bridge Ice Control Structure. As for the Samuel De Champlain Bridge Corridor Project (SDCBCP), it is managed by Infrastructure Canada (INFC).

### Accountability and Governance

JCCBI is accountable to Parliament for the conduct of its affairs through the Minister of Infrastructure and Communities.

JCCBI is governed by a Board of Directors consisting of seven (7) directors, including the Chairman of the Board and the Chief Executive Officer. The directors are appointed by the Minister, with the approval of the Governor in Council. The Chairman of the Board and the Chief Executive Officer are appointed by the Governor in Council on the recommendation of the Minister. The five-year term, extended by one (1) year, ends on November 6, 2020 for the Chairman of the Board and the five-year term ends on May 19, 2024 for the Chief Executive Officer.

### Board Committees

In accordance with good governance practices, the Board of Directors has formed three (3) standing committees:

- + The Governance and Ethics Committee, which is responsible for evaluating all of JCCBI's governance means and practices. Its mandate is to propose to the Board the way in which JCCBI will address questions relating to its governance practices and will implement the guidelines relating to the governance of Crown corporations issued by the Treasury Board Secretariat;
- + The Audit Committee, whose responsibilities are as set out in the FAA. They include monitoring JCCBI's integrity and performance standards, the integrity and credibility of its financial statements and its internal control systems and practices; and
- + The Human Resources Committee, whose primary role is to provide guidance with respect to the development of human resources policies, programs and practices that are consistent with JCCBI's mission, vision and values, as well as with its strategic plan and its objectives.

The Board of Directors has also formed various other committees. These advisory committees, which have no decision-making powers, ensure the smooth running of major projects.

## List of Board Committees as of September 30, 2019

Director	Appointment Date	Term	End of Term
BONNIS, Henri-Jean	June 18, 2019	3 years	2022-06-17
CACCHIONE, Richard	June 21, 2018	3 years	2021-06-20
KEFALAS, Paul T.	November 7, 2014	5 years + 1 year	2020-11-06
LAVOIE, Catherine	June 15, 2017	3 years	2020-06-14
MARTEL, Sandra	May 20, 2019	5 years	2024-05-19
VILLIARD, Me Sylvain	June 15, 2017	3 years	2020-06-14
WILLIAMS, Dale Ellen	December 18, 2017	3 years	2020-12-17

### Officers

Chair	KEFALAS, Paul T.
Vice-Chair	LAVOIE, Catherine
Acting Corporate Secretary	PAPAGIANNIS, Me John
Chief Executive Officer	MARTEL, Sandra
Treasurer	LACHANCE, Claude

#### AUDIT COMMITTEE

CACCHIONE, Richard/President  
 VILLIARD, Me Sylvain  
 WILLIAMS, Dale Ellen

#### GOVERNANCE AND ETHICS COMMITTEE

KEFALAS, Paul T./President  
 VILLIARD, Me Sylvain  
 LAVOIE, Catherine  
 WILLIAMS, Dale Ellen

#### RISK COMMITTEE – INFRASTRUCTURES

LAVOIE, Catherine/President  
 KEFALAS, Paul T.  
 CACCHIONE, Richard

#### HUMAN RESOURCES COMMITTEE

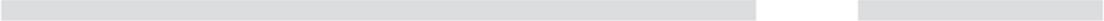
WILLIAMS, Dale Ellen/President  
 BONNIS, Henri-Jean  
 CACCHIONE, Richard

#### CORPORATE RISK COMMITTEE

VILLIARD, Me Sylvain/President  
 BONNIS, Henri-Jean  
 KEFALAS, Paul T.  
 CACCHIONE, Richard

## Board of Director Meetings (April 1, 2018 to March 31, 2019)

Director	Twelve (12) Regular Sessions	Seven (7) Special Sessions
BOUCHARD, Dominique	12	6
CACCHIONE, Richard	7	5
CARLIN, Glen P.	7	5
HÉBERT, Denise	5	1
KEFALAS, Paul T.	12	6
LAVOIE, Catherine	12	7
MARTEL, Sandra	5	2
VILLIARD, Me Sylvain	12	7
WILLIAMS, Dale Ellen	10	6



## Audit Regime

JCCBI's auditor is the Auditor General of Canada under *The Jacques Cartier and Champlain Bridges Inc. Regulations*. This body conducts an annual audit of JCCBI's operations in accordance with the FAA in order to ensure that the financial statements are presented fairly on the basis of accepted accounting principles and that JCCBI's operations were performed in accordance with the FAA and JCCBI's statutes and bylaws.

JCCBI develops multi-year plans of internal audits for its operations in order to determine, among other things, whether its risk management, control and governance systems enable it to fulfill its mission economically, efficiently and effectively in accordance with the applicable legislation. JCCBI hires external firms to produce these plans.

## 1.2 STRUCTURES

### Jacques Cartier Bridge

Opened to traffic on May 14, 1930, and inaugurated on May 24 of the same year, the "Harbour Bridge" was renamed "Jacques Cartier Bridge" in 1934. The bridge's toll was abolished in 1962.

### Champlain Bridge

On August 17, 1955, the Federal Minister of Transport, George Marler, announced that a bridge to the South Shore, at the height of Île des Sœurs, would be built.

The bridge was opened to traffic on June 29, 1962. The bridge's toll was abolished in 1990.

### Bonaventure Expressway

In the early 1960s, the decision was made to build a new Road (which would become the Bonaventure Expressway). The project took on a whole new dimension when the Expo 67 plans were published. Thereupon, the proposed new Road was the main, if not the only, access road to the Expo site. It was thus designed with that in mind, while at the same time providing for the fact that it would later be linked to the Port of Montreal. The Bonaventure Expressway was inaugurated on April 21, 1967, a few days before the opening of Expo 67.

### Honoré Mercier Bridge

The Honoré Mercier Bridge in its original configuration was built in 1933 by the Corporation du pont du lac Saint-Louis, which was constituted by the Quebec government. Since the date of its commissioning on July 11, 1934, the operation, maintenance and management of the bridge have been under the jurisdiction of the Province of Quebec.

Between 1958 and 1959, as part of the construction of the St. Lawrence Seaway, the St. Lawrence Seaway Authority (SLSA) carried out work to raise and extend the south section of the bridge to provide clear passage for ships on the Seaway. Once completed, this new section of the Honoré Mercier Bridge remained under the jurisdiction of SLSA until October 1, 1998, when SLSA transferred the bridge to JCCBI under a directive from the Minister of Transport in accordance with paragraph 80(1) of the *Canada Marine Act*.

### Melocheville Tunnel

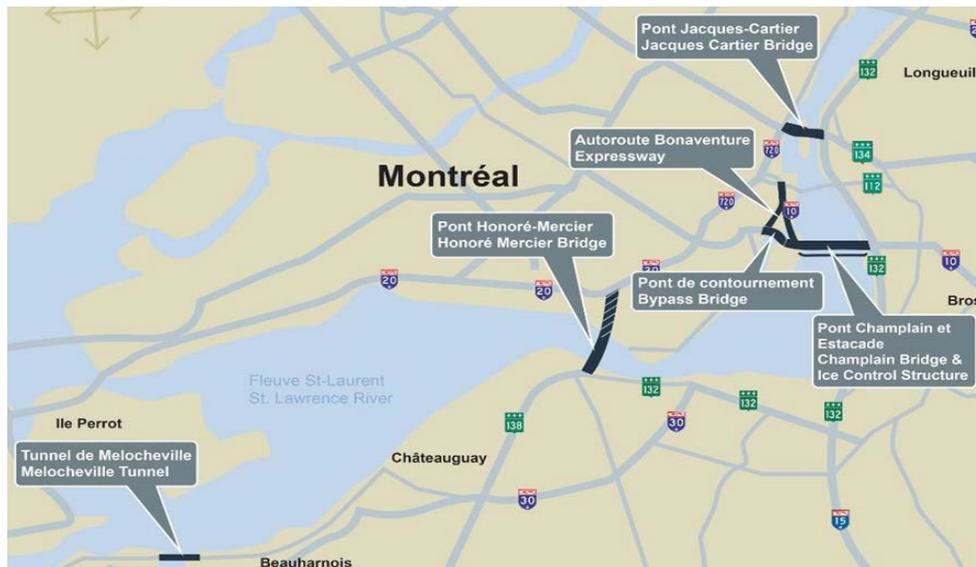
The Melocheville Tunnel was built by SLSA circa 1958 as part of the construction of the St. Lawrence Seaway. The tunnel passes under the locks of the Seaway Beauharnois Canal in Melocheville and is an extension of Highway 132.

## Champlain Bridge Ice Control Structure

The Champlain Bridge Ice Control Structure was built in 1964-1965, mainly to avoid the risk of ice jams and flooding in the Montreal area after the Expo 67 islands were built. Over the years, the advent of ice-breakers eliminated the need to operate the ice control structure stop logs.

Today, this structure is used to retain the ice in the La Prairie Basin. It also serves as a cycling link between Île des Sœurs and the bike paths on the South Shore and is also used by JCCBI's contractors for the rehabilitation work on the Champlain Bridge. This structure is also used by the Private Partner (PP) contractors to access the St. Lawrence Seaway dike in the context of the construction and maintenance of the Samuel De Champlain Bridge.

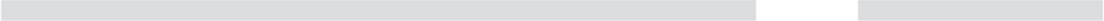
The map below shows the geographic location of all infrastructures managed by JCCBI.



### 1.3 ACTIVITIES

JCCBI's activities are divided into two (2) specific areas, namely the operations and the administrative departments. The operations include planning, engineering, expertise, environment and sustainable development, the Champlain Project Office, construction, as well as operations and maintenance. These groups are supported by project management and occupational health and safety teams. The Champlain Project Office is responsible for carrying out the major maintenance program for the original Champlain Bridge, and provides INFC with support as part of the SDCBC project. Administrative departments such as Legal Affairs, Procurement, Finance, Information Technologies (IT), Human Resources and Communications support these sectors.

The Planning, Environment and Sustainable Development, Engineering, Expertise, Projects and Construction departments plan and manage the activities pertaining to asset management and major construction, rehabilitation and repair projects related to the components of civil and road engineering structures, such as piers, girders, decks, steel structures, tunnels, foundations, paving and painting as well as the mechanical and electrical components associated with these structures. In order to carry out the work program, a project-based management structure is set up in collaboration with the different departments. In addition, the Environment and Sustainable Development department ensures the protection and enhancement of the territory as well as the implementation of the sustainable development strategy.



The Operations and Maintenance department oversees and manages contracts for snow removal and spreading of abrasives, road cleaning and maintenance, landscaping, replacement of guardrails, sealing cracks and lubricating bearings, repairing potholes in the pavement and bridge decks, as well as maintenance and operations of lane control signal and surveillance camera systems, electrical distribution and road lighting.

The Corporation awards contracts, mainly to engineering consulting firms, for professional services in the fields of inspection, planning, engineering and work site supervision. Contracts for various activities related to its major maintenance program are awarded to contractors. In addition, many firms offering a variety of professional services assist the Corporation's various departments in carrying out their mandates.

The Sûreté du Québec (SQ), under the terms of a contractual agreement, polices the Jacques Cartier and Champlain Bridges, the Bonaventure Expressway, and the Champlain Bridge Ice Control Structure. The Honoré Mercier Bridge is policed by the SQ, except at the approaches, which are policed by the Kahnawá:ke Peacekeepers.

## 1.4 FINANCIAL POSITION

JCCBI has an important responsibility inherent in the management of its bridges and structures, namely that of stewardship and public interest. JCCBI must constantly balance its decisions on how best to use available resources to protect its assets and the overriding obligation to ensure the safety and mobility of its users.

Expenditures are funded by parliamentary appropriations. Since the funding in place covers only a limited timeframe, financial viability becomes a leading driving force in all decisions. Since some of JCCBI's assets have extended beyond their useful life, resources are used primarily for the maintenance and rehabilitation necessary to ensure safety and mobility. JCCBI provides an essential service for the well-being of the population and the region's economy. JCCBI can never put financial factors ahead of public safety. JCCBI continues to prioritize the risk and management thereof, and the work is defined and addressed in the context of available resources.

JCCBI's 2017-2018 annual report is published at [https://jacquescartierchamplain.ca/wp-content/uploads/2018/09/Rapport\\_annuel\\_PJCCI\\_EN\\_web\\_2017-18.pdf](https://jacquescartierchamplain.ca/wp-content/uploads/2018/09/Rapport_annuel_PJCCI_EN_web_2017-18.pdf).



## 2. OPERATING ENVIRONMENT

Historically, bridge managers have taken a reactive approach to maintaining the infrastructures under their responsibility. In the middle of the last century, it was common practice to build bridges in the most basic and economical way possible and to design them to meet the minimum criteria in terms of capacity. It was only when visible signs of deterioration appeared that repairs were undertaken. Once deemed unsafe or unusable, the bridges were demolished and reconstructed. What no one could have predicted at the time is the impact that the use of road salt would have, reducing prematurely (by tens of years) the lifespan of bridges. No one could anticipate the astronomical costs of prematurely replacing a large number of bridges. Such a culture in asset management had to change.

In fact, the culture in asset management has evolved. Transport infrastructure managers have come to realize that they could delay replacement costs by addressing the problem of deterioration through planned, systemic and timely rehabilitation programs. Such reasoning makes sense from a financial point of view. Bridge managers are moving away from the old curative approach (reactive maintenance) and are now taking a proactive approach (proactive asset management).

This represents a significant paradigm shift for the transportation industry, bridge managers and the engineering community. Until recently, rehabilitating structures to increase their sustainability was not part of the consulting engineering curriculum. Those seeking to improve the sustainability of bridges through their rehabilitation cannot rely on any accurate or proven scientific data. This is a relatively new and emerging field whose actors are exploring different approaches. Such is the situation that JCCBI is facing at the moment. The infrastructures managed by JCCBI are between 50 and 89 years old. Traffic congestion on all bridges is an important consideration in both the capacity assessment and the work planning.

In the current Montreal context and with the many issues related to infrastructure across North America, the Corporation plays a vital role in the daily life of thousands of users whose modes of transportation are constantly evolving. Bridges are a must in the Montreal landscape and in the Montreal economy. As an island city, Montreal will always depend on bridges, ensuring the passage of goods and people.

Some structures have reached the end of their service life, in whole or in part, thus requiring major investments for their long-term maintenance to ensure mobility and user safety.

### 2.1 EXTERNAL ENVIRONMENT

**Relationships with Partners:** The Greater Montreal area transportation system is a closely woven network. JCCBI must coordinate and plan its activities in collaboration with many partners, thus adding a level of complexity to its operations, in the establishment of its policies and in the execution of its projects. These partners include federal partners as well as provincial and municipal governments and agencies. In addition, JCCBI participates in all four (4) levels of Mobility Montreal (technical, communications, advisory and steering committees), whose principal mandate is to plan and coordinate the work and the different mitigation measures required because of the numerous construction sites (federal, provincial and municipal).

It is essential that JCCBI build relationships with the media and consult with the users, affected residents and the municipalities. Regular, frequent and transparent communication of the issues and challenges faced by the Corporation is required. This communication also enables users to opt for new routes, use public transit, prioritize carpooling or avoid certain bridges during major work.

The Honoré Mercier Bridge spans the Mohawk territory of Kahnawá:ke. The rehabilitation work on this federal section of the bridge was, and still is carried out by the Mohawk contractors and workers of Kahnawá:ke. This is due to a number of factors, including the location of this section of the bridge and Order in Council P.C. 2675 dated December 7, 1932.



**Legal:** In a context of competitive markets and construction work considered as “high-risk”, the issues related to the fair treatment of tenderers, probity of contractors and consultants, as well as health and safety on construction sites are important. A judgement rendered by the Supreme Court of Canada in February 2017 closed a debate that JCCBI has had with Quebec’s *Commission des normes, de l’équité, de la santé et de la sécurité du travail* for several years. This judgment confirmed that Quebec’s *Act respecting Occupational Health and Safety* did not apply to JCCBI and, at the same time, the fact that JCCBI could not, under this act, be designated “prime contractor” on its worksites. It should be noted that JCCBI’s contracts assign to each contractor the duties and responsibilities of “prime Contractor”.

Several federal bills that are currently under consideration will impact JCCBI once in effect. For example, Bill S-224 *Act respecting Payments made under Construction Contracts*, Bill C-69 *Act to enact the Impact Assessment Act and the Canadian Energy Regulator Act, to amend the Navigation Protection Act and to make Consequential Amendments to other Acts*, as well as upcoming amendments to the *Canada Labour Code*.

**Environment and Sustainable Development:** The Corporation is subject to the *Migratory Birds Convention Act, 1994* and its *Migratory Birds Regulations*, which dictates that no person shall disturb, destroy or take a nest or an egg of a migratory bird except under authority of a permit issued for that purpose. Some migratory birds nest on the Corporation’s structures, particularly the peregrine falcon and the cliff swallow. The Corporation has put in place an avifauna management plan and sees to the filing, when required, of the permit applications prescribed in this Act. There is a potential risk that the obtaining of permits impacts the schedule of some work.

JCCBI participates in the Federal Contaminated Sites Action Plan (FCSAP), administered by Environment and Climate Change Canada, to put in place the mitigation measures required to contain and treat contaminated groundwater on lands in the Bonaventure Expressway sector (East and West Sectors) along the St. Lawrence River. JCCBI is also working with owners and other stakeholders to study the contamination and implement mitigation plans in partnership. The environmental plan for the East and West Sectors is developed with these partners.

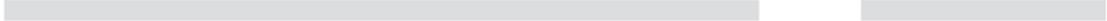
JCCBI conducts the environmental characterization of the land under its management in an orderly manner, integrating it into its project-based management. In certain cases, in order to increase its knowledge level, JCCBI conducts such characterization under circumstances other than as part of a project. Such characterization is ongoing, but its slope will decrease as the land cover progresses. In addition to protecting the environment, this program makes it possible to better plan the project costs related to the management of contaminated soils.

The biodiversity monitoring program is ongoing and provides for regular knowledge updates. Special measures will be required as part of the original Champlain Bridge deconstruction project, as the structure is used as a nesting site by one of the largest cliff swallow colonies. It is planned to install nesting boxes at the Champlain Bridge Ice Control Structure prior to the commencement of the deconstruction work. Conclusive tests have already been conducted at the pilot project scale.

Over the next few years, JCCBI will undertake a program for the assessment of the environmental risks on its territory to determine the contingency measures to be put in place. The risk analysis will aim, among others, at assessing the behaviour of JCCBI’s drainage network in the event of a spill.

In 2019, JCCBI will undertake an assessment of the potential impacts of climate change on its infrastructures. The mitigation measures to be put in place may be integrated into future projects.

Finally, JCCBI will undertake an opportunity study for the valorisation of its territory. Such study could target, among others, the banks and the shrub cover of the territory. The valorisation measures will be integrated in a coordinated way and will be planned in future projects.



Sustainable development (SD) is an integral part of the Corporation's mission and vision. Beyond the realization of its infrastructure projects, JCCBI's commitment extends both to its methods of managing the organization and to generating a positive impact for the community. The Corporation's commitment to sustainable development is steered by a committee that meets periodically and ensures that the objectives set out in the SD strategy, which comprises a multi-year action plan contributing to the Federal Sustainable Development Strategy, are met.

## 2.2 INTERNAL ENVIRONMENT

**Asset Management:** The asset management improvement projects are part of an overall planning of JCCBI's various initiatives aimed at continuously improving its management practices in line with its vision.

Significant efforts have been put in knowledge development, as well as on the integration of good asset management practices, such as life cycle cost studies, load capacity studies as well as grouping of interventions for the upgrade of complete portions of structures. In addition, the implementation of Asset Maintenance Master Plans makes it possible to establish a working plan with a long-term vision, in order to better plan the rehabilitation work on the basis of the condition and desired service lives of the structures.

In order to have an integrated approach for the execution of the work, a project management approach, mainly based on the Project Management Institute (PMI) approach, was preferred over a contract management approach. The project management approach also helps to maintain a balance between the project timelines, costs and objectives in order to achieve project realizations that are of quality.

In addition, since social acceptability has become a must in the management of public projects and in order to ensure transparency with the public, an approach aiming at being much closer to users and citizens has now become part of JCCBI's business practices. All stages of the projects, from the planning to the realization, may involve consultations with the stakeholders, from the participation in public consultations to good neighbour committees.

**Research and Applications Division (RAD):** The costs to replace the structures managed by JCCBI are very high (in the billions of dollars). The rehabilitation and replacement costs could be significantly reduced and deferred by technologies and materials that have the potential to extend bridge service life by several decades. In 2015, JCCBI created the RAD to conduct applied research projects with promising technologies and materials, with a view to optimizing the life cycle of the structures under its responsibility. The RAD focuses on developing practical solutions that can potentially lead to significant savings. It consists of a team of eight (8) people, mainly engineers. Every year, the RAD conducts about a dozen research and development projects.

These research projects are generally long, sometimes extending over several years, to identify and analyze a promising technology, transpose such technology from the laboratory to the worksite and evaluate its performance over time. A business case will be filed with the various government stakeholders to support the RAD.

**Human Resources:** In order to develop the capacity to achieve its strategic objectives, JCCBI continues to implement several initiatives, which are summarized in four (4) management priorities:

- i. Supporting the development of managers in the application of good human resource management practices;
- ii. Supporting managers in increasing employees' commitment level;
- iii. Developing and implementing action plans for departmental priorities, namely:
  - Workplace Health and Well-Being Program;
  - Building a diverse public service (multiculturalism).
- iv. Managing professional development to identify employees' aspirations and completing a succession plan.



The Corporation ensures that it has in place a dynamic workforce plan to become an agile organization able to meet current and future workforce needs. The Corporation must adapt to new realities related, notably, to sustainable development, collaboration and involvement with various stakeholders as well as to a preventive intervention approach.

**Information Technologies (IT):** The IT department supports the entire organization in the deployment and implementation of flexible solutions tailored to internal and external needs.

In this sense, the evolving management, from a technological point of view, of JCCBI's structures will be achieved, in part, by the deployment of applications for the collection of data required for the follow-up of both the intervention requests and the information related to contracts, as well as for structural monitoring and inspection activities, all integrated into the asset inventory. The need to exchange information with partners and stakeholders regarding transportation, traffic management, event coordination, work and interventions requires the establishment of a communications infrastructure as well as a corporate centralized data management platform.

Different opportunities will also be analyzed regarding, notably, the technological choices related to: geomatics, geolocation of the infrastructure elements with different information layers, 3D management of plans and integration with corporate databases for inventory and construction work management.

From a security perspective, the IT department's work will focus on the deployment, monitoring, and maintenance of the IT business continuity plan, progressively involving the migration of services and infrastructure elements to cloud computing, as well as the update of the protection solutions against the different types of attacks and risks related to cybercrime.

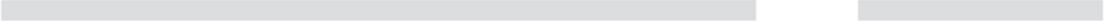
## 2.3 ISSUES

JCCBI's priority is to ensure the mobility of users and goods, which involves the continued safety of the structures under its responsibility. The age of the infrastructures managed by JCCBI and the funding for their maintenance and rehabilitation are real risks for the Corporation.

Indeed, the bridges and other structures managed by the Corporation are old and have been subjected to years of heavy traffic, harsh weather conditions and extensive use of road salt. In order to determine the actual condition of its structures and their damage level, JCCBI has developed a management and inspection plan. Inspections, load capacity studies and instrumentation are the main sources of information that enable JCCBI to manage the risks associated with the safety of structures, prioritize interventions and prepare an investment plan over a ten-year period. The work is determined from a longer-term perspective to ensure the longevity of the structures and extend their useful life according to the vision established for each structure.

In the metropolitan Montreal area, municipal authorities and the Quebec government have major construction projects under way or in the planning stages. JCCBI must compete with these authorities to hire and retain professionals and technicians and to award contracts to engineering firms and contractors in order to carry out its work program. The duration and cost for said work can be influenced by this market, where competition is very fierce considering the number and scope of ongoing and planned road works, notably the SDCBC and Turcot Interchange projects. In addition, due to the demographic curve, the market anticipates the retirement of approximately one third of employees by 2022, representing 32% of the non-residential construction workforce. By way of comparison, 6% left in 2017 (reference: BuildForce Canada – Highlights 2018-2027). The market should regain a certain balance in the medium term.

As manager and operator of the Champlain Bridge and Highway 15 since 1978, JCCBI has been, and still is, extensively and continuously solicited in connection with the SDCBC project. A collaboration agreement between JCCBI and Her Majesty the Queen in Right of Canada (represented by INFC), which forms an integral part of the "Project Agreement" (PA) between the federal government and the PP, was signed in this regard on March 4, 2015.



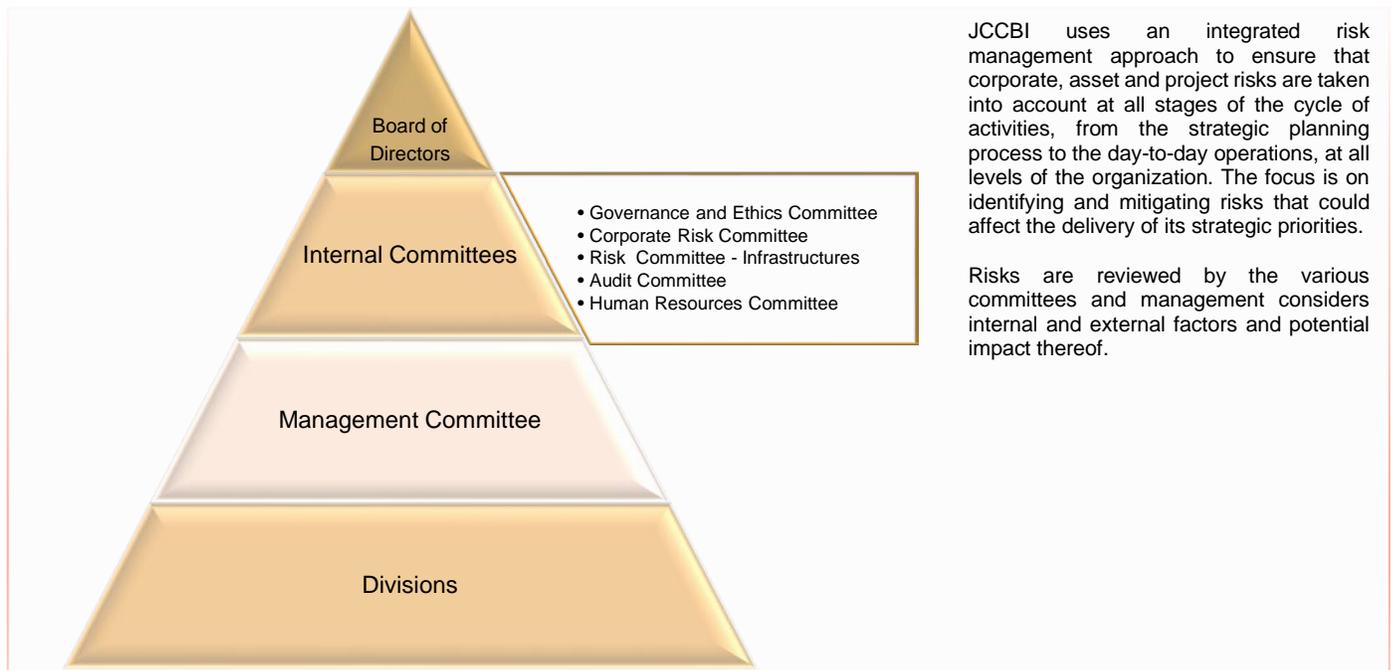
JCCBI has put in place and continues the development of an occupational health and safety (OHS) management program. This program demonstrates the Corporation's commitment to implementing a culture of "Zero Injury by Choice". In addition, in order to achieve the highest level of OHS culture, management, in collaboration with the local OHS Committee, structures the OHS management through processes, procedures and instructions. The management of OHS by JCCBI also includes the contractors and consultants through their contracts. Adjustments and clarifications are made to the contracts on a continuous basis to clearly define the role of the prime contractor, of the work supervisor and of JCCBI, in order to reduce the OHS risks during the execution of the work.

JCCBI has limited revenue generation ability and authority other than the potential introduction of tolls, based on the "user pays" policy, which is a strategic decision for the government to make. Its funding is mainly provided through parliamentary appropriations. JCCBI has received funding until 2022-2023, thus mitigating the risks associated with the degradation of the bridges and structures. Despite significant investments in recent years, JCCBI continues to be challenged by critical long-term deficits with regards to infrastructure. The lack of funding beyond 2022-2023 could limit JCCBI's ability to award multi-year contracts, which may lead to delays in the operational planning, increased costs and a possible decrease in mobility.

For projects related to the contaminated groundwater in the Bonaventure Expressway sector, despite the funding received for years 2018-2019 to 2022-2023 and the FCSAP funding, the need for long-term funding over a 15-year period (starting in 2016-2017) is imperative.

The Corporation is working with INFC to identify its financial requirements over the short and long term. JCCBI has received significant investment for specific needs related to assets or short-term operating requirements, but upcoming major projects are not currently funded, such as the Champlain Bridge Ice Control Structure asset maintenance program and the seismic component and bike path widening at the Honoré Mercier Bridge. These projects are currently under evaluation. Long-term funding needs are identified in the 10-year planning of the Corporate Plan (Appendix 1).

### 3. RISK AND RESPONSE TO RISK



To assess inherent and residual risks, JCCBI uses a matrix (global severity of the risk), taking into account the likelihood of occurrence of a risk and its impact, namely the potential consequences for JCCBI. This matrix provides a clear vision 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 various components thereof, which makes it possible to develop specific action plans to reduce the residual risk. The risk assessment covers the following points:

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

## Summary of the Main Risks

Title/Description of Risk	Category	Probability	Impact	Initial Level of Risk	Response	Residual Level of Risk
<p>Safety and security of JCCBI's infrastructures</p> <p>The infrastructures operated and maintained by JCCBI have deteriorated and have been exposed to heavy traffic, weather conditions and extensive use of road salt. The age of the infrastructures and the funding for their maintenance and rehabilitation are real risks for the safety of the structures and users thereof. In addition, intentional acts such as terrorism, vandalism or even protests could result in the closure of a bridge or of traffic lanes.</p>	Risks associated with capacity	<p>Moderate</p> <p>Real risks, given the age of the infrastructures and degree of deterioration.</p>	<p>Safety and security risks may have an impact on:</p> <ul style="list-style-type: none"> <li>i. the regional and national economy,</li> <li>ii. the reputation of JCCBI and Canada</li> </ul> <p>in case of closure of traffic lanes, a bridge or the Seaway.</p> <p>These risks may also have an impact on the safety of users.</p>	High	<p>JCCBI conducts a proactive management of its assets and has undertaken a major five-year repair and maintenance program with the funding received under Budget 2018 (2018-2019 to 2022-2023) in order to extend the service life of its structures.</p> <p>JCCBI administers its five-year major maintenance program wisely on an annual basis in order to extend the service life of its infrastructures as much as possible. The five-year major maintenance program is based on annual inspections, surveys, detailed inspections, instrumentation, and load capacity studies. In addition, JCCBI is beginning the development of an asset maintenance master plan for each of its structures.</p> <p>JCCBI has an Emergency Response Plan, including a crisis communication protocol. In addition, JCCBI works with its partners, including national, provincial and municipal stakeholders, to ensure cohesion in emergency approaches and procedures.</p> <p>JCCBI organizes regular follow-up meetings and collaborative plans with police to manage the risks associated with terrorism, vandalism and protests. In addition, monitoring systems are installed on several structures to allow continuous monitoring.</p>	Moderate
<p>Sustainable funding</p> <p>Poor funding in the past for maintenance, repairs and rehabilitation have had a long-term impact on JCCBI's ability to maintain its structures in good condition to ensure the safety of infrastructures and users.</p> <p>Long term funds in connection with the major maintenance program and environmental projects are insufficient.</p>	Financial risks	<p>High</p> <p>Despite significant investments in the past few years, JCCBI continues to face critical long-term deficits for infrastructure due to the lack of long-term funding. Important upcoming projects are currently unfunded beyond March 31, 2023.</p>	<p>The sustainable funding risk may have an impact on the economy and reputation if there is closure of traffic lanes or of a bridge.</p> <p>In addition, the sustainable funding risk limits JCCBI's ability to award multi-year contracts, resulting in delays in the operational planning.</p> <p>The sustainable funding risk limits JCCBI's ability to continue to implement the mitigation measures required to contain and treat the contaminated groundwater on lands in the Bonaventure Expressway sector.</p>	High	<p>JCCBI continues to work with INFC to identify the short- and long-term funding needs with a ten-year funding plan that is reviewed annually. It is necessary to determine the source of funding beyond 2023-2024. Contingencies have been set aside in the Corporate Plan for the execution of projects. In addition, a general corporate reserve of 1% is provided on an annual basis. JCCBI re-uses the funds released as the maintenance program progresses in order to accelerate some priority work.</p>	High
<p>Organizational performance</p> <p>JCCBI must ensure that it has the operational capacity required to carry out its major maintenance program and comply with legal obligations.</p>	Risks associated with capacity	<p>Moderate</p> <p>Risk present, but JCCBI manages its workforce plan dynamically.</p>	<p>The organizational performance risks may impact the costs and JCCBI's capacity to carry out its major work program if the Corporation does not have effective and integrated information resources as well as human resources who meet both the current and the future needs.</p> <p>In addition, there may be an impact on JCCBI's reputation in the event of non-compliance with statutory deadlines.</p>	Moderate	<p>JCCBI has implemented an organizational structure in project-based management mode. JCCBI maintains integration, training and development programs for its employees and managers. JCCBI maintains an IT master plan, which is revised annually, that comprises information systems for financial management, project management and asset management. These management systems enable JCCBI to provide reliable and timely management information.</p>	Low

Title/Description of Risk	Category	Probability	Impact	Initial Level of Risk	Response	Residual Level of Risk
<p>Health and safety</p> <p>JCCBI must ensure that it has the tools in place to meet its health and safety obligations in a complex legal environment.</p>	Legal risks	<p>Moderate</p> <p>Legal implications arising from:</p> <ul style="list-style-type: none"> <li>- Number, proximity and complexity of construction sites</li> <li>- Number of stakeholders</li> <li>- Increased number of JCCBI internal resources</li> <li>- Legislative duality</li> </ul>	Health and safety risks may impact the costs and affect JCCBI's reputation if JCCBI or an employee is subject to an offence notice or prosecution for breach of health and safety obligations. An incident could also affect the completion of the major maintenance program if work had to be stopped.	High	JCCBI has developed a framework program whose objective is "Zero Injury by Choice". JCCBI also improved the health and safety clauses in its construction contracts, upgraded its work supervision contracts to add resources dedicated to the health and safety component and awarded a comprehensive health and safety management contract. In addition, an internal health and safety team consisting of 3 individuals provides support to the teams.	Low
<p>Coordination with the construction of both the SDCBC and the Réseau express métropolitain (REM)</p> <p>JCCBI must manage the projects for the rehabilitation and maintenance of its infrastructures located in the Champlain Bridge and Bonaventure Expressway sectors in close collaboration with INFC and the PP as part of the Samuel De Champlain Bridge corridor project and with REM Inc. and the contractor NouvLR as part of the REM project.</p>	Capacity risks	<p>Moderate</p> <p>Proximity and size of the construction sites.</p>	The coordination issues may have an impact on the implementation of its major work program, notably the costs and timelines.	Moderate	JCCBI has dedicated resources for the coordination. It did so through its Champlain Project Office, which ensures the implementation of the major maintenance program for the original Champlain Bridge and provides support to both INFC and the PP. An agreement with REM Inc. will be put in place in 2019 for the construction and operation of the REM on the lands managed by JCCBI.	Low

<b>Legal risk level</b>	<input checked="" type="checkbox"/> Low <input type="checkbox"/> Moderate <input type="checkbox"/> High	Risk considered controlled through the implementation of mitigation measures.
<b>Overall risk level</b>	<input type="checkbox"/> Low <input checked="" type="checkbox"/> Moderate <input type="checkbox"/> High	Despite the implementation of mitigation measures, the level of overall residual risk remains "moderate" in a medium and long-term perspective, aiming to ensure the longevity of the structures, extend their useful life and secure the funding in the long term, namely beyond 2022-2023.

## 4. OBJECTIVES AND PLANNED RESULTS

The Corporate Plan incorporates new realities that require reflection on future investments in order to ensure that they will meet the current and future needs in a context of sustainable development. It is no longer a question of repairing or redoing as the existing, but of improving the service offer and proposing viable solutions based on the projected service life of each structure.

JCCBI's planning strategies are as follows:

- + Aligning the intervention and investment plans with the government's "Investing in Canada" federal plan and with the Federal Sustainable Development Strategy;
- + Carrying out the inspections of the structures and determining the needs through projects to be prioritized in function of the life cycle and risks, and carrying out the work based on the available financing;
- + Improving maintenance by adopting innovative measures in terms of inspection, maintenance and construction methods and considering the execution challenges and the investments made by our partners to provide integrated solutions for users;
- + Ensuring the longevity of the road links and thus continuing to ensure a safe and efficient passage using an approach based on sustainable development.

### 4.1 GOVERNMENT PRIORITIES AND ORIENTATION

#### Transparency and Open Government

JCCBI makes proactive disclosure on its website of numerous reports and studies on the infrastructures for which it is responsible and which are of interest to users, stakeholders and partners.

JCCBI also publishes on its website, on a monthly basis, a summary of the access to information requests completed during the previous month.

#### Diversity and Employment Equity

JCCBI benefits from a very diverse workforce, which reflects the diversity of the Canadian population. JCCBI is an employer concerned with ensuring diversity in terms of ethnicity and gender, with women being very well represented on both the staff (currently, 5 of the 6 members of management are women) and the Board of Directors (3 out of the 7 members are women).

#### Indigenous Matters

Since 1998, JCCBI has been working closely with the Mohawk Council of Kahnawá:ke (MCK) with respect to the work on the federal section of the Honoré Mercier Bridge and to JCCBI's projects planned on the lands, at the approach to the bridge, that border the Mohawk territory. A collaboration agreement was signed between JCCBI, the MCK and the Quebec government in 2007 for the Honoré Mercier Bridge deck replacement project.

JCCBI also consulted with the Mohawks of Kahnawá:ke in the context of the construction of the Île des Sœurs Bypass Bridge in 2013, and their concerns, notably with respect to fish habitat, were addressed.

#### Sustainable Development

Sustainable development is an integral part of JCCBI's mission and vision. JCCBI has adopted a policy and developed an action plan to take account, in the manner in which it carries out its operational and administrative activities, of the environmental, social and economic dimensions. This approach is aligned with the Federal Sustainable Development Strategy.

In order to contribute to the government's greening operations, JCCBI has, for several years, been monitoring its environmental footprint with respect to its administrative activities. JCCBI is, notably, working on the GHG quantification, which will integrate all its spheres of activity, including its construction, operation and maintenance activities.

### Gender Analysis

JCCBI's multidisciplinary team consists of more than 175 people in various professions and trades. Within the Corporation, women represent 54% of employees and men 46%. Out of seven (7) members on the Board of Directors, three (3) are women. In addition, five (5) of the Corporation's seven (7) senior executives are women, including the Director, Communications, the Senior Director, Research and Applications Division, the Senior Director, Projects and Construction, the Senior Director, Champlain Bridge Projects and the Chief Executive Officer. JCCBI is committed to investing in the development of its employees and providing them with a positive, stimulating, respectful, healthy and safe work environment where they can develop their talents. This year, JCCBI has continued in this direction by investing in training, knowledge transfer, awareness of different aspects of workplace wellness (including gender equality), and initiatives to promote the commitment and participation of the team.

## 4.2 PLANNED 2019-2020 RESULTS

STRATEGIC OUTCOME	PERFORMANCE INDICATOR	TARGETS	DATA STRATEGY
Efficient and safe passage on the infrastructures managed by JCCBI	Number of lane reductions on the structures during rush hours	Maintenance or reduction of the number of closures compared to the previous year	Information system – Traffic hindrance management (quarterly)
	Number of road accidents	Maintenance or reduction of the number of road accidents compared to the previous year	Sûreté du Québec report (quarterly)
	Percentage of planned projects started according to the approved Corporate Plan	100% start-up of projects planned annually according to the approved Corporate Plan	SAP by Design information system (quarterly)
	Percentage of annual inspections conducted according to the approved Corporate Plan	Full completion of inspections planned annually according to the approved Corporate Plan	Follow up file (monthly)
	Percentage of the work comprised in the annual work program carried out according to the approved Corporate Plan	Completion of 90% of the annual major work program planned according to the approved Corporate Plan	SAP by Design information system (quarterly)

### Monitoring and Evaluation

These performance indicators are monitored and discussed on a quarterly basis at JCCBI's Management Committee. In addition, the performance indicators for project start-up and completion of inspections are discussed at the following Board committee meetings:

- + Corporate Risk Committee
- + Risk Committee – Infrastructures
- + Audit Committee

## 5. FINANCIAL OVERVIEW

### 5.1 OUTLINE

JCCBI's financial statements and budgets include operating funding as well as capital assets that were approved in the 2018 budget. The funding required to continue the activities beyond the years involved has been presented separately in the financial statements, as well as in the operating and capital budgets.

### 5.2 BUDGET

#### Operating Budget

The amount of parliamentary appropriations required in 2019-2020 for operating expenses is \$250.5 M, which is the equivalent of the operating expenses (\$252 M) net of other sources of revenue (\$1.5 M). The variation over the 2018-2019 main budget represents a decrease of \$26.7 M (9.6%), and is distributed as follows:

- + Ice Control Structure: \$1.7 M increase;
- + Jacques Cartier Bridge: \$0.3 M increase;
- + Champlain Bridge: \$20.5 M decrease;
- + Bonaventure Expressway: \$2.4 M increase;
- + Environment – Bonaventure Expressway, East and West Sectors: \$0.5 M increase;
- + Honoré Mercier Bridge: \$6.2 M decrease;
- + Melocheville Tunnel: \$5.1 M decrease;
- + Île des Sœurs Bypass Bridge: \$1.2 M increase;
- + Administration expenses: \$0.3 M increase;
- + Other operating expenses: \$1.3 M decrease.

#### Capital Budget

The parliamentary appropriations required for capital expenditures are \$3.2 M lower for the 2019-2020 budget (\$72.2 M) than the forecast for 2018-2019, and \$5.9 M (7.6%) lower compared to the budget of the same year.

The main capital expenditures planned over the next three (3) years are the following: pier rehabilitation, connection of the bike path and replacement of the walkways at the Honoré Mercier Bridge, electrical, automation and fire protection upgrades in the Melocheville Tunnel ventilation galleries, rehabilitation of the Operations and Maintenance infrastructures, evaluation of Île Sainte-Hélène Pavilion project, fibre optic loopback and steel reinforcement at the Jacques Cartier Bridge.

### 5.3 FINANCIAL POSITION

The projection of financial assets for the current fiscal year (2018-2019) is \$72.5 M and remains stable compared to the budget and to the previous year.

The projection of the liability for the current fiscal year is \$92.9 M, a \$2.1 M decrease compared to the previous fiscal year, mainly due to the execution of work related to the environmental projects as well as to the revision of the underlying assumptions.



The gradual decrease in liabilities for subsequent years is due mainly to the decreasing variation of environmental obligations resulting from the commissioning of the containment systems for the East and West Sectors of the Bonaventure Expressway.

The estimated total non-financial assets for the current fiscal year amounts to \$625.0 M. This net value of fixed assets compares with \$581.9 M in the fiscal year ended March 31, 2018. Compared to the current fiscal year's budget, the projected tangible capital assets present a negative variance of \$3.6 M, which is mainly due to the variances in the work carried out in 2018-2019. The net value of the tangible capital assets forecasted in the next fiscal year (2019-2020) increases by \$36.4 M compared to the current fiscal year's forecast, totaling \$660.8 M. The main driving forces of this forecasted increase in capital assets are the Jacques Cartier Bridge, the Honoré Mercier Bridge and the Melocheville Tunnel.

## 5.4 STATEMENT OF OPERATIONS

### Revenues

Leases and Permits: The revenues generated by the leases and permits currently in force should remain relatively stable over the next few fiscal years. The small variation is partly because some leases were concluded at predetermined rates.

Interest: The interest income is expected to be similar to that in the fiscal year ended March 31, 2018. Continued cash management in connection with JCCBI's obligations and the return on the daily net balance in JCCBI's bank account are the source of this stability.

### Expenses

The forecasted total expenses for the current fiscal year, in the amount of \$194.3 M, increase by \$64.4 M compared to the actual expenses of the previous fiscal year (2017-2018).

Salaries and Employee Benefits: Remuneration is based on collective agreements and employment contracts. JCCBI reviews salary increases of non-unionized employees once a year.

Maintenance Expenses: JCCBI plans to spend \$175.4 M in 2018-2019 for regular and major maintenance, compared with \$115.6 M in 2017-2018. This work includes investments in the order of \$67.7 M at the original Champlain Bridge to maintain the structure safe. It should be noted that the maintenance expenses include regular maintenance in the order of \$8.1 M as well as the amortization of all assets, for a forecasted total of \$32.3 M. The total annual expenses until 2021-2022 are significantly higher than the total expenses in 2018-2019. This increase is mainly due to the start of the original Champlain Bridge deconstruction project.

Major maintenance work will be required for each of the bridges during the current planning period, but it does not qualify as a capital expenditure because of the nature of the work according to the Corporation's capitalization policy. These maintenance expenses will vary annually for each structure in the coming fiscal years.

Operating Expenses: These expenses are related to the contract with the SQ and with the electricity used on JCCBI's territory. The annual variations are related to the inflation rate used on an annual basis. It should be noted that the projected decrease in operating expenses starting in 2020-2021 is related to the decommissioning of the original Champlain Bridge.

Administration Expenses: The projected administration expenses for the current fiscal year increase by \$3.8 M compared with the previous fiscal year. In 2017-2018, the actual administration expenses represented 8.16% of the total expenses and net capital expenditures. This percentage decreases to 7.47% for the current fiscal year. Over the next five (5) fiscal years covered by the Corporate Plan, the percentage of administration expenses in relation to total expenses is expected to range between 5.18% and 11.40% for an average of 7.43%.

This percentage should be considered as an average over a minimum period of five (5) years as these services are often offset relative to the construction work carried out. For example, calls for tenders must be planned and contracts awarded before starting the work, processes are developed and implemented over extended periods of time and have no connection with the performance or non-performance of the construction work. In addition, the current context where work is carried out by all authorities at the same time makes it necessary to move and coordinate the work on a daily basis, increasing the loads and the administrative work.

Environmental Obligations: The total expense for the current fiscal year represents the variation in the annual expense and in the provision for the environmental obligation. In future years, the expenses are presented as a decrease of the “Environmental Obligations” in the item “Liabilities” of the Statement of Financial Position.

## 5.5 RISKS AND ASSUMPTIONS

When preparing its budget forecasts, JCCBI takes into account certain financial and other factors and has used the following assumptions:

### Interest Rates

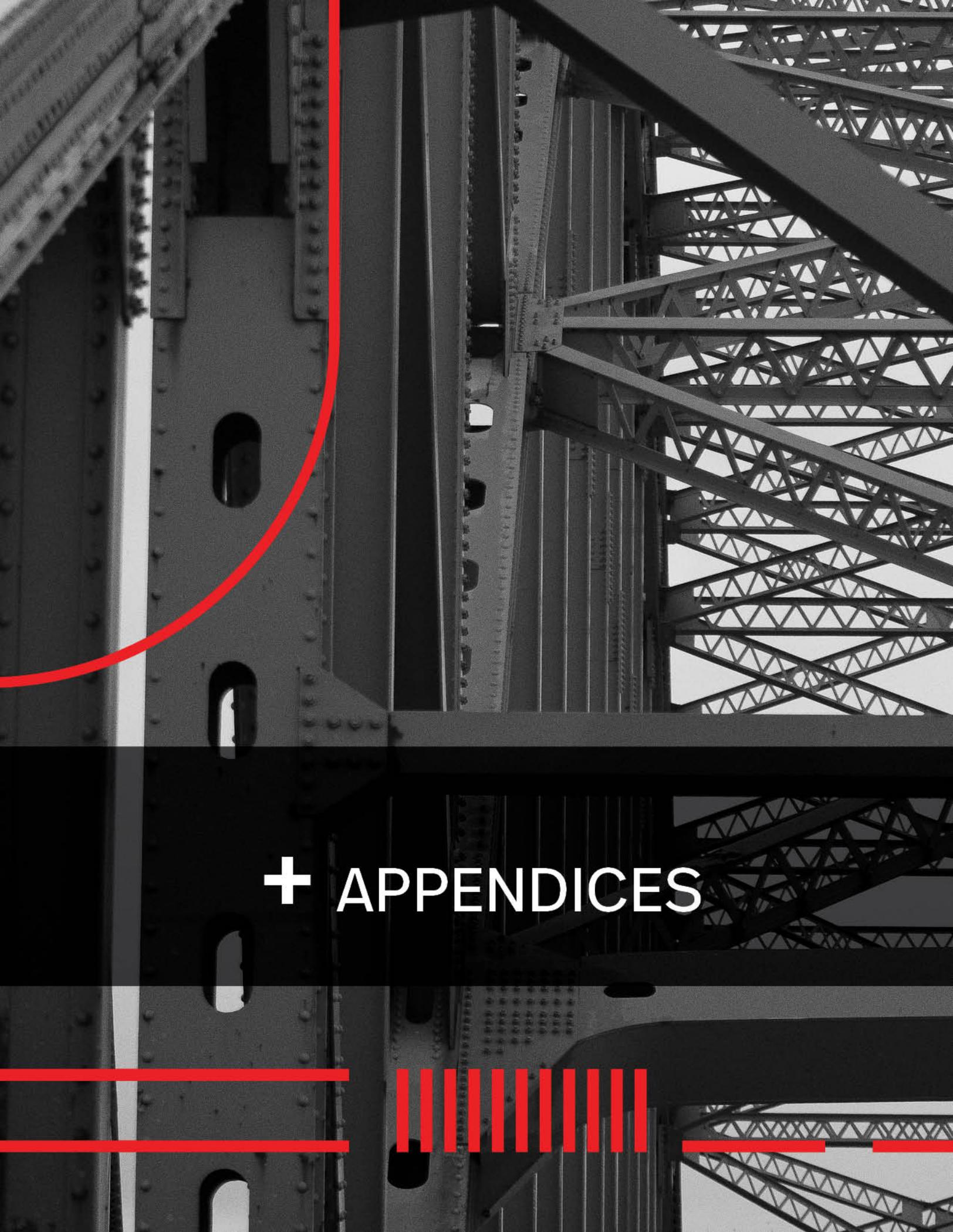
Interest calculated on the daily net credit balance maintained in the bank account (National Bank of Canada).

Daily Consolidated Balances	Applicable Rate
\$20,000,000 and over	R – 1.55%
\$5,000,000 to \$19,999,999	R – 1.60%
\$0 to \$4,999,999	R – 1.75%

R = Base rate or variable interest rate as the reference rate used to determine the interest rate on demand loans that the bank grants to Canada

### Inflation Rate

An inflation rate of 2% has been set according to the average of the non-residential building construction price index for the Montreal area for the last seven (7) years. The payroll escalation rate of 1.5% was determined on the basis of the terms of the collective agreements in effect until March 31, 2021. For subsequent years, the rate applied is 2%.



+ APPENDICES

## APPENDIX 1 – FINANCIAL STATEMENTS AND BUDGETS

### Presentation of Financial Statements

The following section presents JCCBI's pro forma Statement of Financial Position, Statement of Operations, Statement of Change in Net Debt and Statement of Cash Flows.

### Statement of Financial Position – Pro forma

Statement of Financial Position - Pro forma								
	Actual 2017-2018	Current Projection 2018-2019 (1)	Main Budget 2018-2019	Budget				
				2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$
<b>FINANCIAL ASSETS</b>								
Cash	60 525	60 525	60 525	60 525	60 525	60 525	60 525	60 525
Accounts receivable								
Due from the Government of Canada	7 307	7 307	7 307	7 307	7 307	7 307	7 307	7 307
Other	4 656	4 656	4 656	4 656	4 656	4 656	4 656	4 656
<b>TOTAL FINANCIAL ASSETS</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>	<b>72 488</b>
<b>LIABILITIES</b>								
Accounts payable and accrued liabilities	57 634	57 634	57 634	57 634	57 634	57 634	57 634	57 634
Employee future benefits	517	440	498	430	430	430	430	430
Contractual holdbacks	12 241	12 241	12 241	12 241	12 241	12 241	12 241	12 241
Deferred revenue	268	268	268	268	268	268	268	268
Environmental obligations	24 402	22 341	22 084	20 238	18 708	17 272	15 834	14 394
<b>TOTAL LIABILITIES</b>	<b>95 062</b>	<b>92 924</b>	<b>92 725</b>	<b>90 811</b>	<b>89 281</b>	<b>87 845</b>	<b>86 407</b>	<b>84 967</b>
<b>NET DEBT</b>	<b>(22 574)</b>	<b>(20 436)</b>	<b>(20 237)</b>	<b>(18 323)</b>	<b>(16 793)</b>	<b>(15 357)</b>	<b>(13 919)</b>	<b>(12 479)</b>
<b>NON-FINANCIAL ASSETS</b>								
Tangible capital assets	581 283	624 384	628 004	660 768	667 319	671 552	692 838	728 522
Prepaid expenses	621	621	621	621	621	621	621	621
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>581 904</b>	<b>625 005</b>	<b>628 625</b>	<b>661 389</b>	<b>667 940</b>	<b>672 173</b>	<b>693 459</b>	<b>729 143</b>
<b>ACCUMULATED SURPLUS</b>	<b>559 330</b>	<b>604 569</b>	<b>608 388</b>	<b>643 066</b>	<b>651 147</b>	<b>656 816</b>	<b>679 540</b>	<b>716 664</b>

(1) Unaudited Financial Statements as at September 30, 2018

## Statement of Operations – Pro forma

Statement of Operations - Pro forma								
	Actual 2017-2018	Current Projection 2018-2019 (1)	Main Budget 2018-2019	Budget				
				2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>								
Leases and permits	601	607	607	596	603	609	616	622
Interest	869	934	572	934	934	934	934	934
Other sources	54	31	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1 524</b>	<b>1 572</b>	<b>1 179</b>	<b>1 530</b>	<b>1 537</b>	<b>1 543</b>	<b>1 550</b>	<b>1 556</b>
<b>EXPENSES</b>								
Maintenance	115 574	175 409	289 478	267 285	298 810	285 944	108 892	118 318
Operations	3 145	3 252	3 431	3 431	2 688	2 735	2 775	2 815
Administration	13 884	17 697	16 814	17 108	16 754	16 745	16 908	16 975
Environmental obligations	(2 707)	(2 061)	(2 318)	(2 103)	(1 530)	(1 436)	(1 438)	(1 440)
<b>TOTAL EXPENSES</b>	<b>129 896</b>	<b>194 297</b>	<b>307 405</b>	<b>285 721</b>	<b>316 722</b>	<b>303 988</b>	<b>127 137</b>	<b>136 668</b>
Deficit before Government of Canada funding	(128 372)	(192 725)	(306 226)	(284 191)	(315 185)	(302 445)	(125 587)	(135 112)
Parliamentary appropriations for operating expenses	117 323	241 180	277 184	250 507	287 666	302 600	111 767	4 046
Parliamentary appropriations for tangible capital assets	52 806	75 364	78 100	72 181	35 600	52 408	94 651	2 641
Required funding (potential reprofiling)	-	(78 580)	-	-	-	(46 894)	(58 107)	165 549
<b>Annual operating surplus</b>	<b>41 757</b>	<b>45 239</b>	<b>49 058</b>	<b>38 497</b>	<b>8 081</b>	<b>5 669</b>	<b>22 724</b>	<b>37 124</b>
<b>Accumulated operating surplus, beginning of the year</b>	<b>517 573</b>	<b>559 330</b>	<b>559 330</b>	<b>604 569</b>	<b>643 066</b>	<b>651 147</b>	<b>656 816</b>	<b>679 540</b>
<b>Accumulated operating surplus, end of the year</b>	<b>559 330</b>	<b>604 569</b>	<b>608 388</b>	<b>643 066</b>	<b>651 147</b>	<b>656 816</b>	<b>679 540</b>	<b>716 664</b>

(1) Unaudited Financial Statements as at September 30, 2018

## Statement of Change in Net Debt – Pro forma

Statement of Change in Net Debt - Pro forma								
	Actual 2017-2018	Current Projection 2018-2019 (1)	Main Budget 2018-2019	Budget				
				2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$
<b>Annual operating surplus</b>	41 757	45 239	49 058	38 497	8 081	5 669	22 724	37 124
Acquisition of tangible capital assets	(52 806)	(75 364)	(78 100)	(72 181)	(35 600)	(34 128)	(49 745)	(61 419)
Amortization of tangible capital assets	33 335	32 263	31 379	35 797	29 049	29 895	28 459	25 735
Gain on sale of tangible capital assets	(4)	-	-	-	-	-	-	-
Proceeds from sale of tangible capital assets	4	-	-	-	-	-	-	-
<b>Total variation due to total tangible capital assets</b>	<b>(19 471)</b>	<b>(43 101)</b>	<b>(46 721)</b>	<b>(36 384)</b>	<b>(6 551)</b>	<b>(4 233)</b>	<b>(21 286)</b>	<b>(35 684)</b>
Acquisition of prepaid expenses	(1 270)	-	-	-	-	-	-	-
Use of prepaid expenses	1 147	-	-	-	-	-	-	-
<b>Total variation due to prepaid expenses</b>	<b>( 123)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Decrease in net debt	22 163	2 138	2 337	2 113	1 530	1 436	1 438	1 440
Net debt, beginning of the year	(44 737)	(22 574)	(22 574)	(20 436)	(18 323)	(16 793)	(15 357)	(13 919)
<b>Net debt, end of the year</b>	<b>(22 574)</b>	<b>(20 436)</b>	<b>(20 237)</b>	<b>(18 323)</b>	<b>(16 793)</b>	<b>(15 357)</b>	<b>(13 919)</b>	<b>(12 479)</b>

(1) Unaudited Financial Statements as at September 30, 2018

## Statement of Cash Flows – Pro forma

Statement of Cash Flows - Pro forma								
	Actual 2017-2018	Current Projection 2018-2019 (1)	Main Budget 2018-2019	Budget				
				2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$
<b>OPERATING TRANSACTIONS</b>								
Annual operating surplus	41 757	45 239	49 058	38 497	8 081	5 669	22 724	37 124
Non-cash items								
Amortization of tangible capital assets	33 335	32 263	31 379	35 797	29 049	29 895	28 459	25 735
Gain on sale of tangible capital assets	(4)	-	-	-	-	-	-	-
Decrease in employee future benefits	(150)	(77)	(19)	(10)	-	-	-	-
Decrease in environmental obligations		(2 061)	(2 318)	(2 103)	(1 530)	(1 436)	(1 438)	(1 440)
Changes in non-cash working capital items								
Decrease in accounts receivable	48 765	-	-	-	-	-	-	-
Decrease in accounts payable and accrued liabilities	(5 278)	-	-	-	-	-	-	-
Decrease in contractual holdbacks	(6 857)	-	-	-	-	-	-	-
Increase in deferred revenues	38	-	-	-	-	-	-	-
Increase in prepaid expenses	(123)	-	-	-	-	-	-	-
Decrease in environmental obligations	(22 273)	-	-	-	-	-	-	-
<b>Cash flow provided by operating transactions</b>	<b>89 210</b>	<b>75 364</b>	<b>78 100</b>	<b>72 181</b>	<b>35 600</b>	<b>34 128</b>	<b>49 745</b>	<b>61 419</b>
<b>TANGIBLE CAPITAL ASSET INVESTMENT ACTIVITIES</b>								
Proceeds from disposal of tangible capital assets	4	-	-	-	-	-	-	-
Cash used to acquire tangible capital assets	(69 050)	(75 364)	(78 100)	(72 181)	(35 600)	(34 128)	(49 745)	(61 419)
<b>Cash used for capital transactions</b>	<b>(69 046)</b>	<b>(75 364)</b>	<b>(78 100)</b>	<b>(72 181)</b>	<b>(35 600)</b>	<b>(34 128)</b>	<b>(49 745)</b>	<b>(61 419)</b>
Increase (decrease) in cash	20 164	-	-	-	-	-	-	-
Cash, beginning of the year	40 361	60 525	60 525	60 525	60 525	60 525	60 525	60 525
<b>Cash, end of the year</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>	<b>60 525</b>

(1) Unaudited Financial Statements as at September 30, 2018

## Operating Budget and Capital Budget – Pro forma

Operating Budget - Pro forma											
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2018-2019			2017-2018		
						Budget	Forecast(1)	Variance	Budget	Actual	Variance
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>											
Parliamentary appropriations for operating expenses	250 507	287 666	302 600	111 767	4 046	277 184	241 180	(36 004)	218 409	117 323	(101 086)
Leases and permits	596	603	609	616	622	607	607	-	599	601	2
Interest	934	934	934	934	934	572	934	362	500	869	369
Other sources	-	-	-	-	-	-	31	31	-	54	54
<b>TOTAL REVENUES</b>	<b>252 037</b>	<b>289 203</b>	<b>304 143</b>	<b>113 317</b>	<b>5 602</b>	<b>278 363</b>	<b>242 752</b>	<b>(35 611)</b>	<b>219 508</b>	<b>118 847</b>	<b>(100 661)</b>
<b>EXPENSES</b>											
Maintenance	267 285	298 810	285 944	108 892	118 318	289 478	175 409	(114 069)	232 197	115 574	(116 623)
Operations	3 431	2 688	2 735	2 775	2 815	3 431	3 252	(179)	3 520	3 145	(375)
Administration	17 108	16 754	16 745	16 908	16 975	16 814	17 697	883	15 891	13 884	(2 007)
Environmental obligations	(2 103)	(1 530)	(1 436)	(1 438)	(1 440)	(2 318)	(2 061)	257	(1 793)	(2 707)	(914)
Non-cash items	(33 684)	(27 519)	(28 459)	(27 021)	(24 295)	(29 042)	(30 125)	(1 083)	(35 239)	(11 049)	24 190
<b>TOTAL EXPENSES</b>	<b>252 037</b>	<b>289 203</b>	<b>275 529</b>	<b>100 116</b>	<b>112 373</b>	<b>278 363</b>	<b>164 172</b>	<b>(114 191)</b>	<b>214 576</b>	<b>118 847</b>	<b>(95 729)</b>
<b>POTENTIAL OPERATIONS REPROFILING (FUNDING REQUIRED)</b>	<b>-</b>	<b>-</b>	<b>28 614</b>	<b>13 201</b>	<b>(106 771)</b>	<b>-</b>	<b>78 580</b>	<b>78 580</b>	<b>4 932</b>	<b>-</b>	<b>(4 932)</b>

(1) Unaudited Financial Statements as at September 30, 2018

Capital Budget - Pro forma											
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2018-2019			2017-2018		
						Budget	Forecast (1)	Variance	Budget	Actual	Variance
(In thousands)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>REVENUES</b>											
Parliamentary appropriations for tangible capital assets	72 181	35 600	52 408	94 651	2 641	78 100	75 364	(2 736)	113 368	52 806	(60 562)
<b>TOTAL REVENUES</b>	<b>72 181</b>	<b>35 600</b>	<b>52 408</b>	<b>94 651</b>	<b>2 641</b>	<b>78 100</b>	<b>75 364</b>	<b>(2 736)</b>	<b>113 368</b>	<b>52 806</b>	<b>(60 562)</b>
<b>CAPITAL ASSETS</b>											
Jacques Cartier Bridge	51 304	20 322	13 288	8 901	2 890	59 251	51 972	(7 279)	54 247	35 414	(18 833)
Champlain Bridge	-	-	-	-	-	-	-	-	-	(962)	(962)
Honoré Mercier Bridge	9 464	13 044	13 842	16 830	5 789	6 411	20 138	13 727	25 345	14 320	(11 025)
Melocheville Tunnel	8 754	233	602	715	1 348	1 310	341	(969)	568	146	(422)
Bonaventure Expressway	600	1 217	5 715	15 588	43 429	3 582	-	(3 582)	558	(310)	(868)
Highway 15	-	-	-	-	-	-	-	-	-	21	21
Ice Control Structure	550	-	-	-	-	6 342	1 709	(4 633)	30 087	4 149	(25 938)
Ile des Sœurs Bypass Bridge	654	639	396	7 528	7 775	-	-	-	-	(146)	(146)
Other capital assets	855	145	285	183	188	1 204	1 204	-	677	174	(503)
<b>TOTAL CAPITAL ASSETS</b>	<b>72 181</b>	<b>35 600</b>	<b>34 128</b>	<b>49 745</b>	<b>61 419</b>	<b>78 100</b>	<b>75 364</b>	<b>(2 736)</b>	<b>111 482</b>	<b>52 806</b>	<b>(58 676)</b>
<b>POTENTIAL REPROFILING OF TANGIBLE CAPITAL ASSETS (FUNDING REQUIRED)</b>	<b>-</b>	<b>-</b>	<b>18 280</b>	<b>44 906</b>	<b>(58 778)</b>	<b>-</b>	<b>(0)</b>	<b>0</b>	<b>1 886</b>	<b>-</b>	<b>(1 886)</b>

(1) Unaudited Financial Statements as at September 30, 2018

<b>TOTAL POTENTIAL REPROFILING OF OPERATIONS AND TANGIBLE CAPITAL ASSETS (FUNDING REQUIRED)</b>	<b>-</b>	<b>-</b>	<b>46 894</b>	<b>58 107</b>	<b>(165 549)</b>	<b>-</b>	<b>78 580</b>	<b>78 580</b>	<b>6 818</b>	<b>-</b>	<b>(6 818)</b>
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## Summary Table – Ten-Year Financial Summary

### Ten-Year Financial Summary

(In thousands)				Budget					Projection				
	Actual 2017-2018	Current Projection 2018-2019 (1)	Main Budget 2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
<b>REVENUES</b>													
Leases and permits	601	607	607	596	603	609	616	622	634	647	660	673	686
Interest	869	934	572	934	934	934	934	934	953	972	991	1 011	1 031
Other sources	54	31	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1 524</b>	<b>1 572</b>	<b>1 179</b>	<b>1 530</b>	<b>1 537</b>	<b>1 543</b>	<b>1 550</b>	<b>1 556</b>	<b>1 587</b>	<b>1 619</b>	<b>1 651</b>	<b>1 684</b>	<b>1 717</b>
<b>EXPENSES</b>													
Regular maintenance	7 537	8 130	8 360	6 513	7 490	7 644	7 568	7 772	7 924	8 085	8 244	8 418	8 580
Major maintenance (2)	13 030	15 213	21 121	22 147	18 454	17 574	16 362	14 730	15 028	15 415	15 703	16 182	17 304
Jacques Cartier Bridge	7 740	11 359	35 641	35 959	48 865	38 563	8 166	20 162	21 768	30 672	37 244	49 178	41 459
Champlain Bridge - Without deconstruction	32 031	67 732	132 030	40 379	1 718	1 060	120	-	-	-	-	-	-
Champlain Bridge - Deconstruction	262	12 843	14 600	85 733	155 533	169 732	-	-	-	-	-	-	-
Honoré Mercier Bridge	1 785	2 510	24 622	18 390	16 740	13 931	9 429	16 978	22 991	15 438	37 195	16 063	31 725
Melocheville Tunnel	2 146	5 020	8 115	3 043	1 858	1 254	818	639	898	2 259	4 089	2 826	8 324
Bonaventure Expressway	1 922	11 257	8 046	10 437	12 375	1 308	1 419	2 176	3 732	3 597	3 018	28 493	29 835
Highway 15	73	-	-	-	-	-	-	-	-	-	-	-	-
Ice Control Structure	15 734	6 481	2 518	4 209	1 600	543	7 495	385	1 152	473	1 433	8 893	1 080
Bypass bridge	128	-	63	1 215	1 323	911	14 045	14 316	338	-	-	-	-
Environment	19 579	2 601	2 983	3 463	3 805	3 529	15 011	15 225	15 512	23 401	23 856	2 034	2 057
Operations	3 145	3 252	3 431	3 431	2 688	2 735	2 775	2 815	2 871	2 928	2 987	3 047	3 108
Administration	13 735	17 697	16 814	17 108	16 754	16 745	16 908	16 975	17 303	17 658	18 002	18 394	18 632
Amortization	33 335	32 263	31 379	35 797	29 049	29 895	28 459	25 735	27 302	28 804	30 137	31 332	33 701
Environmental obligations	(22 286)	(2 061)	(2 318)	(2 103)	(1 530)	(1 436)	(1 438)	(1 440)	(1 442)	(1 443)	(1 445)	(1 446)	(1 447)
<b>TOTAL EXPENSES</b>	<b>129 896</b>	<b>194 297</b>	<b>307 405</b>	<b>285 721</b>	<b>316 722</b>	<b>303 988</b>	<b>127 137</b>	<b>136 668</b>	<b>135 377</b>	<b>147 287</b>	<b>180 463</b>	<b>183 414</b>	<b>194 358</b>
<b>Deficit before Government of Canada funding</b>	<b>(128 372)</b>	<b>(192 725)</b>	<b>(306 226)</b>	<b>(284 191)</b>	<b>(315 185)</b>	<b>(302 445)</b>	<b>(125 587)</b>	<b>(135 112)</b>	<b>(133 790)</b>	<b>(145 668)</b>	<b>(178 812)</b>	<b>(181 730)</b>	<b>(192 641)</b>
<b>Non-cash items</b>	<b>10 908</b>	<b>30 125</b>	<b>29 042</b>	<b>33 684</b>	<b>27 519</b>	<b>28 459</b>	<b>27 021</b>	<b>24 295</b>	<b>25 860</b>	<b>27 361</b>	<b>28 692</b>	<b>29 886</b>	<b>32 254</b>
<b>Deficit before Government of Canada funding (eligible for funding)</b>	<b>(117 464)</b>	<b>(162 600)</b>	<b>(277 184)</b>	<b>(250 507)</b>	<b>(287 666)</b>	<b>(273 986)</b>	<b>(98 566)</b>	<b>(110 817)</b>	<b>(107 930)</b>	<b>(118 307)</b>	<b>(150 120)</b>	<b>(151 844)</b>	<b>(160 387)</b>
Government of Canada funding - expenditures*:													
Authorized appropriations	117 323	241 180	277 184	250 507	287 666	302 600	111 767	4 046	4 046	4 046	4 046	4 046	4 046
Appropriations requested (potential reprofiling)	-	(78 580)	-	-	-	(28 614)	(13 201)	106 771	103 884	114 261	146 074	147 798	156 341
Government of Canada funding - Tangible capital assets*:													
Authorized appropriations	52 806	75 364	78 100	72 181	35 600	52 408	94 651	2 641	2 641	2 641	2 641	2 641	2 641
Appropriations requested (potential reprofiling)	-	0 \$	-	-	-	(18 280)	(44 906)	58 778	66 419	67 431	38 341	52 750	131 635
Non-cash items	(10 908)	(30 125)	(29 042)	(33 684)	(27 519)	(28 459)	(27 021)	(24 295)	(25 860)	(27 361)	(28 692)	(29 886)	(32 254)
<b>Annual surplus</b>	<b>41 757</b>	<b>45 239</b>	<b>49 058</b>	<b>38 497</b>	<b>8 081</b>	<b>5 669</b>	<b>22 724</b>	<b>37 124</b>	<b>43 200</b>	<b>42 711</b>	<b>12 290</b>	<b>25 505</b>	<b>102 022</b>
<b>Note 1: Tangible capital asset acquisition</b>													
Jacques Cartier Bridge	35 414	51 972	59 251	51 304	20 322	13 288	8 901	2 890	14 000	17 714	28 890	41 962	94 842
Champlain Bridge - Without deconstruction	(962)	-	-	-	-	-	-	-	-	-	-	-	-
Honoré Mercier Bridge	14 320	20 138	6 411	9 464	13 044	13 842	16 830	5 789	236	-	-	-	-
Melocheville Tunnel	146	341	1 310	8 754	233	602	715	1 348	6 521	7 494	9 714	9 923	11 456
Bonaventure Expressway	(310)	-	3 582	600	1 217	5 715	15 588	43 429	48 051	44 649	2 163	3 291	27 763
Highway 15	21	-	-	-	-	-	-	-	-	-	-	-	-
Ice control structure	4 149	1 709	6 342	550	-	-	-	-	-	-	-	-	-
Bypass bridge	(146)	-	-	654	639	396	7 528	7 775	37	-	-	-	-
Other	174	1 204	1 204	855	145	285	183	188	215	215	215	215	215
<b>Total tangible capital assets</b>	<b>52 806</b>	<b>75 364</b>	<b>78 100</b>	<b>72 181</b>	<b>35 600</b>	<b>34 128</b>	<b>49 745</b>	<b>61 419</b>	<b>69 060</b>	<b>70 072</b>	<b>40 982</b>	<b>55 391</b>	<b>134 276</b>
<b>Authorized funding:</b>													
Operating funding	218 409	241 180	277 184	250 507	287 666	302 600	111 767	4 046	4 046	4 046	4 046	4 046	4 046
Capital funding	113 368	75 364	78 100	72 181	35 600	52 408	94 651	2 641	2 641	2 641	2 641	2 641	2 641
<b>Total</b>	<b>331 777</b>	<b>316 544</b>	<b>355 284</b>	<b>322 688</b>	<b>323 266</b>	<b>355 008</b>	<b>206 418</b>	<b>6 687</b>					

\*Subject to Government grants and appropriated allocations. The funding takes into account the possible reclassification between the tangible capital assets and the expenditures to reflect the budgeted amounts.

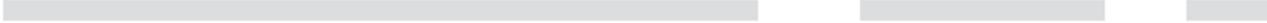
(1) Unaudited Financial Statements as at September 30, 2018

(2) Major maintenance expenditures include the costs of the Research and Applications Division until 2019-2020.

## SUMMARY TABLE – 2019-2024 FIVE-YEAR PLANNING

Major Work	In thousands of dollars					
	2019-20	2020-21	2021-22	2022-23	2023-24	Total 5 years
Jacques Cartier Bridge	87,263	69,187	51,851	17,067	23,052	248,420
Champlain Bridge - without the Deconstruction	40,379	1,718	1,059	120	-	43,276
Champlain Bridge - Deconstruction	85,733	155,533	169,733	-	-	410,999
Honoré Mercier Bridge	27,854	29,784	27,773	26,259	22,767	134,437
Melocheville Tunnel	11,797	2,091	1,856	1,533	2,187	19,464
Bonaventure Expressway (Sections 10 to 13)	11,037	13,592	7,023	17,007	45,605	94,264
Ice Control Structure	4,759	1,600	543	7,495	385	14,782
Île des Sœurs Bypass Bridge	1,869	1,962	1,307	21,573	22,091	48,802
Environment	3,463	3,805	3,529	15,011	15,225	41,033
<b>Total Major Work</b>	<b>274,154</b>	<b>279,272</b>	<b>264,674</b>	<b>106,065</b>	<b>131,312</b>	<b>1,055,477</b>
<b>Total, other than Major Work</b>	<b>50,064</b>	<b>45,531</b>	<b>44,983</b>	<b>43,796</b>	<b>42,480</b>	<b>226,854</b>
<b>Revenues</b>	<b>(1,530)</b>	<b>(1,537)</b>	<b>(1,543)</b>	<b>(1,550)</b>	<b>(1,556)</b>	<b>(7,716)</b>
<b>Grand total</b>	<b>322,688</b>	<b>323,266</b>	<b>308,114</b>	<b>148,311</b>	<b>172,236</b>	<b>1,274,615</b>

<b>Under evaluation</b>						
Projects	1,659	4,921	8,268	43,428	111,363	169,639
Research and Applications Division	-	3,849	4,371	4,377	4,479	17,076
<b>Total "Under Evaluation"</b>	<b>1,659</b>	<b>8,770</b>	<b>12,639</b>	<b>47,805</b>	<b>115,842</b>	<b>186,715</b>



## APPENDIX 2 – LIST OF ABBREVIATIONS

FAA.....	FINANCIAL ADMINISTRATION ACT
FCSAP.....	FEDERAL CONTAMINATED SITES ACTION PLAN
INFC.....	INFRASTRUCTURE CANADA
JCCBI.....	THE JACQUES CARTIER AND CHAMPLAIN BRIDGES INCORPORATED
MCK.....	MOHAWK COUNCIL OF KAHNAWÁ:KE
OHS.....	OCCUPATIONAL HEALTH AND SAFETY
PP.....	PRIVATE PARTNER
REM.....	RÉSEAU EXPRESS MÉTROPOLITAIN
SD.....	SUSTAINABLE DEVELOPMENT
SDCBC.....	SAMUEL DE CHAMPLAIN BRIDGE CORRIDOR
SLSA.....	ST. LAWRENCE SEAWAY AUTHORITY
SQ.....	SÛRETÉ DU QUÉBEC



Participez à la conversation

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