

Annual Report 2023-2024

Teamwork and Tomorrow



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Letter from the Chair and CEO

One of the most observed accomplishments of the year took place on chilly November evenings when work crews pulled up and replaced two 10,000-kilogram deck panels on the MacKay Bridge. It was a complicated effort that put an exclamation point at the end of a successful construction season. The pictures of the workers manipulating the steel and asphalt sections into place struck a chord with bridge users, helping them understand the gravity of the work HHB undertakes.

While the deck replacement project and \$28 million of maintenance work were among our most visible activities, they were just one feature of a year filled with accomplishments. We marked the return of traffic to pre-Covid levels, launched the back office and customer service portal and established a unique partnership with the Halifax cycling community during the bikeway refurbishment. As you will read in the report, we also saw our Equity, Diversity and Inclusion efforts thrive.

Behind the scenes, we marked significant internal advancements. We updated our policies, developed a new employee handbook, and strengthened relationships at internal town hall sessions. Our commitment to our team's safety and well-being was evident through training opportunities that ranged from enclosed spaces rescue certification and professional development courses to organization-wide sessions on mental health in the workplace and equity, diversity and inclusion workshops.

The fiscal year ended with a horrendous event 1600 kilometres away that will shape the future of organizations like ours for years to come. In late March, the Singapore-flagged containership *Dali* lost power and collided with a pillar of the Francis Scott Key Bridge in Baltimore, causing the bridge to collapse in a matter of seconds. Tragically, six workers who were on the bridge at the time of the accident died.

The catastrophe sparked serious discussions about the safety of our bridges in a similar circumstance. It compelled a meeting with our community partners around the harbour and we undertook an internal review of our emergency response processes and the structural integrity of the rock islands around bridge piers. This incident underscored the paramount importance of safety in our operations.



Vicki Harnish
Chair | HHB

And the importance of safety at HHB can never be underestimated. It is baked into our planning, our training initiatives and our response to every task, down to plowing and landscaping and cleaning the walkway. Whether it's a contractor overhead doing cable inspections or a worker under the deck replacing a bearing, their tasks has been carefully and thoughtfully planned through a safety lens.

As we look toward the greater use of technology to improve the flow of traffic and advance the exploration of rehabilitation or replacement options for the MacKay Bridge, a shared vision is emerging, one that positions HHB to shape the future of transportation for generations of Nova Scotians.



Tony Wright
CEO | HHB

Acknowledgements

Halifax Harbour Bridges respectfully acknowledges that it is located in Mi'kma'ki, the traditional and ancestral territory of the Mi'kmaq People.



Africville was a vibrant, close-knit African Nova Scotian community on the shores of Bedford Basin until the community was expelled in the 1960s. Halifax Harbour Bridges acknowledges and pays respect to its descendants knowing that the building of the MacKay Bridge will forever be tied to the loss of Africville. Halifax Harbour Bridges would like to build a meaningful relationship with the descendants of Africville and, more broadly, African Nova Scotian communities.



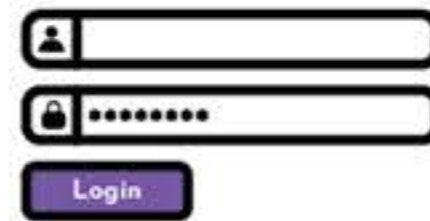
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Taking Care of the Bridges

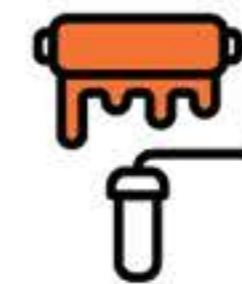
Top Accomplishments



Legislation passes to allow e-Tolling



Back-office and customer service portal come online



Dartmouth Cable Bent steel & paint project complete



New radios improve communications



EDI strategy and implementation advances



Issues raised in Employee Survey addressed



New Employee handbook distributed



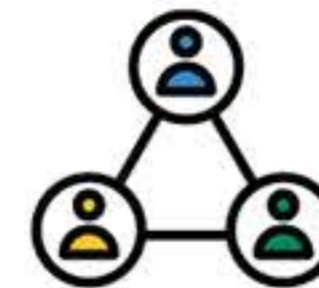
Bikeway closure collaboration with cycling coalition introduced



Replacement of 10,000 kg section of MacKay deck



Improved interdepartmental communication helps with closure, safety issues



Third party contract coordination improves efficiency

Progress on Priorities

Strategic Priority 1

Improve safety, efficiency, and environmental stewardship in operations and maintenance



E-tolling



Enhanced public safety measures



Infrastructure and Asset Management

Strategic Priority 2

Provide customer value through seamless, reliable and safe bridge crossings



Adoption of MACPASS and sticker technology



Customer Engagement



MacKay Bridge Rehabilitation Assessment

Strategic Priority 3

Demonstrate financial sustainability



Assess progress against 10-year plan



Equipment renewal



Refine project delivery



Cybersecurity



Real Estate Assessment

Strategic Priority 4

Foster a workplace where employees thrive



Foster employee growth



Equity Diversity and Inclusion



Strengthen workplace engagement

Strategic Priority 5

Expand our culture and practice on innovation



IT support systems



New engineering approaches

Traffic numbers recover to pre-pandemic levels

New bridge traffic patterns emerging?

Traffic volumes continue to increase on the A. Murray MacKay and Angus L. Macdonald bridges, but new patterns may be emerging as work-from-home arrangements created during the pandemic remain in place.

"Traffic has rebounded strongly from what it was during the Covid-19 pandemic, but we're only now reaching the traffic levels we used to see," said Michael McFeters, Chief Financial Officer with Halifax Harbour Bridges. "As that happens though, we seem to see more weekend traffic and rush hours that are spread out over a longer period of time."

For example, year-end data shows a busy weekday in fiscal 2023-2024 saw an average of up to 110,000 vehicle crossings. Prior to 2020 when Covid restrictions kept most Nova Scotians at home, a busy weekday would see an average of 114,000 vehicles on the bridges.

In 2019, there were 217 days that recorded more than 100,000 vehicles crossing the bridges. In this recent fiscal year, there were 187 days that saw that much traffic.

"The Halifax Regional Municipality population has grown and there's still lots of activity," he said. "But on the weekdays, this might be offset by the work-at-home trend. There's a noticeable decrease in commuter traffic in people going to work five days a week."

Downtown Halifax businesses have also noticed the effects of a work-at-home trend. And the decrease in commuter traffic seen on the bridges is consistent with the findings of a recent HRM-sponsored survey done by Dalhousie Transportation Collaboratory or DalTRAC, a transportation research facility at Dalhousie University.

"I can certainly see the reduction as the reflection of the new phenomena of working from home," says Ahsan Habib, a Dalhousie University professor and founder of DalTRAC. The travel survey, known as HaliTRAC, found about 16% of individuals are fully working from home, he says. Approximately 35% of workers have a hybrid arrangement, allowing for flexibility in the times they must be in their offices or at jobsites.

Paul MacKinnon, CEO of Downtown Halifax Business Commission, says members of his group continue to see the reduction of office workers. "What we've seen is overall, the numbers are going back up. We're getting back to 2019 levels in terms of total visitation," he says, "But we know from talking to our members, especially businesses that cater specifically to the office crowd, we're nowhere near the numbers we used to be."



MacKay Bridge gets crucial deck panel replacement

Halifax Harbour Bridges faced its highest profile maintenance challenge of the year with the installation of two new 10,000-kg deck panels on the A. Murray MacKay Bridge, a critical project needed to maintain this vital infrastructure.

In the spring of 2023, inspections revealed cracks in the deck's steel plating. Repairs were made at the time, while planning began to ensure the 18- by 32-foot sections would be replaced before cold weather set in.

The installation required the MacKay be closed to traffic for two weekends while crews, including specialty workers from across Canada, worked around-the-clock to complete the project.

A 100-tonne crane that took up nearly the entire width of the bridge was brought in to remove the deteriorated sections and replace them with new sections built by Cherubini Metal Works in Dartmouth. Paving then smoothed out the roadway over the new panels.



Weather forced a delay, but the \$5.4 million project was successfully finished in early December, just before the first snowfall of the season.

The project has been selected to win the Award of Excellence at the 2024 Canadian Consulting Engineering Awards slated for October 2024 in Ottawa. This award celebrates the country's highest engineering honour.

A profile of the work was also featured in *Engineers BC Magazine*.



Behind the steel and concrete: significant engineering projects maintain Halifax's bridges

Maintaining complex infrastructure like the A. Murray MacKay and Angus L. Macdonald bridges requires ongoing diligence and strategic planning. Each year, we undertake a wide range of engineering projects, both large and small, to address the bridges' immediate needs and HHB's long-term goals.

While some of the more visible projects, such as the replacement of the deck panels on the MacKay Bridge and resurfacing of the bikeway on the Macdonald Bridge are highlighted in other parts of this report, dozens of other significant initiatives undertaken in 2023-24 play a crucial role in ensuring the safety and reliability of the bridges.

Here are a few more projects of significance:



Angus L. Macdonald Dartmouth Cable Bent Steel and Paint Project

The paint and steel rehabilitation of the Dartmouth cable bent was a massive three-year, \$15-million undertaking and a critical milestone in the \$75-million effort to ensure protective coatings extend the life of the Macdonald Bridge.

This project included crucial steel repairs, coating protection and bearing replacement at the tower where the bridge cables from the main tower are redirected – or bent – to the anchorage. It began with removing all the layers of paint that had been applied since the bridge's initial construction. The bare steel was revealed, inspected, and repaired as needed. A zinc coating and two layers of paint were then applied to protect the structure. Special efforts were taken to minimize disruption to our neighbours, with full containment, special access and environment control measures maintained.

At completion, staff were invited to climb the cable bent to get a first-hand look at this vital project.

Angus L. Macdonald Approach Spans Concrete Rehabilitation - Dartmouth Abutment

The original concrete foundations of the Angus L. Macdonald Bridge were built in the 1950s, when concrete generally was designed for a 50-year service life. A multi-year construction program that includes removal and replacement of outer concrete and reinforcing steel on the Halifax and Dartmouth abutments began in the summer of 2023 with work on the Dartmouth abutment. That work is ongoing, with construction set to begin at the Halifax abutment in the fall of 2024. Construction costs for the two abutment projects will be about \$2 million.



Behind the steel and concrete: significant engineering projects maintain Halifax's bridges (cont.)

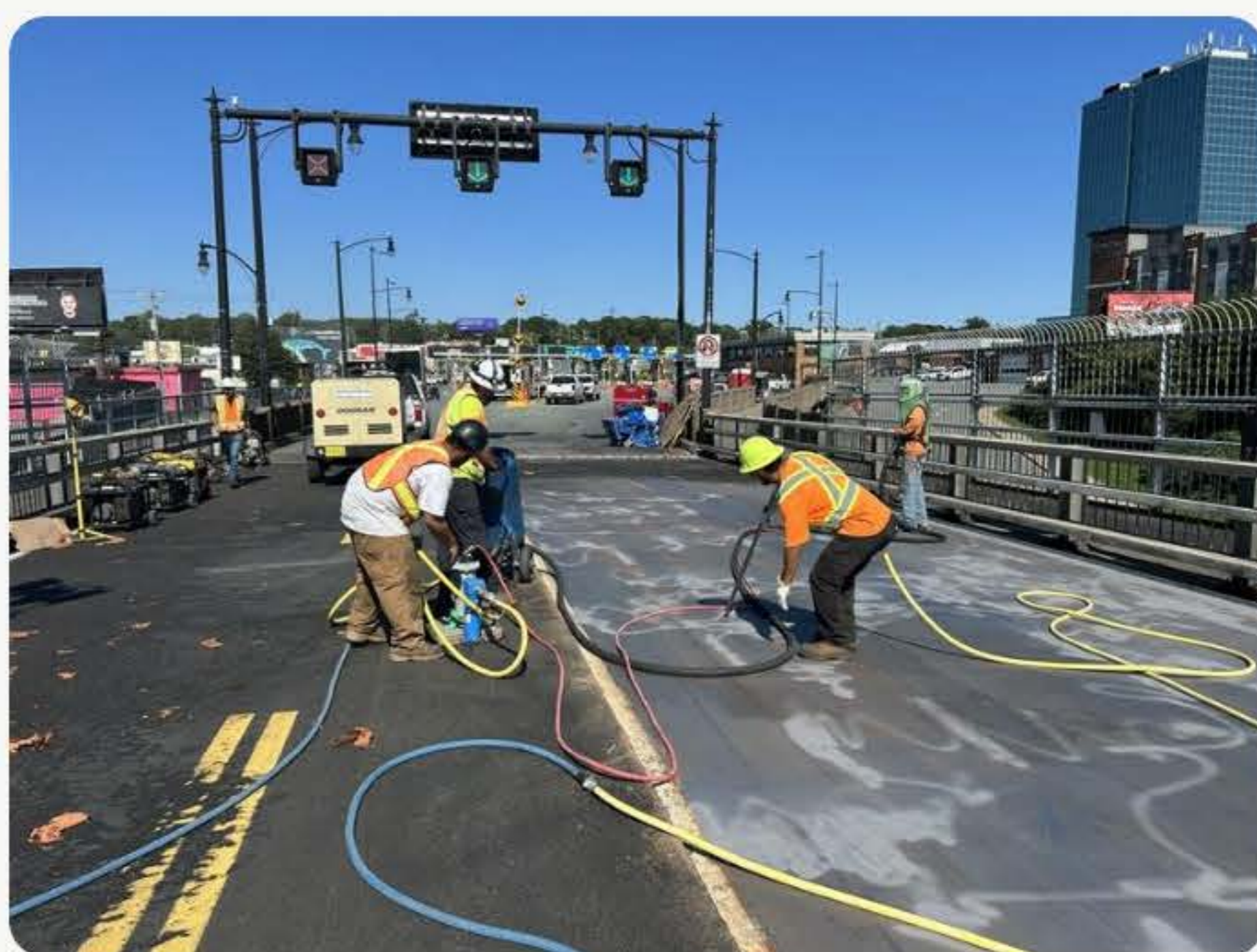


Angus L. Macdonald Approach Spans Bearing Replacements

The approach spans bearings are designed to allow movement between the foundations and the bridge itself, but several of the bearings, which also date back to the original construction of the bridge, were no longer working. The removal and replacement of bearing assemblies in two areas of the bridge was done during closures in April and October 2023 and is part of a multi-year project. Construction costs totaled \$500,000.

Angus L. Macdonald Approach Spans Resurfacing

The approach span decks were replaced in 1999 as part of the Third Lane Project, and the wearing surface was fully resurfaced in 2009. Beginning in fall 2022 and into the summer of 2023, the spans were resurfaced during four weekend closures. The \$3.7-million project involved the removal and replacement of the wearing surface, including waterproof membranes, and replacement of two expansion joints.



A. Murray MacKay Main Cable Inspections

Suspension bridges like ours are unique structures with cables to carry the weight of the decks and traffic to the towers that support them. As part of the ongoing evaluation of the main cables, cable inspections were done from July to November 2023, at a cost of \$1.46 million. The project involved removing the cable wrapping system, including lead-bearing materials, inspecting the interior of the cable, and installing the new cable wrapping system.

Enhanced connectivity for safety and efficiency

Halifax Harbour Bridges has found a new way to stay better connected - not only among its employees but with emergency service providers across the province.

The new trunked mobile radio system, known as TMR2, replaced an aging system that was no longer effective. According to HHB Operations Manager Daryl Lowe, the old equipment was difficult to use. "We were having more dead spots. We were having equipment failure where they wouldn't transmit or receive and we had some of our infrastructure, like our antennas that are mounted around the property, starting to fail."



TMR2 is a radio communications network for public safety owned by the Province of Nova Scotia. The system is used by emergency services providers, such as RCMP, police, fire, EHS, EMO; federal, provincial and municipal governments, as well as other organizations.



HHB was offered a place on the system due to its role as critical infrastructure and its emergency responsibilities. Each user organization has its own channel but can use a common channel for inter-organizational communication. That capability is crucial during emergencies to ensure effective and timely coordination among service providers.

While HHB doesn't shoulder the costs of maintaining the system's infrastructure, it pays for hardware.

The project was developed and managed by the IT and Tolling department, underscoring HHB's commitment to enhancing operational efficiency and safety through advanced technology.

Maintenance staff ready for any weather

"If there's an accident on one of the bridges in the summer, traffic challenges can ensue. If it happens in the winter, the stakes soar. Not only does it become inconvenient for the entire city, but it can be very dangerous for people facing the elements."

Dave Power, Safety Manager

When snow starts to fall and conditions are icy, the HHB maintenance team is likely already on the road. Responsible for two of the most highly scrutinized traffic corridors in the province, crews demonstrate an unwavering commitment to safety and efficiency in the face of nature's relentless challenges.

To mitigate these risks, HHB employs a skilled staff and advanced technology. The combined length of the two bridges is less than three kilometres, but HHB manages more than 20 kilometres of roadways, including four building locations with parking lots and a full interchange off Highway 111.

Maintenance technician Bill Welton highlighted the unique challenges of maintaining the bridges during winter. "They are steel. They're over water. The tide goes in, the tide goes out, so there's constant change of the conditions. You get times when one of the bridges can be covered in snow and everywhere else is nice. You have to be paying attention."

Continuous monitoring of specific conditions on the Macdonald and MacKay bridges is essential. Each bridge has two weather stations – locations where sensors record winds, road deck temperatures and moisture levels, even detecting the presence of ice.

An HHB truck is equipped with that same weather tracking system and can take real-time photos, providing crucial data as it travels the routes. Other trucks have road temperature sensors, aiding in determining when salting or other actions are required.



Anticipation is a key strategy in winter maintenance efforts. "That's where experience comes into play. You have to get used to the signs," said Welton. "If we see the bridge temperature and the dew point dropping to a certain amount, we can apply a small amount of salt to it and that starts to bring the road temperature up, just slowly. If you put too much salt, too fast, it turns into frost on the bridge."



If there's a danger of freezing rain, three trucks can apply a salt brine to the bridge decks. All eight trucks can load and apply salt, and four can pre-wet the salt before application. This process allows salt to activate more quickly and help it adhere to the decks even if it's windy.

Plowing is done by groups of vehicles working in tandem to minimize delays and maximize efficiency and safety. Two loaders and two trucks can work together on the MacKay, effectively creating a giant blade to cover more lanes at once. On the Macdonald, three smaller vehicles are used, with plows equipped with rubber cutting edges to protect the road surface. Additionally, a specialized sidewalk machine ensures clear pathways for pedestrians and cyclists.

None of the work could be accomplished without HHB employees who work in all conditions. Their dedication and expertise are the cornerstone of HHB's efforts to keep the bridges safe and traffic flowing smoothly, no matter the season.



GardaWorld offers new tolling and security services

Just as the fiscal year was coming to an end, Halifax Harbour Bridges awarded a \$2.7-million contract to GardaWorld to provide toll taking and security services at the Angus L. Macdonald and A. Murray MacKay bridges.



Under the contract, GardaWorld provides 45 staff to the operation, employed as toll takers, bridge patrol and operations rooms supervisors.

The two-year contract can be extended twice, for an additional year each time, for a potential maximum contract length of four years.

"We are pleased to be working with such an experienced company that shares our commitment to exceptional security systems, while attaining the highest levels of customer service."

Daryl Lowe, Operations Manager

GardaWorld Regional Manager Chris Murray said GardaWorld is honoured to join HHB in this new partnership.

"Together, we are positioned to achieve great things and drive innovation in safety and customer service," said Murray. "Our shared vision and values promise a cohesive collaboration that will benefit both our organizations, staff and most importantly, our valued community."

The new contract follows the conclusion of a long-standing relationship with Commissionaires Nova Scotia, which chose not to bid on the new tender.

"Commissionaires began providing security to us when the Macdonald Bridge first opened, almost 70 years ago. We thank them for their service and the important role Commissionaires' staff played in the history of the bridges," said Wright.

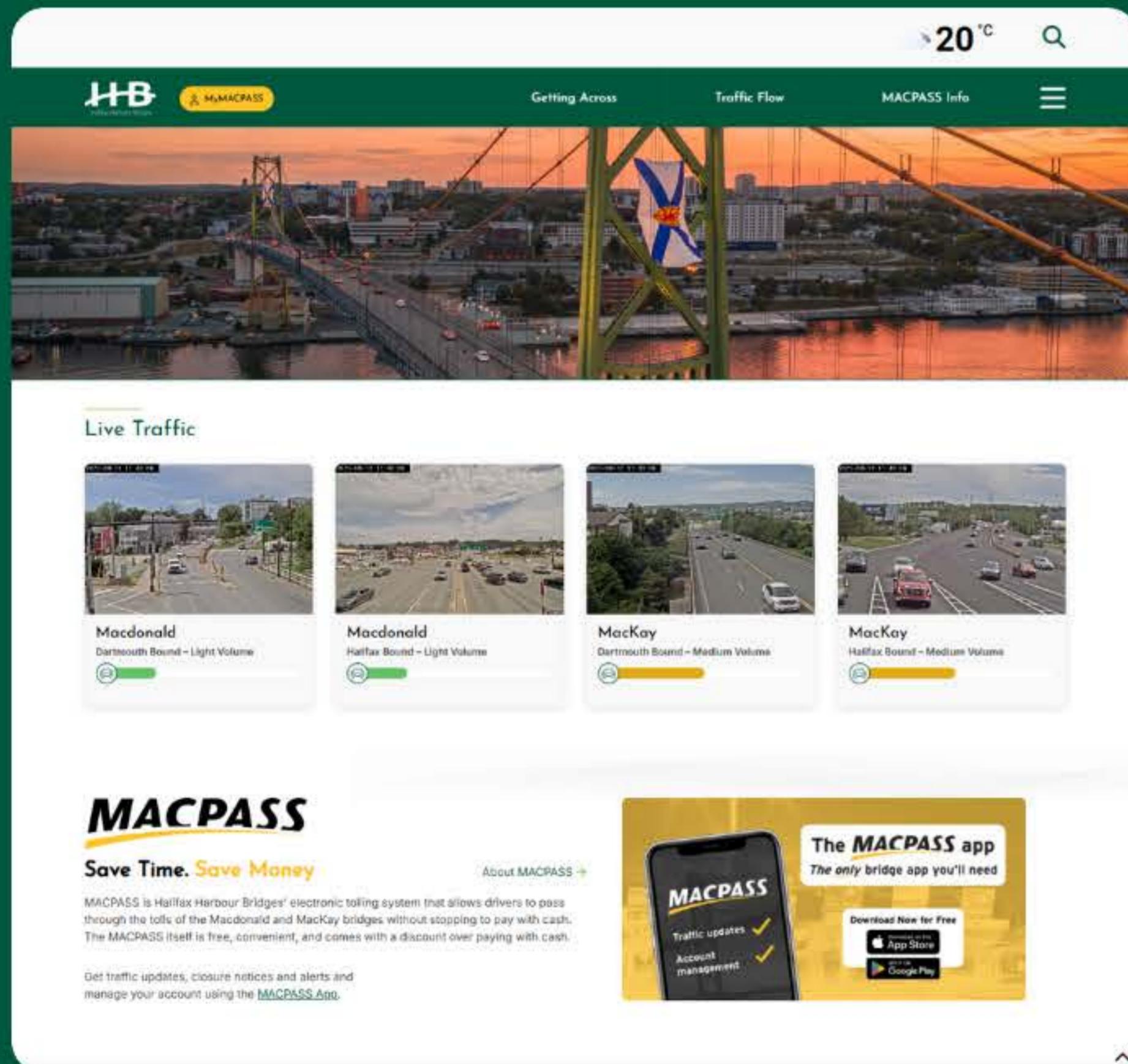
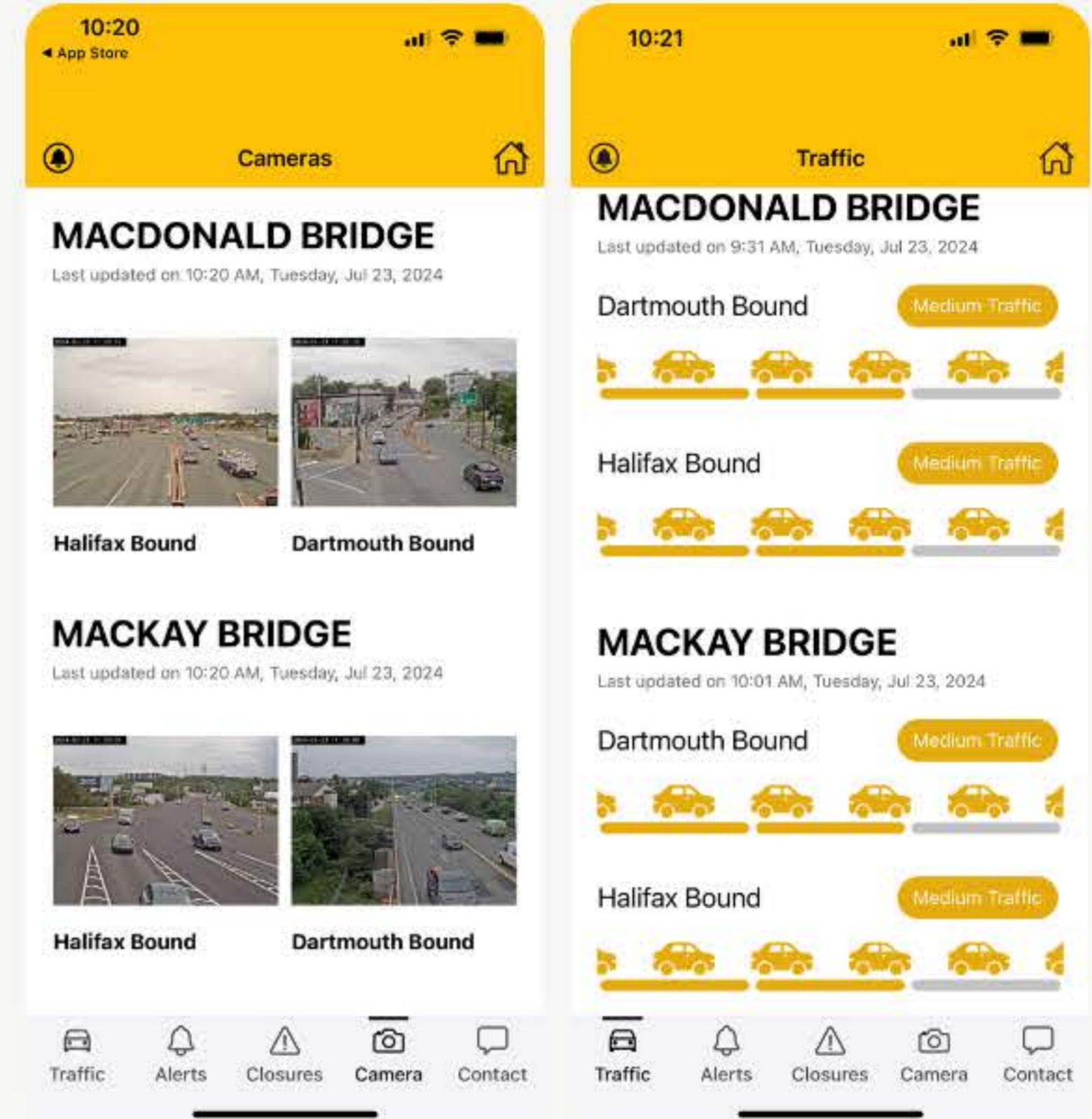


HHB app-solutely thrilled with launch of MACPASS self-serve portal

After more than two years of development, Halifax Harbour Bridges launched significant online enhancements to improve the way MACPASS customers can pay their bills and understand their account.

The new MyMACPASS.com self-serve website offers bridge users an all-in-one option for everything they need to cross the harbour. This new system also gives our back-end technology a major refresh, making it compatible with soon-to-come advanced tolling technology.

The system allows users to make payments, review their usage or update their banking information from a computer, smartphone or tablet. For additional value, HHB also introduced a MACPASS App that allows commuters a live look at traffic volumes on the bridges and offers push notifications of closures or traffic interruptions.



New website too!

A new HHB website (halifaxharbourbridges.ca), launched in August 2023, was designed with three primary objectives: to provide another source for comprehensive traffic information, to share MACPASS information and to provide detailed crossing information.

The site offers updates on bridge news and events, toll rates, vehicle restrictions, active transportation options (for pedestrians and cyclists) and a Visitors' Guide to ensure safe crossings.

As part of HHB's commitment to transparency, the site also includes its mission and mandate, as well as biographies of the Commission's board members and hosts a wide range of documents ranging from annual reports and strategic plans to policies.

HHB is proud to feature the work of local Halifax photographers throughout the website, showcasing beautiful images of the bridges.

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Customers and Community

Key partnership program off to encouraging start

As part of its plan to foster meaningful community support and involvement that make a difference, Halifax Harbour Bridges announced its new Key Partner Program, with Canadian Mental Health Association - Nova Scotia (CMHA-NS) as its inaugural partner.

Partnership for mental wellness

The collaboration with CMHA NS was a natural choice, given HHB's strategic priority to champion mental health within its operations.

"We see this program as a great way to demonstrate to the community just how that commitment plays out in action. If we can help our partners at CMHA NS help more Nova Scotians, this alone would be a valuable exercise - but we also want to learn from them to bolster our mental health supports for employees."

Steve Proctor, Communications Manager



Program highlights

As part of this partnership, HHB introduced wellness education for staff, as well as more crisis training for emergency response teams. A series of monthly Mental Health Moments, done in partnership with CHMA NS, was featured on HHB's website. These segments provided valuable tips and resources, promoting mental wellness across Nova Scotia.

HHB also introduced a \$10 adult registration fee for MACPASS Miles road race, with all proceeds donated to CMHA NS.

CMHA NS response

Former CMHA NS Executive Director Karn Nichols expressed enthusiasm for the partnership. "To us, this is more than a great fundraising initiative. It's a great example of an organization taking real steps to support their employees and our community's mental health."

Ongoing commitment to community initiatives

The Key Partner Program is the latest of HHB's community-focused initiatives, which also include the Macdonald Bridge Banner and Rock Garden Logo programs. HHB staff engage in various fundraising projects, supporting organizations such as Big Brothers Big Sisters and contributing to other local causes and charities.

Looking ahead

HHB is pleased to announce that Africville Heritage Trust will be its Key Partner for the 2024-25 fiscal year.

Each year, HHB will select a new organization for the Key Partner Program. The organization must be a registered Canadian charity, and its mandate must align with HHB's Mission, Vision or Strategic Plan, among other criteria, ensuring each partnership is both meaningful and impactful.



We don't just connect communities; we are part of them

Halifax Harbour Bridges is committed to making a positive impact through its community initiatives, demonstrating that strong community ties and support are integral to its operations.

Celebrating local organizations

Through the Key Partner Program, HHB actively engages with and supports local registered charities that have a positive impact in our community. The Macdonald Bridge Banner Program and MacKay Bridge Rock Gardens prominently showcase local non-profits and community groups, celebrating their vital work and contributions.



Encouraging employee involvement

HHB believes in empowering its employees to make a difference. HHB's volunteer policy allows permanent full-time, permanent part-time, and seasonal employees who have completed their probationary period to take one day of paid leave annually to volunteer with a charity or non-profit organization of their choice.

Community support initiatives

A commitment to community support is reflected in various initiatives led by HHB and its employees. Among them:

- **Canadian Mental Health Association's Push-Up Challenge:** Team HHB raised \$500 to support the CMHA Nova Scotia Division, helping to provide mental health services across the province.
- **Red Cross Wildfire Relief:** In response to devastating fires, HHB staff raised \$2,250 to assist the Red Cross in helping affected Nova Scotians.
- **Out of the Cold:** Staff collected and donated twice as many socks as anticipated for unhoused individuals.
- **Feed Nova Scotia:** With the MACPASS Customer Service Centre taking the lead, staff donated to Feed Nova Scotia through its Stuff-A-Bus campaign.



Promoting safety and awareness

The Angus L. Macdonald Bridge played a pivotal role in Project Red Ribbon, an initiative by Mothers Against Drunk Driving (MADD) Halifax. The event included an official proclamation at the Macdonald garage, followed by MADD members and Halifax Regional police officers distributing red ribbons to drivers at the toll plaza to promote the importance of sober driving.

Meet MACPASS: The new face of Halifax Harbour Bridges delights at community events

Halifax Harbour Bridges' new mascot, MACPASS, made its debut during the popular Natal Day weekend events, MACPASS Miles road race and Bridgewalk 2023.



Designed to promote the MACPASS transponder system, MACPASS was spotted at the Dartmouth Tree Lighting ceremony, Downtown Dartmouth Ice Festival and at the HHB family skate at the Emera Oval in Halifax.

MACPASS greeted thousands of people at the HHB booth during the Nova Scotia Spring Ideal Home Show at Halifax Exhibition Centre.

MACPASS on the move: More appearances ahead

MACPASS will continue to be a central figure in HHB outreach efforts. Expect to see MACPASS making stops at more HHB-sponsored and community events in the future where it will continue to engage with the public, promote our organization and reinforce our commitment to community involvement.



MACPASS Miles and Bridgewalk 2023 fun for everyone

It's become a community tradition: The Sunday of Natal Day weekend is a day of family fun and celebration as Halifax Harbour Bridges welcomes the community to the Angus L. Macdonald Bridge. In 2023, the day started with MACPASS Miles road races in the morning followed by Bridgewalk in the afternoon, offering a variety of entertainment and activities for attendees.



MACPASS Miles success

MACPASS Miles 2023 was a banner year for runner participation, marking a milestone in HHB's efforts to engage the community in healthy and fun activities. This was also the first year the event raised money for a community organization. Adult runners paid a \$10 registration fee, with the entire proceeds donated to the Canadian Mental Health Association – Nova Scotia Division, as part of HHB's Key Partner Program. Thanks to the participation of those runners, HHB raised \$2,000 to help support CMHA's mental health programming. CMHA volunteers handed out medals to each runner who crossed the finish line.

Bridgewalk 2023 offers something for everyone

An estimated 2,500 people attended Bridgewalk 2023, getting a picture-perfect opportunity to enjoy the stunning views and participate in various activities, without worrying about vehicle traffic.

Several organizations set up displays and booths along the bridge, including CMHA - NS, Canadian Armed Forces, the Ecology Action Centre, Cycling Nova Scotia, and Q104. The booths provided valuable information and interactive experiences. HHB offered free snacks and water. Local bands and other entertainers performed during the event. One of the most popular attractions was the Ask an Engineer booth where HHB's experts were on hand to answer questions and talk all things bridge-related.



Halifax Cycling Coalition guides on hand to help keep bike traffic rolling

The need to do maintenance work to the Macdonald Bridge Bikeway provided a unique opportunity for Halifax Harbour Bridges to partner with the Halifax Cycling Coalition to increase awareness about the use of the bikeway and cycling in general.



The bikeway on the Macdonald Bridge is an important piece of infrastructure as it is the only route across the harbour dedicated to cyclists. The need to remove and replace the deteriorated surface and the resurfacing at the approach spans necessitated the closure of the bikeway for 10 days in July 2023. Once completed, the work provided cyclists with a smoother, safer ride across the bridge.

“Supporting active transportation is important to us. Like the bridges, the bikeway sometimes needs maintenance that can’t be accomplished without closing it.”

Janet MacMillan, Vice Chair, HHB Board

The resurfacing work was carried out around the clock to minimize the disruptions to the cyclists and to pedestrians, who shared their sidewalk with the cyclists while the bike lane was closed.

To ensure cyclists were aware of the closure and to ensure their safe use of the sidewalk, guides from Halifax Cycling Coalition were on hand to keep bike traffic rolling during peak periods.



“No one likes a bridge closure, particularly people on bicycles using human power, but sometimes it is necessary. Halifax Cycling Coalition was pleased to partner with HHB to help both cyclists and pedestrians navigate the bridge safely,” “If we can help minimize the inconvenience during the time when the repairs are being done, we are glad to participate.”

David Trueman, Halifax Cycling Coalition Chair



In addition to offering safety tips and reminders, the guides distributed cycling handbooks available in seven languages.

HHB urges transition to MACPASS stickers ahead of 2024 deadline

With the Dec. 31, 2024 deadline to phase out hard-shell transponders quickly approaching, HHB ramped up efforts to switch all MACPASS users to new stickers, while also encouraging more people to use MACPASS rather than cash at the tolls.

These initiatives are part of HHB's broader strategy to modernize and streamline its tolling system, make way for e-Tolling, and ensure a seamless and efficient experience for all bridge users. By the end of 2024, complete conversion to the more convenient and technologically advanced stickers for both passenger and commercial traffic that use transponders is expected to be complete. Cash will still be accepted at the tolls at that time.



Transponder distribution and transition efforts

Recent data indicates 349,110 transponders have been issued by MACPASS. Among those, a significant majority - 172,280 - are hard-shell transponders. This includes 35,772 issued to commercial users, underscoring the importance of the transition in both personal and commercial transportation sectors.

To promote the transition to MACPASS stickers, HHB implemented targeted initiatives:

- Radio and social media campaigns
- Participation with a booth in the Nova Scotia Spring Ideal Home Show at Halifax Exhibition Centre

Success at the Nova Scotia Spring Ideal Home Show

The three-day Nova Scotia Spring Ideal Home Show marked a highlight in HHB's outreach efforts. HHB representatives were on-site to engage with the public, address inquiries and distribute more than 1,200 of the new MACPASS stickers.

The event facilitated direct interaction with the community and provided valuable feedback and insights into user experiences and expectations. Many people commented that seeing HHB at the show spurred them to make the switch they had contemplated but just never found the time to do.

Community engagement and feedback

"It was great to hear that people have an overwhelmingly positive impression of our bridges, and most are aware of the benefits of using a MACPASS. This kind of interaction provides invaluable insights into the needs of the people who travel the bridges, as well as their perceptions of how we are meeting those needs."

Michael McFeters, HHB Chief Financial Officer

Expansion of MACPASS sticker availability

MACPASS stickers can be obtained at the MACPASS Customer Service Centre online, in-person or by telephone. Many auto glass dealers in the Halifax Regional Municipality now offer MACPASS to their customers. Additionally, auto retailer O'Regan's provides MACPASS stickers with every new or used vehicle purchased at its HRM locations.

HHB is exploring similar arrangements with other businesses to further ease the transition for users. Also, HHB will continue to increase public awareness about the switch through various activities, including participation in more events like the Home Show.

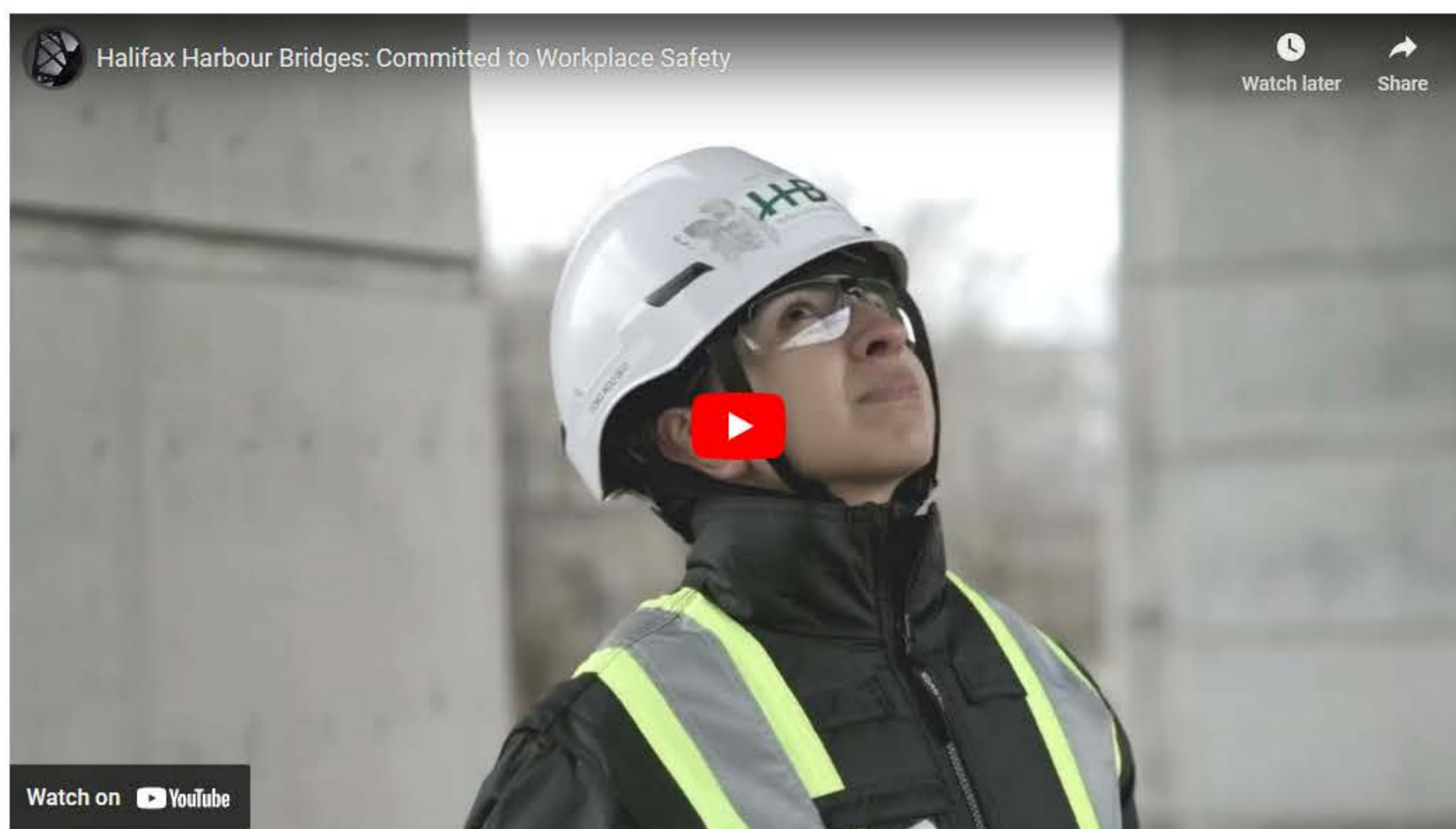


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Healthy Workplace

Lights, camera, safety!

At Halifax Harbour Bridges, safety is not just a priority - it is an integral part of its culture and daily operations. HHB is committed to ensuring that all staff and on-site contractors uphold the highest standards of workplace safety. HHB's efforts to promote a safe working environment are continuous and evolving.



<https://www.youtube.com/watch?v=XEBuWhcGf6s>

Safety embedded in HHB's daily operations and culture

One key project from HHB Communications was the creation of a five-minute mini-documentary focused on the fundamental belief that everyone at HHB is responsible for maintaining a safe work environment.

Spotlight on cross-departmental engagement and participation

The response to Workplace Safety: A Shared Responsibility was overwhelmingly positive, reflecting high levels of engagement and participation from departments across the organization. Employees in various roles were featured, discussing how safety is integrated into their daily tasks and how HHB supports a safe workplace.

Beyond training

The video was initially developed as a training tool for new employees, as one way to instill a strong safety mindset from the very beginning of an employee's time at HHB.

HHB also made this video available to the public through YouTube. By sharing our safety practices and values with the wider community, HHB hopes to contribute to a broader culture of safety awareness.

Bridging diversity: HHB prioritizes commitment to Equity, Diversity, and Inclusion

Halifax Harbour Bridges put Equity, Diversity and Inclusion (EDI) at the forefront this year, adding an EDI officer, hosting regular lunch and learn sessions and launching policy and educational measures to foster and enhance an inclusive and diverse work environment.



During African Heritage month HHB explored the province's black history with lunch-and-learn sessions and the posting of the biographies of notable Nova Scotians like Carrie Best.



Groundwork and progress

HHB's commitment to EDI is rooted in its 2020 strategic plan and entrenched in the recently updated five-year strategic plan. It underscores the necessity for policies and programs to foster a diversified workplace.

Key milestones include the formation of an employee committee, enhanced EDI communication and education and the formal organization-wide adoption of an Equity, Diversity, and Inclusion Policy.

"We've come a long way in a relatively short period of time."

Carl Gannon, Human Resources Manager

New leadership and initiatives

To maintain momentum, a dedicated resource to coordinate EDI events and training is essential. The EDI officer's role involves close collaboration with leaders, employees and community stakeholders to craft a comprehensive action plan to drive HHB's EDI strategy. Additionally, the EDI Committee was renamed the EDI Employee Resource Group. This change clarifies its function as an employee forum for discussing EDI ideas and concerns, rather than the primary driver of EDI events or strategy.

Learning opportunities

To further the EDI agenda, HHB scheduled mandatory workshops for all staff. One of those sessions featured Greg Bradley, a retired lawyer and former director of Workforce Diversity at North America's second-largest commuter railway. Bradley has more than 28 years of expertise in human resource management, diversity, equity and inclusion management, and workplace mediation.

HHB's secret garden

A trip to the painting compound on the Halifax side of the MacKay Bridge reveals an unexpected and tasty treat.

Tucked in behind the trailers, the painting team has created a mini community garden in four raised beds.

On a late summer visit, the cauliflower has been harvested and the cucumbers are ready for picking. There are several types of lettuce, plenty of tomatoes and peppers that are just starting to move from green to red.

The painters tend the garden before shift and during breaks. In addition to keeping the team grounded to the natural environment, Coatings supervisor David MacFadden says it provides the team with healthy snacks and a nutritious element they can take home and add to their dinner at the end of a long day working in the sun.



Staff Engagement Photo Gallery



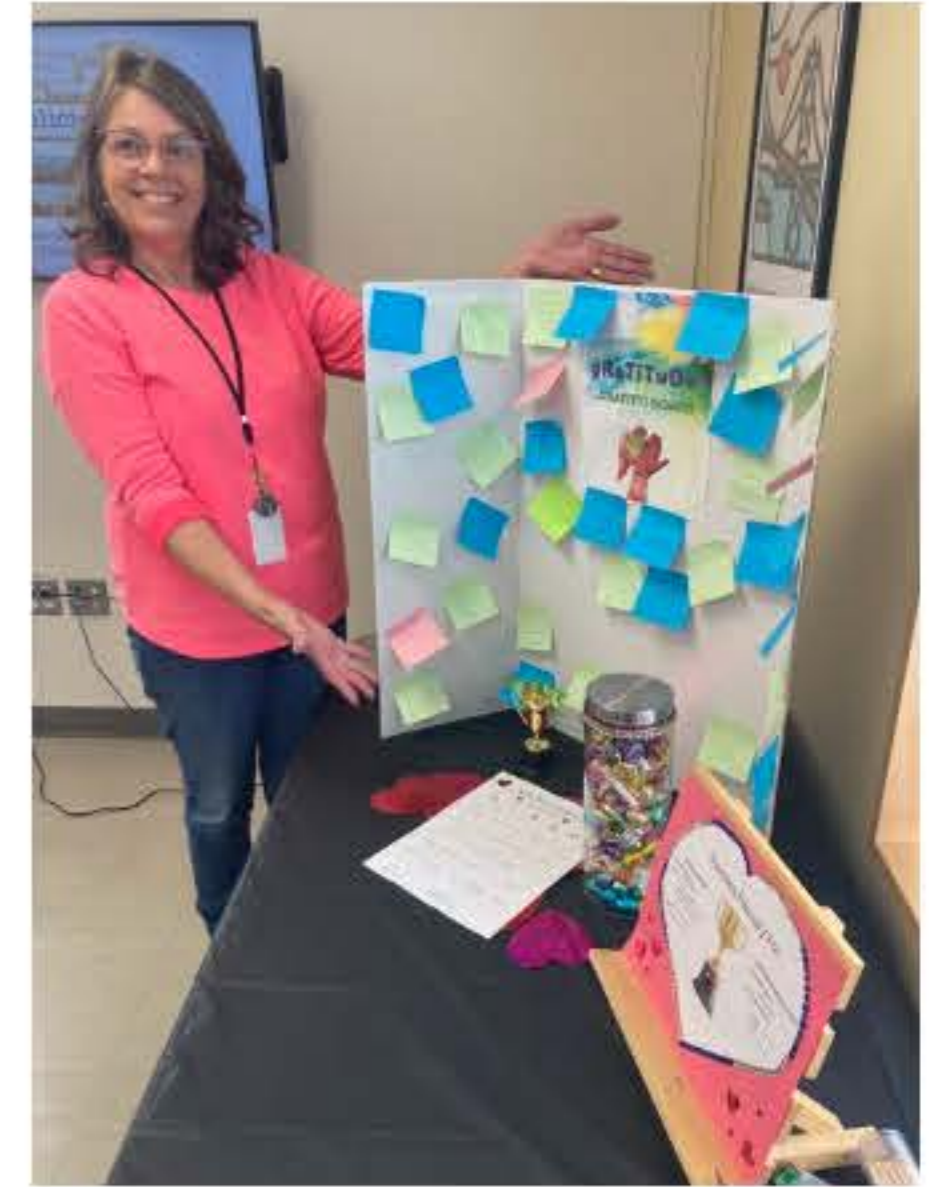
Cornelia Cristea, IT Project Manager, gives a thumbs up after hitting the target during an axe-throwing holiday party event.



HHB's departments put their creativity to the test, competing in a gingerbread smackdown.



Commissionaire Mitchel Tibbo raises a flag marking the meeting of the Assembly of First Nation chiefs in Halifax.



MACPASS Service representative Catherine Mason shows off a gratitude board developed to give staff an opportunity to share positive thoughts about their work experiences at HHB.



CEO Tony Wright enjoys a burger during the annual Painters' Picnic.



HHB marked 25 years of the MACPASS transponder with a celebration for customers and staff. A display at the Customer Service Office showcased photos and memorabilia.



MACPASS 25th anniversary cake.



The new MACPASS mascot joined staff for a skating party at the Emera Oval.



HHB holds two Town Halls each year where staff come together to share information and to learn how the organization is progressing towards its goals. An open Q&A session with CEO Tony Wright is an important part of the event.



Executive Assistant Jacqueline MacDonald adds a piece to the group puzzle project as part of a Town Hall session.



Several potluck luncheons provided an opportunity for staff to gather casually. Research suggests the better co-workers know each other, the better they work together.



Building on the theme that every piece matters, Joseph Kvitek and Engineer Daniel Sanchez work to complete a group puzzle at a Town Hall.

Annual Report 2023-2024

Operations and Governance

Halifax Harbour Bridges unveils new digital employee handbook

Halifax Harbour Bridges reached a significant milestone with the introduction of a digital Employee Handbook that features the latest HHB policies and procedures. This new comprehensive guide replaces the previous printed version from 2018 and reflects HHB's commitment to modernization and enhancing accessibility for all employees.

The new handbook is designed to serve as a central, easily accessible document that provides an overview of major policies, direct links to detailed information, and is a vital tool for every member of the HHB community. The handbook applies to all categories of employees, including full-time, part-time, and probationary employees, as well as students, temporary workers, contract employees, seasonal staff, and, in many cases, contractors working on-site.

Key features and highlights

The digital handbook not only highlights all major policies but also includes sections on HHB's Code of Conduct, dress code guidelines, statutory holidays, and various leave entitlements. New employees are required to acknowledge their review of the handbook as part of the orientation process, while long-term employees are encouraged to review it annually to stay informed about any changes.

CEO's message

"We've spent a lot of time updating policies and procedures to reflect the best practices for our industry. The Employee Handbook highlights key policies, processes, and protocols, and can point employees to the details through included links, while our Human Resources department and department supervisors are available for assistance or more information."

Tony Wright, CEO

Training and support

To ensure thorough understanding and seamless implementation, department discussions about the revised policies and handbook were held. As well, training material on key policies are available to HHB staff.

Code of Conduct

The HHB Code of Conduct sets the tone for a positive and respectful work culture, fostering a sense of trust, safety and inclusivity. Employees are required to review and sign-off on the Code of Conduct annually. Other policies may also require sign-offs.

Highlights

An employee shall not:

- Commit or condone an illegal act.
- Instruct or encourage another employee, partner, stakeholder or supplier to commit or condone an illegal act.
- Create or allow the creation of a false record.
- Engage in, or give the appearance of being engaged in, any illegal or improper conduct.

Employees are expected to adhere to the highest ethical standards in the performance of their duties. There can be no conflict of interest or appearance of a conflict between an employee's private interests and that of either HHB or the province.

For more information, you can find the full policy at [Code of Conduct](#)



Strategic plan gets an overhaul

Halifax Harbour Bridges made a significant shift in its approach to achieving organizational goals, with the introduction of a new five-year plan with three key priorities.

This revamped plan is designed to enhance the connection between the work we do today and HHB's future trajectory, clearly illustrating how each employee plays a crucial role in shaping our shared success.

The new strategic plan simplifies the focus to three key priorities:

1. Taking Care of the Bridges
2. Customer and Community Value and Experience
3. Healthy Workplace Culture

These priorities reflect HHB's commitment to maintaining the integrity of the infrastructure, delivering unparalleled value to its customers and communities, and fostering a workplace culture that promotes the well-being of its employees.

HHB believes its strategic plan is critical to the success of the operation. By clearly outlining priorities and goals, the plan provides a unified vision that aligns the organization's collective efforts and resources. It ensures that every action taken contributes directly to moving HHB's mission forward.



"Understanding and embracing our strategic plan is key to achieving greater success as individuals and as a cohesive team. When we align our daily efforts with the broader goals of the organization, we amplify our impact and pave the way for extraordinary accomplishments."

Tony Wright, CEO

Customer service rated highly

Background

A MACPASS User Study commissioned by Halifax Harbour Bridges found bridge travellers are highly satisfied with HHB's customer service, including the treatment they receive going through the tolls, and the efforts made to inform them about closures and traffic delays.

Findings:

The online study was conducted February 10-23, 2024, by Narrative Research. A total of 637 people, all of whom lived within one hour's drive of the bridges, completed the survey, including 36 respondents who participated through an HHB website posting.

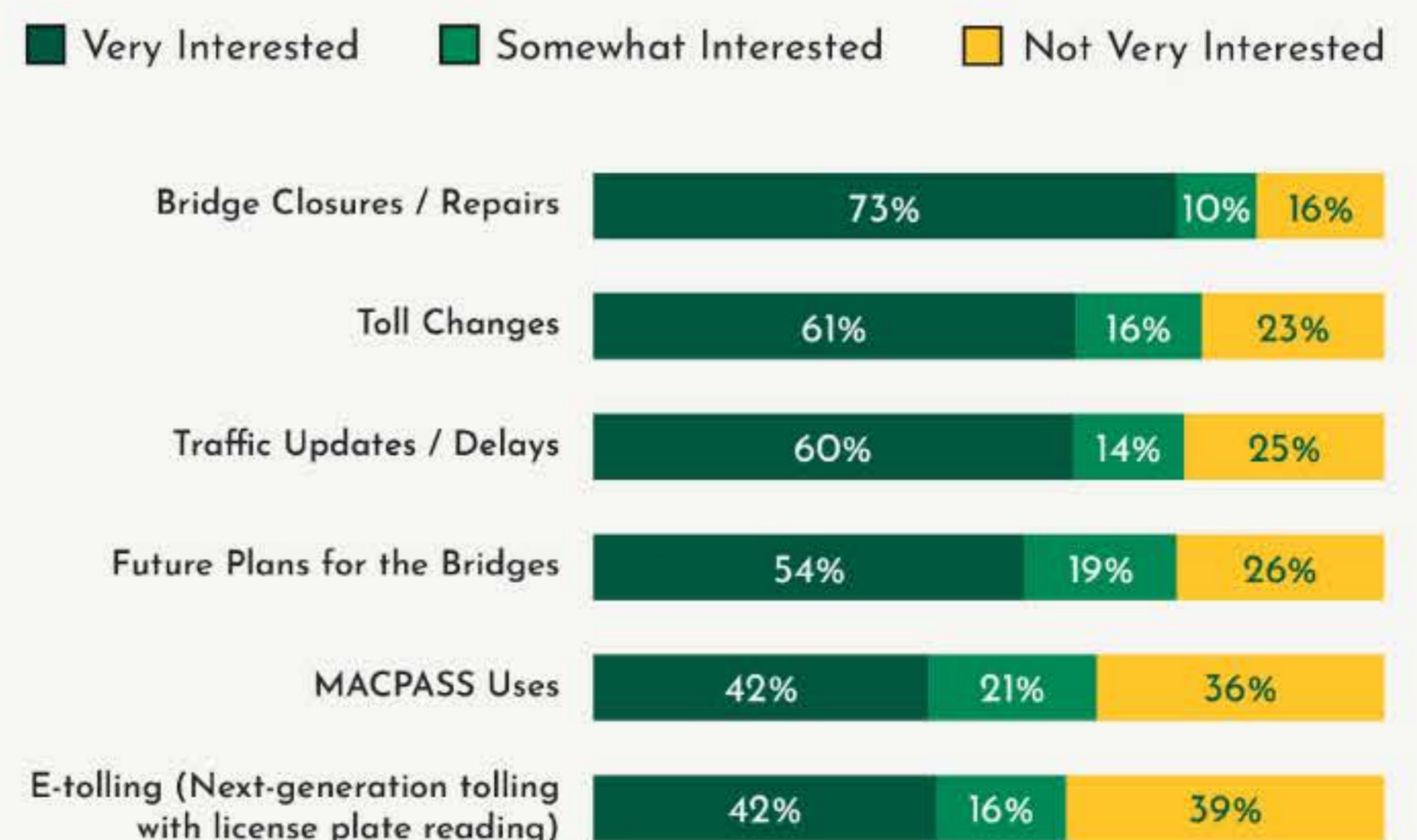
- A significant majority (76%) of respondents have a MACPASS, with a notable disparity between HRM residents (82%) and those outside HRM (38%).
- A majority (76%) are aware that MACPASS can be used for Halifax airport parking.

Non-user insights:

- The primary reason for not having a MACPASS (74% of non-users) is infrequent bridge travel.
- Half of non-users indicated they would get a MACPASS if cash were no longer accepted on the bridges.
- Another 50% would consider getting a MACPASS if it could be used for downtown parking or transit.
- Preferences for obtaining a MACPASS differ by age: individuals under 55 prefer online ordering, while those over 55 prefer in-person service at the Customer Service Centre.

- Two thirds of residents indicated high levels of satisfaction with **the service provided by toll takers** (66%)
- A similar proportion is satisfied with HHB's efforts to **notify the public** about bridge closures or construction that could interrupt the flow of traffic (64%).
- One-half of residents are satisfied with the service received at the MACPASS Customer Service Centre (51%). It is important to note that nearly four in ten could not provide a score, because they had not visited the MACPASS Service

Level of Interest in Information by Topic



A coin collector's dream: A toll taker's nightmare

When HHB's treasury team sorts through coins collected from the bridge's cash lanes, inevitably a handful don't make the cut.

Whether it's deliberate or by accident, a few drivers use foreign coins at the tolls instead of Canadian currency as they cross the bridge. American coins are easily sorted, but the remaining change creates a coin conundrum. Most are legal tender somewhere but have no value in Canada. Banks here just aren't interested in 100 nickels from the Bahamas.

The reject coins were put to the side and the collection grew. This year, budding collectors at HHB were invited to peruse the coins and take any of their choosing.

Reaction was so positive that HHB decided to make the coins a display feature, creating a giant-sized world map to highlight the 105 countries from where coins have been found. The map can be seen at the MACPASS Customer Service Centre. During HHB external events, the map and coins will be on display together, with T-shirts as prizes for anyone who spots a coin from a country not already identified.



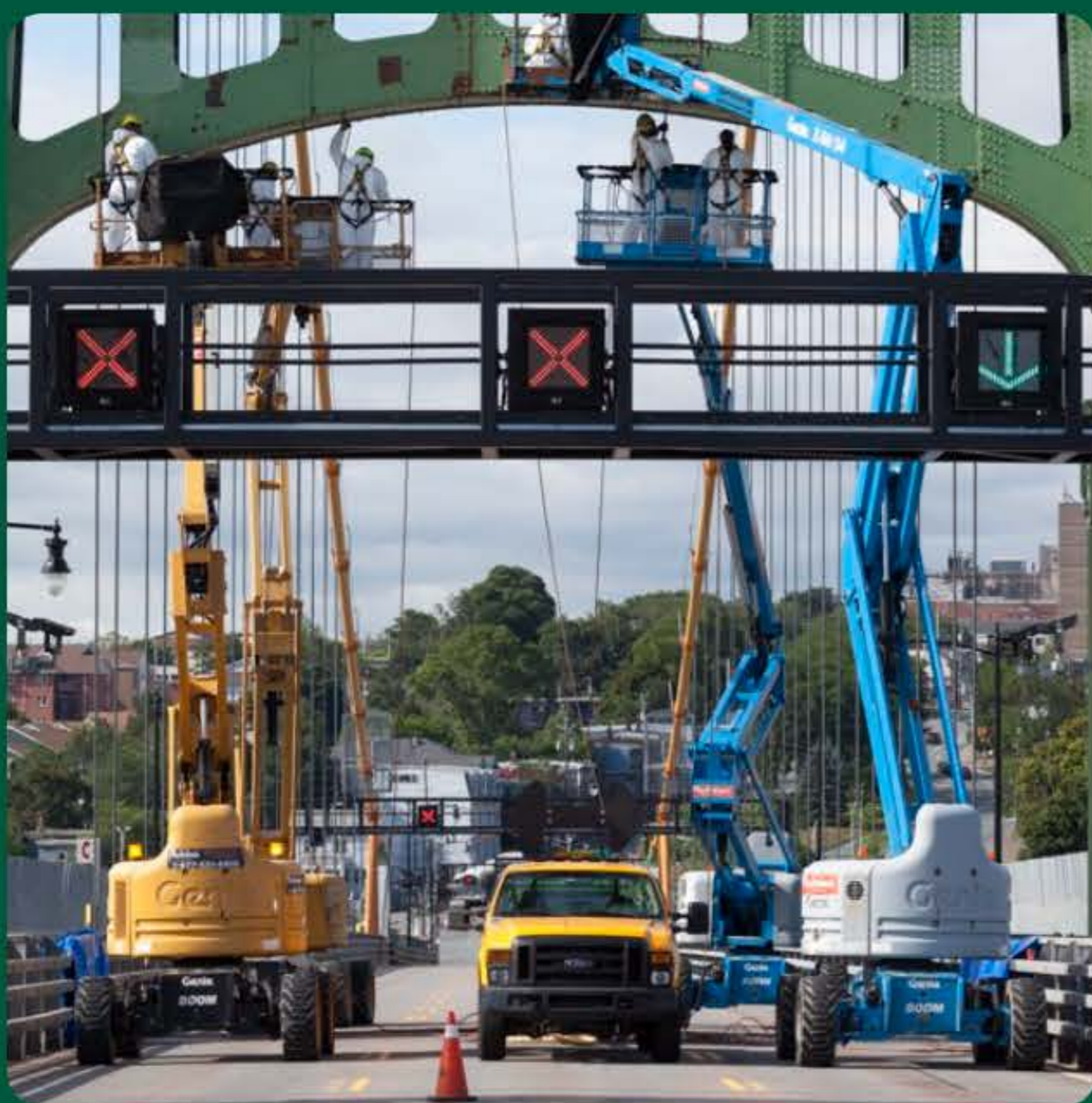
Some maintenance work takes extended time to complete

Every year, Halifax Harbour Bridges faces the challenge of scheduling critical maintenance and inspection projects on the only cross-harbour routes for vehicles, which also happen to be two of the busiest traffic corridors in the province.

And with that schedule come the inevitable questions:

- Why do you have to close the A. Murray MacKay Bridge or Angus L. Macdonald Bridge for a full weekend?
- There is an event going on that weekend. Why pick that date to close the bridge?
- Why don't you just do all the work at night?

We understand why these questions arise, and they highlight the important considerations we take into account every time we make a decision to close a bridge. It's a balancing act between the need to carry out crucial work safely and efficiently and the desire to minimize disruptions to our community.



More than 100,000 vehicles cross the bridges daily. A bridge closure for any amount of time disrupts traffic throughout Halifax Regional Municipality. That's tough on drivers and passengers who rely on the bridges to get to their destinations as quickly and as safely as possible. It's also tough on businesses which rely on the bridges for the arrival of their employees, the transport of their goods, and to bring customers to their doors.

Yet the reality is the bridges are aging structures that require more work than before to maintain.

Some of that significant work can be done relatively quickly or split into smaller projects that are scheduled over shorter periods of time.

Routinely, it is carried out through single- or double-lane closures scheduled during off-peak travel times. Crews commonly work overnight while most bridge users sleep. They also carry out those kinds of projects during the few hours between morning and afternoon rush hours when most bridge users have already reached their destinations. Either way, traffic delays are minimized or avoided altogether.

But some of the work takes extended, uninterrupted periods to be done properly. Complex projects may require more space to accommodate crew and equipment or may be work that must be finished once it begins, such as setting concrete, because it can't be split up into smaller tasks or shorter time periods.

Additionally, there are certain tasks that simply can't be done when other vehicles are whizzing by. There is just too much risk of injury to both crews and bridge users and damage to those vehicles.

Just like other road construction projects, much of the work is done most effectively during our short summer season, but HHB does not plan closures during holidays like Canada Day. In consultation with others in our community, HHB tries to avoid other special events. And HHB chooses full closures on weekends, rather than closing between Monday and Friday, to lessen the impact to the travelling public. About 40,000 fewer vehicles travel the bridges on a weekend day than any other day in the week.

Some maintenance work takes extended time to complete (cont.)



Once a full closure is deemed necessary, HHB strives to make the most of it. Crews plan work around-the-clock from Friday night (after the busy supper time rush-hour commute ends) until Monday morning (before the morning commute begins), and HHB adds other projects to the same weekend. While each of those extra projects wouldn't require an extended closure, getting them done while the bridge is closed anyway is a bonus, lessening the need for partial closures later on.

As the season progresses, HHB evaluates how the work is going. Out-of-our-control circumstances, such as rain or wind, may cause postponements. Given the relatively short season, the need to complete the projects, and other factors such as worker and material availability, there may be few options for rescheduling dates.

When closures are scheduled or altered, HHB aims to give as much advance notice as possible to allow everyone to plan ahead. We provide notice to local media, post to our website and social media, and announce closures on signs in the bridge areas. We suggest you allow extra time to reach your destination, change your travel routes, avoid peak-travel times and use alternate transportation, such as a bus or ferry, if possible. The Macdonald Bridge pedestrian and bicycle lanes may be an option.



To keep informed, you can also download the free MACPASS app or visit our website [halifaxharbourbridges.ca](https://www.halifaxharbourbridges.ca) for real-time information about bridge traffic.

Meet the Board



— Chuck Bridges

Municipally Appointed Board Member

Chuck is a well-respected community leader who has an active interest in government and governance.

After a 16-year career in broadcast journalism Chuck joined Saint Mary's University as Director of Public Affairs before becoming Vice President (Associate) External Affairs for the University's government and community relations, fundraising and marketing. He was Vice President Corporate Affairs at the Atlantic Lottery Corporation before returning to Halifax to help the Discovery Centre develop its brand, and government and corporate relations.

Chuck has an MBA from Saint Mary's University and has received numerous awards during his career including being bestowed the Queen Elizabeth II Diamond Jubilee Medal for his community engagement. He continues to volunteer and support a number of organizations.

Chuck resigned from the Board in October, 2023.



— Donna Smith Darrell

Provincially Appointed Board Member

Donna Smith Darrell is an African Nova Scotian of Black Loyalist descent born and raised in Yarmouth, Nova Scotia.

Donna is a retired registered nurse/nurse practitioner with experience in developmental pediatrics and cancer care at the community level. She is the past co-President of the Health Association of African Canadians (HAAC), is a non-profit health association based in Nova Scotia. Donna is interested in health issues that impact people of African descent.

She has volunteered for numerous community organizations including: Children's Aid Society, Epilepsy Nova Scotia, YMCA, Junior League of Halifax and her church. She has received multiple community awards including: WP Oliver Community Leadership Award, Atlantic Centre of Excellence for Women's Health, East Preston Congress of Black Women Recognition award, The Black Professional Women's award and the Y.M.C.A Award for Volunteerism



— Vicki Harnish

Provincially Appointed Board Member and Chair of the Board

Vicki is a retired public sector executive with extensive experience in organizational renewal, strategic and operational planning, revenue and expenditure planning and control, accountability systems, critical policy analysis and advice, policy implementation, and economic analysis. During her career with the Province of Nova Scotia, she served in several positions, including Public Service Commissioner, Secretary to Executive Council, Deputy Minister of Treasury and Policy Board and Deputy Minister of Finance.

In addition to serving as Chair of the Board of Commissioners of HHB, she is currently Chair of the Public Health Agency of Canada Departmental Audit Committee and a Member of the Veterans Affairs Canada Departmental Audit Committee. She has also served as a board member of several other organizations including the Investment Industry Regulatory Organization of Canada (IIROC), Statistics Canada Departmental Audit Committee, Health Canada Departmental Audit Committee, Nova Scotia Health Authority, and Mount Saint Vincent University.

As a non-partisan Deputy Minister to several Nova Scotia Premiers and to Cabinet and its committees, Vicki is well positioned to address public policy and public interest considerations, government relations and communications strategy. Ms. Harnish has a Master of Public Administration (Management) from Dalhousie University and the ICD.D accreditation from the Institute of Corporate Directors.

Meet the Board



— David Hendsbee

Halifax Regional Municipal Councillor David Hendsbee returned to the Board of Halifax Harbour Bridges in November 2022 after a two-year absence. One of the longest-serving members from HRM, he first joined the HHB Board in 2007 and served without interruption until 2020.

A former Preston MLA (1999-2003) in the John Hamm PC government, he has been re-elected six times as the Municipal Councillor representing District 2: Preston – Chezzetcook – Eastern Shore.

In addition to Halifax Harbour Bridges, he is a member of the following HRM Committees:

- Appeals Committee
- Audit & Finance Committee
- Heritage Advisory Committee
- Harbour East – Marine Drive Community Council

He graduated from Saint Mary's University with a Bachelor of Commerce Class of 1982 Valedictorian and SMUSA President 1982-84.



— Brian Jessop

Provincially Appointed Board Member

Brian Jessop is vice president of operations with Killam Apartment REIT where he oversees the capital infrastructure projects and building operations. Prior to that he spent 12 years with Mount Saint Vincent University as VP Admin and Director of Facilities Management.

Brian spent 10 years with Bell Aliant, performing asset management with Real Estate Services Division for Atlantic Canada. An experienced engineer and project manager, he held several operational positions during his 15 years with the QEII Health Sciences Centre finishing up as the Director of Engineering.

Brian has been involved in a number of Property and Engineering Associations and has his Certified Property Management (CPM) through the Real Estate Institute of Canada (REIC). Continuing his commitment to 'lifelong learning' he received his ICD.D through the Institute of Corporate Directors in 2018. He has served on several Boards and committees is the Past Chair for the Board of YMCA of Greater Halifax and Dartmouth, Past Chair of Canadian Universities Reciprocal Insurance Exchange and currently member of Ronald McDonald New House Committee.

Brian completed his term in December 2023.



— Jennifer LaPlante

Municipally Appointed Board Member

Jennifer LaPlante has a strong background in innovation and analytics, having created the first corporate innovation outpost in Atlantic Canada at Volta labs. She has a BA from Bishop's University, an MBA from Dalhousie and a Saint Mary's University MSc in Computing and Data Analytics candidate.

In addition to being a member of the HHB board of commissioners Jennifer sits on the Board of Directors and Chairs the Audit and Finance Committee for the Arthritis Society and is Vice President of the Victoria Hall Society Board of Directors. She is also a member of the Nominating Committee for the Canadian Internet Registration Authority (CIRA). She is an active member of the Government of Canada's AI Public Awareness Working Group. She co-organizer of the Halifax Chapter of Women in Machine Learning and Data Science (WiMLDS), a global organization that aims to support and promote women and gender minorities who are practicing, studying or are interested in the fields of machine learning and data science.

Meet the Board



— Richard MacLean

Provincially Appointed Board Member

A lifelong community volunteer in HRM and teacher of 29 years, MacLean teaches business technology and business management at Halifax West High School and represents Halifax City Local on the Nova Scotia Teachers Union Provincial Executive.

A world leader and builder in the sport of football, he is the Past President of the International Federation of American Football, the global governing body for the sport. As President, he has led the restructuring of the Federation which, under his guidance, gained entry for flag football into the 2022 World Games and positioned the sport for entry into the 2028 Olympics in Los Angeles.

MacLean himself has an impressive athletic record, having been drafted by the Toronto Argonauts, and is now involved in football at the organizational level, where he served as Director of Football for University Sport in Canada until the end of the 2020 season.

MacLean has a Masters Degree in Educational Leadership from Mount Saint Vincent University, and a Graduate Diploma in Mediation, Negotiations and Conflict Resolution from Saint Mary's University.

MacLean lives with his wife Cora, who is a healthcare administrator with the Canadian Armed Forces, and their daughter Caitlin. He has an adult son, Theo.



— Janet MacMillan

Provincially Appointed Board Member and Vice Chair of the Board

Janet MacMillan has devoted much of her professional and board governance career to guiding and supporting organizations in their growth trajectories and breakthrough moments.

She currently serves as lead strategic counsel to a number of NATIONAL's clients and teams and specializes in such areas as risk, reputation and crisis management, citizen engagement, governance and regulatory matters. She guides clients in such sectors as post-secondary, health, manufacturing, energy, resources, and transportation and infrastructure development.

Janet is certified by the U.S.-based Institute for Crisis Management and the International Association of Public Participation (IAP2). A member of the Institute of Corporate Directors (ICD), Janet holds considerable cumulative governance experience as a result of serving on a number of international, national and regional boards including Dalhousie Medical Research Foundation (Chair), Halifax Dartmouth Bridge Commission (Vice Chair), Eastpoint Engineering, COVE (Centre for Ocean Ventures and Entrepreneurship); FORCE (Fundy Ocean Research Centre for Energy (FORCE), the RCMP Foundation of Canada, the CN Community Board and Sail Canada. She is past chair of the board of governors for Mount Saint Vincent University, the institution from which she proudly received her degree in public relations.



— Lindell Smith

Municipally Appointed Board Member and Councillor District 8

Lindell Smith is a lifelong resident of North End Halifax. He is a co-founder of Center Line Studio, a non-profit recording studio for youth who want to express themselves through art and music. In keeping with his concern for the whole community and its diverse needs, and in response to the rapid growth and changes within his neighbourhood, Lindell, along with other community leaders, started "The One North End Project". This group of community leaders from around HRM aims to ensure that all residents benefit from this rapid growth together by encouraging new hiring practices for local businesses and holding community engagement sessions.

Lindell was the recipient of the Lieutenant Governor's Award for Education and Community Service. He was chosen as one of five Youth Rising Stars for Nova Scotia. He was the first recipient of the Abby Bryant (humanitarian) Award of Excellence, given to a young person who is recognized for outstanding community service, and is a recipient of The Black Business Initiative's Industry Development Award awarded by the African-Nova Scotian Music Association.

In November 2016, Lindell was elected as City Councillor for District 8 Halifax Peninsula North and re-elected in 2020.

Annual Report 2023-2024

Financials

Annual Report - Financial Overview

Year ended March 31, 2024

Financial Highlights Statement of Comprehensive Income

(In thousands of dollars)	2024 Budget	March 31, 2024 Actual	March 31, 2023 Actual
Revenue	39,539	36,849	37,250
Expenses:			
Operations	6,202	5,796	5,009
Maintenance	5,122	5,349	4,022
Administration	3,685	3,581	3,159
Amortization of property and equipment	11,075	10,165	10,283
Total Expenses	26,084	24,891	22,473
Operating Income	13,455	11,958	14,777
Net Finance Costs	4,311	3,073	3,304
Comprehensive Income	9,144	8,885	11,473

Halifax Harbour Bridges (HHB) was created in 1950 by a statute of the Province of Nova Scotia and is a Government Business Enterprise (GBE) as defined by the Public Sector Accounting Board recommendations. As such, HHB prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Revenues of HHB are 100% derived from tolls and fees based on traffic volumes on the Angus L. Macdonald and A. Murray MacKay Bridges. Traffic volumes in fiscal 2023-2024 continued to improve following the COVID-19 pandemic with traffic finishing at 98.7% of pre-pandemic levels (prior year 94.6%). The 2024 budget assumed traffic levels at 100% of pre-pandemic levels contributing to the actual toll revenues being below budget. Toll revenues were lower than the prior year despite an increase in traffic volume due to a change in the mix of traffic with less commercial traffic recorded in fiscal 2024 and an increase in toll violations. The drop in commercial traffic is unusual and believed to be at least partly attributable to poor performance of the toll system. To address this, HHB has since replaced certain toll equipment as well as increased staffing in the toll plazas and has observed improvements in both commercial vehicle classification and reduced violation rates.

Operations includes the costs to staff the toll facilities, bridge patrol, the MACPASS Customer Service Centre and maintain the tolling equipment and IT infrastructure. In fiscal 2024, costs exceeded the prior year due to higher wage rates for toll facility staff and higher IT costs. Costs were below budget due to timing for certain IT projects.

Maintenance expenses include costs of maintaining the structural integrity and operational standards of the bridges along with upkeep of buildings and equipment. These costs include snow removal, corrosion protection through painting, consulting engineering fees and operational costs of buildings, vehicles and properties. Maintenance costs increased in fiscal 2024 versus prior year due to the cost of detailed inspections primarily on the MacKay Bridge structure and piers. Additionally, wage expenses increased as staff were added to complete a greater number of projects. Maintenance costs exceeded budget due to inspection related costs for the rental of specialized equipment to access hard to reach areas of the bridge as well as vehicle repairs exceeding budget and certain wages being expensed rather than capitalized to projects.

Administrative expenses include insurance premiums, professional fees, property taxes and wages for accounting, treasury and public relations functions. In fiscal 2024, administration costs were lower than budget with less spending on communications due to timing and lower consulting fees than planned. Administrative costs rose compared to the prior year with increased insurance costs and increased consulting costs.

Amortization of property plant and equipment is a non-cash charge that represents the cost of HHB's long-term capital assets over their expected useful life. Amortization was lower than budget in fiscal 2024 as several projects were not completed which delayed the start of amortization.

Net finance costs consist of interest costs for HHB's long term debt offset by interest income earned on cash held in operating and loan reserve accounts. In fiscal 2024, net finance costs were lower than budget as the budget had assumed a new issuance of long term debt that was not drawn in the year as the Commission required lower borrowings than planned and made use of a line of credit facility. The decrease in Net finance costs from the prior year is due to increased interest earnings on reserve balances offset by interest expense on the line of credit balances.

Annual Report - Financial Overview

Year ended March 31, 2024

Financial Highlights Statement of Financial Position

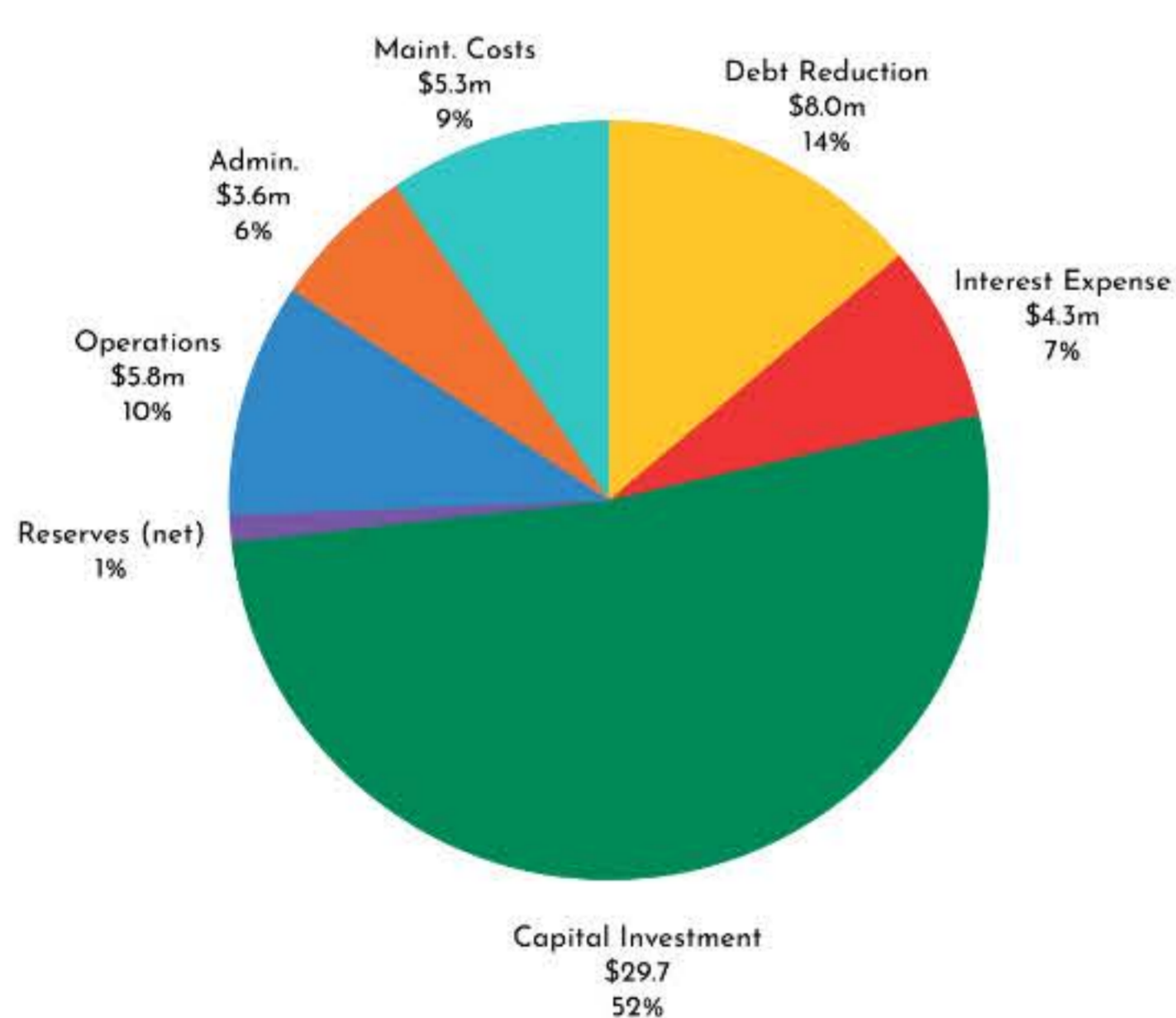
(In thousands of dollars)	March 31, 2024	March 31, 2023
Current Assets	5,347	9,502
Restricted Funds and Property Plant and Equipment	316,705	296,577
Total Assets	322,052	306,079
Current Liabilities	34,277	19,504
Long term debt	122,315	130,000
Equity	165,460	156,575
Total Liabilities and Equity	322,052	306,079

HHB's 2023-2024 audited financial statements are found at www.hdbc.ca/publications.

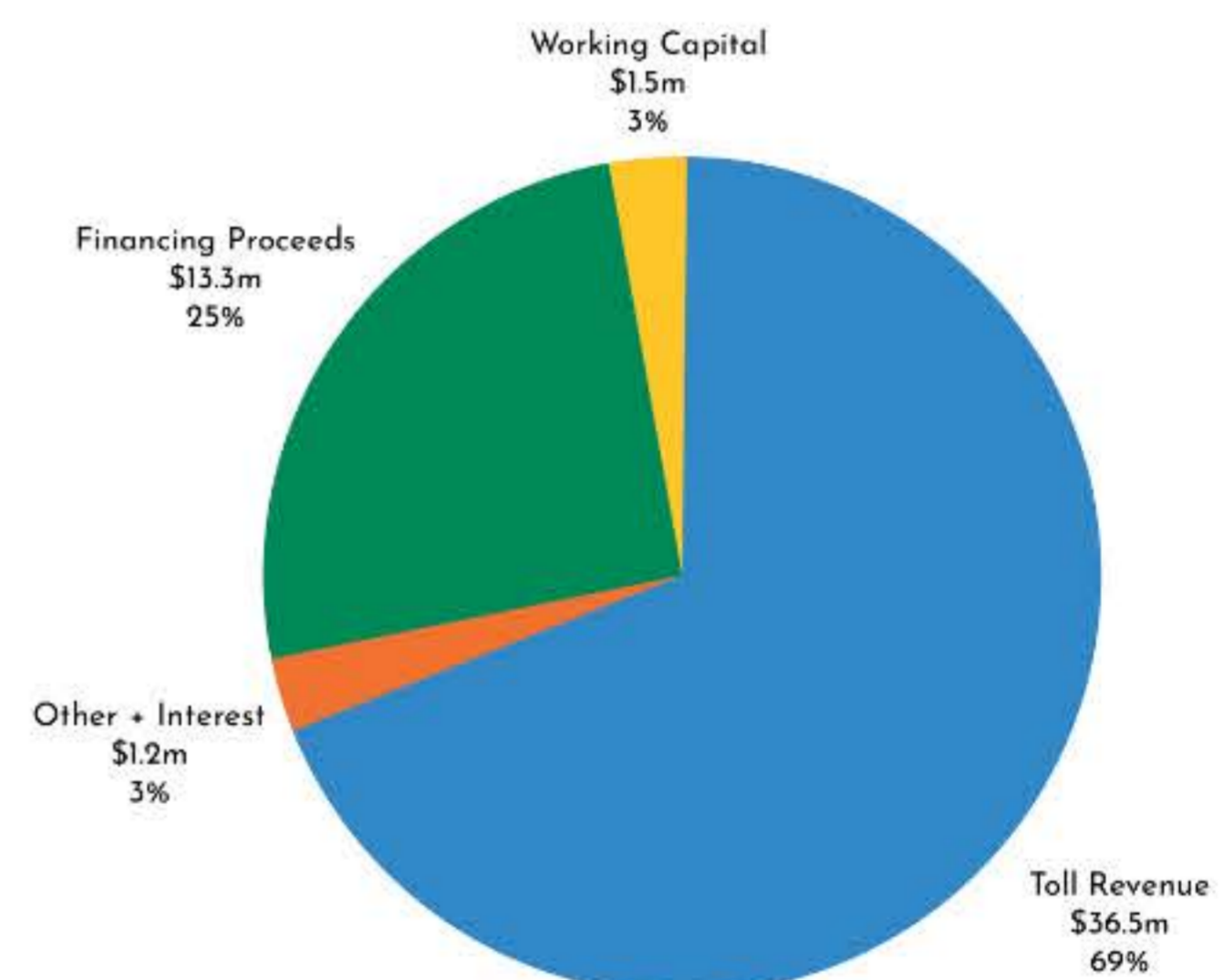
HHB's Statement of Financial Position has an increase in total assets of \$16.0 million offset by an increase in liabilities and debt of \$7.1 million. These changes are the result of improvements being made to the bridges under HHB's 10- year plan financed through a combination of tolls and draws on the line of credit facility. Current assets consist primarily of cash at \$4.1 million and current liabilities include deferred revenue of \$5.1 million which represents customer deposits in their MACPASS accounts, cumulative line of credit draws of \$15.0 million and the current portion of long term debt of \$8.0 million.

Equity has increased in fiscal 2024 with positive comprehensive income recorded for the year. Approximately \$16.4 million of the equity balance is recorded as a reserve for restricted assets, comprised of funds set aside under various loan agreement terms.

HHB Use of Funds 2023-2024



HHB Source of Funds 2023-2024



Data for above charts from Statement of Cash Flows, part of HHB's 2023-2024 audited financial statement located at www.hdbc.ca/publications

The two charts above summarize data from the statement of cash flows included in HHB's audited financial statements. The charts illustrate how HHB obtained funding in fiscal 2024 and how the money was spent.

In fiscal 2024, toll revenues of \$36.5 million accounted for 69% of the cash required to fund operations, debt servicing and capital investment.

HHB invested \$29.7m in capital assets in fiscal 2024, the highest annual amount since the conclusion of the Big Lift project. The capital investments were primarily improvements to the Bridges to extend their useful life such as steel rehabilitation and coatings work on the Macdonald and deck panel replacements on the MacKay Bridge. Debt servicing totaled \$12.3 million and includes principal repayments of \$8.0 million and interest expense of \$4.3 million. The cash requirements to fund the day-to-day work of HHB and bridge operations is represented by the categories of "Operations", "Maintenance" and "Administration" totaling \$14.7 million as discussed in the review of the Statement of Comprehensive Income.

Financial Statements of

**HALIFAX DARTMOUTH BRIDGE
COMMISSION**

Year ended March 31, 2024

HALIFAX DARTMOUTH BRIDGE COMMISSION

Statement of Financial Position

March 31, 2024, with comparative figures for 2023
(in thousands of dollars)

	2024	2023
Assets		
Current assets:		
Cash	\$ 4,109	\$ 8,498
Accounts receivable	754	604
Prepaid expenses and inventory	484	400
	5,347	9,502
Restricted assets (note 5)	16,391	15,754
Property, plant and equipment (note 6)	300,314	280,823
	\$ 322,052	\$ 306,079
Liabilities and Equity		
Current liabilities:		
Accounts payable, accrued and other liabilities (note 7)	\$ 6,172	\$ 4,798
Deferred revenue	5,105	4,706
Line of credit (note 8)	15,000	2,000
Current portion of long-term debt (note 8)	8,000	8,000
	34,277	19,504
Lease Liability	315	-
Long-term debt (note 8)	122,000	130,000
	156,592	149,504
Equity:		
Reserve for restricted assets	16,391	15,754
Retained earnings	149,069	140,821
	165,460	156,575
	\$ 322,052	\$ 306,079

Commitments (note 16)

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Commission:



Vicki Harnish
Chair, Board of Commissioners



Jennifer LaPlante
Board of Commissioners

HALIFAX DARTMOUTH BRIDGE COMMISSION

Statement of Comprehensive Income

Year ended March 31, 2024, with comparative figures for 2023
(in thousands of dollars)

	2024 Budget (unaudited)	2024 Actual	2023 Actual
Revenue:			
Toll revenue	\$ 39,188	\$ 36,511	\$ 36,919
Other rate revenue	204	156	176
Other income	147	182	155
	39,539	36,849	37,250
Expenses:			
Operating expenses	6,202	5,796	5,009
Maintenance expenses	5,122	5,349	4,022
Administration expenses	3,685	3,581	3,159
Amortization of property, plant and equipment	11,075	10,145	10,072
Loss on disposal of property, plant and equipment	-	20	211
	26,084	24,891	22,473
Operating income	13,455	11,958	14,777
Finance costs (note 9):			
Finance income	(1,131)	(1,196)	(755)
Finance costs	5,442	4,269	4,059
	4,311	3,073	3,304
Comprehensive income	\$ 9,144	\$ 8,885	\$ 11,473

The accompanying notes are an integral part of these financial statements.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Statement of Changes in Equity

Year ended March 31, 2024, with comparative figures for 2023
(in thousands of dollars)

	Restricted Assets					Total equity
	Retained earnings	Capital fund	Operations and maintenance (OM) fund	Debt service fund	Total restricted	
Balance, March 31, 2022	\$129,725	\$ 8,029	\$ 3,389	\$ 3,959	\$ 15,377	\$145,102
Comprehensive income	10,981	243	115	134	492	11,473
Transfers to (from)	115	(63)	248	(300)	(115)	-
Balance, March 31, 2023	\$140,821	\$ 8,209	\$ 3,752	\$ 3,793	\$ 15,754	\$156,575
Comprehensive income	7,973	473	219	220	912	8,885
Transfers to (from)	275	(445)	573	(403)	(275)	-
Balance, March 31, 2024	\$149,069	\$ 8,237	\$ 4,544	\$ 3,610	\$ 16,391	\$165,460

The accompany notes are an integral part of these financial statements.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Statement of Cash Flows

Year ended March 31, 2024, with comparative figures for 2023
(in thousands of dollars)

	2024	2023
Operating activities:		
Comprehensive income	\$ 8,885	\$ 11,473
Amortization of property, plant and equipment	10,145	10,072
Interest expense	4,269	4,059
Investment income	(1,196)	(755)
Loss on disposal of property, plant and equipment	20	211
	22,123	25,060
Net change in non-cash working capital balances (note 10)	1,539	(958)
	23,662	24,102
Investing activities:		
Purchase of property, plant and equipment	(29,675)	(16,612)
Proceeds from disposal of property, plant and equipment	19	-
Investment in capital fund	(28)	(180)
Investment in OM fund	(792)	(363)
Proceeds from debt service fund	183	166
Investment income received	1,196	755
	(29,097)	(16,234)
Financing activities:		
Long-term debt repayments	(8,000)	(7,000)
Lease liability	315	-
Net proceeds from line of credit	13,000	2,000
Interest paid	(4,269)	(4,059)
	1,046	(9,059)
Decrease in cash	(4,389)	(1,191)
Cash, beginning of year	8,498	9,689
Cash, end of year	\$ 4,109	\$ 8,498

The accompany notes are an integral part of these financial statements.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements

Year ended March 31, 2024
(in thousands of dollars)

1. Reporting entity

The Halifax-Dartmouth Bridge Commission (the "Commission"), operating as Halifax Harbour Bridges, was created in 1950 by a statute of the Province of Nova Scotia (now the Halifax-Dartmouth Bridge Commission Act - Statutes of Nova Scotia, 2005, c.7) and is a government business enterprise as defined by Public Sector Accounting Board recommendations. The Commission's address and principal place of business is 125 Wyse Road, Dartmouth, Nova Scotia, B3A 4K9.

The principal activities of the Halifax-Dartmouth Business Commission is the operation and maintenance of two toll bridges spanning Halifax Harbour; the Angus L. MacDonald Bridge and the A. Murray MacKay Bridge.

The Commission is exempt from income tax under Section 149 of the income Tax Act.

2. Basis of financial statement preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements for the year ended March 31, 2024 were approved and authorized for issue by the Board of Commissioners on June 21, 2024.

(b) Basis of measurement

The Commission's financial statements are prepared on the historical cost basis except for certain financial instruments that are measured at fair value, as explained in the accounting policies below.

(c) Functional and presentation currency

The Commission's functional and presentation currency is Canadian dollars. All financial information is presented in Canadian dollars and has been rounded to the nearest thousand.

(d) Use of estimates and judgments

The preparation of financial statements conforming to IFRS, requires the use of accounting estimates and management's judgment to determine the appropriate application of accounting policies. Estimates and assumptions are required to determine the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognized in the period in which the estimate was revised and any future periods affected.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

2. Basis of preparation (continued)

The following judgments and estimates are those deemed by management to be material to the Commission's financial statements:

Judgments

(i) Capitalization and componentization

Judgment is used when determining if components of a construction project are of a capital or repair nature and as to what components constitute a significant cost in relation to the total cost of an asset and whether these components have similar or dissimilar patterns of consumption and useful lives for purposes of calculating depreciation. Among other factors, these judgments are based on past experience, as well as information obtained from the Commission's internal and consulting engineers.

(ii) Depreciation and amortization

Judgment is used when determining the estimated useful lives of property, plant, and equipment. Among other factors, these judgments are based on past experience, as well as information obtained from the Commission's internal and consulting engineers.

Estimates

(i) Depreciation and amortization

Depreciation and amortization is calculated to write off the cost, less estimated residual value, of assets on a systematic and rational basis over the expected useful life of the asset. Estimates of residual value and useful lives are based on past experience, as well as information obtained from the Commission's internal and consulting engineers. Expected useful lives and residual values are reviewed annually for any change to estimates and assumptions.

(ii) Contract costs and contingencies

The Commission makes estimates in determining total estimated project costs related to its capital projects. Estimated total project costs are determined based on contractual obligations, past experience, as well as information obtained from the Commission's internal and external engineers/project managers. In addition, the Commission can be subject to disputes and claims from contractors related to additional costs and recoveries, the Commission assesses the likelihood of these disputes and claims at each reporting period based on available information to determine if any amounts should be recorded. Actual results could differ from those reported and any adjustments are recorded in the year they become known.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Revenue recognition

The Commission recognizes revenue at the time a vehicle crosses a bridge. The Nova Scotia Utility and Review Board (NSUARB) regulates toll rates charged by the commission. Customer prepayments of their Electronic Toll Collection (ETC) crossings are initially recorded as deferred revenue. When the customer crosses a bridge, revenue is recognized and the deferred ETC account is reduced accordingly.

b) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

c) Financial Instruments

The Commission classifies financial assets and financial liabilities according to their characteristics and management's choices and intentions. All financial instruments are initially recorded at fair value plus directly attributable transaction costs and subsequently measured based on classification described below.

Financial instruments are classified into one of the following categories: amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The Commission does not have any financial assets or financial liabilities classified as either FVOCI or FVTPL.

The classification of financial assets is determined by both:

- The Commission's business model for managing the financial asset, and
- The contractual cash flow characteristics of the financial asset.

The Commission's financial instruments are comprised of the following:

Financial instrument	Classification
Cash	Amortized cost
Receivables	Amortized cost
Restricted assets	Amortized cost
Accounts payable, accrued liabilities and provisions	Amortized cost
Long-term debt	Amortized cost
Line of credit	Amortized cost

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies (continued)

(i) Financial assets

Financial assets measured at amortized cost are assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, the financial assets are measured at amortized cost using the effective interest rate method over the terms of the related debt, less any impairment cost.

The Commission derecognizes a financial asset when the contractual right to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows of the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial assets that is created or retained by the Commission is recognized as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Commission has a legal right to offset the amounts and intends either to settle on a net basis or to realize the assets and settle the liability simultaneously.

(ii) Financial liabilities

Financial liabilities are recognized initially at fair value plus any directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method. Direct and indirect costs that are attributable to the issuance of other financial liabilities are presented as a reduction from the carry amount of the related debt and are amortized using the effective interest method over the term of the debt. These financial liabilities are deemed to have been issued at prevailing market rates at the date of advance; accordingly no adjustment for fair value has been made.

The Commission derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

d) Cash

Cash includes cash on hand and balances with banks. Interest is received on funds in the general bank account at a rate of prime minus 1.75%.

e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated amortization and any accumulated impairment losses. Land was recorded at deemed cost as of April 1, 2010, as per the optional election made on the transition to IFRS.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies (continued)

e) Property, plant and equipment (continued)

(i) Recognition and measurement (continued)

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes; the cost of materials and direct labor, any other costs directly attributable to bringing the asset to working condition for its intended use, the cost of dismantling and removing the items, and restoring the site on which they are located. Borrowing costs related to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. When funds are temporarily invested pending their expenditure on qualifying assets, any such interest income earned on such funds is deducted from the borrowing costs incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount and are recognized net within profit or loss.

(ii) Repairs and maintenance

Repairs and maintenance costs are charged to expense as incurred, except when these repairs significantly extend the life of the asset or result in an operating improvement. In these instances the portion of these repairs relating to the betterment is capitalized as part of plant and equipment.

(iii) Amortization of property, plant & equipment

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies (continued)

(iv) Amortization of property, plant & equipment

Amortization commences in the year an asset is put in use. Amortization methods, useful lives and residual values are reviewed at each financial year end, based on consultation with the Commission's internal and external consulting engineers, and adjusted if appropriate. Land is not depreciated. The estimated useful lives for the current and comparative periods are as follows:

Asset	Rate
Buildings	5 - 50 years
Bridge and bridge components:	
Angus L. MacDonald	5 - 125 years
A. Murray MacKay	5 - 125 years
Transferable electronic toll transponder	8 years
Other assets	2 - 25 years
IT Computer and other equipment	3 - 25 years
Mobile equipment	5 - 10 years

f) Impairment

(i) Financial assets (including receivables)

A financial asset not carried at fair value through profit and loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Commission on terms that the Commission would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, or the disappearance of an active market for a security.

An impairment loss in respect of a financial asset measured at amortized cost is calculated using the 'expected credit loss' model. The Commission makes use of the simplified approach in accounting for receivables and records the loss allowance as a lifetime expected credit loss as the receivables do not have a significant financing component. These are expected shortfalls in contractual cash flows, considering the potential default at any point during the life of the financial instrument. The Commission uses historical experience, external indicators and forward-looking information to calculate the expected credit loss. Receivables are written off when there is no reasonable expectation of recovery, during the year the Commission did not record an allowance (2023 - \$Nil). Losses are recognized in profit or loss and reflected in an allowance account against receivables. Interest on an impaired asset continues to be recognized through the unwinding of the discount. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies (continued)

(ii) Non-financial assets

The carrying amount of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

An impairment loss is recognized if the carrying amount of the asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

g) Leases

The Commission as a lessee

For any new contracts entered into, the Commission considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Commission assesses whether the contract meets the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified as being identified at the time the asset is made available to the Commission;
- the Commission has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Commission has the right to direct the use of the identified asset throughout the period of use. The Commission assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Significant accounting policies (continued)

g) Leases (continued)

Measurement and recognition of leases as a lessee

At lease commencement date, the Commission recognizes a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Commission, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Commission depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Commission also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Commission measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Commission's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in the substance of fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

At March 31, 2024, the Commission has one lease (2023 – Nil) with a right-of-use asset recorded of \$501 (2023 – Nil) and lease liability of \$501 (2023 - Nil).

The Commission has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

The Commission as a Lessor

Leases in which a significant portion of the risks and rewards of ownership are retained by the Commission are classified as operating leases. Operating lease rentals are recognized on a straight-line basis over the period of the lease. Leases are classified as finance leases if the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. As at March 31, 2024, the Commission did not have any finance lease agreements (2023 – \$Nil).

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

3. Summary of significant accounting policies (continued)

h) Provisions

Provisions are recognized when the Commission has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. A provision is a liability of uncertain timing or amount.

i) Accounting changes

The Commission assesses new accounting pronouncements issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretation Committee (IFRIC) to determine whether there could be a material impact on its financial statements. As at March 31, 2024 there have been no accounting pronouncements by the IASB or IFRIC that would have a material impact on the Commission's financial results or position.

4. Harmonized sales tax (HST) and income tax status

As a public sector entity controlled by the Province of Nova Scotia, the Commission is not subject to Federal or Provincial income taxes, and is entitled to rebates of 100% of the HST it expends on goods and services.

5. Restricted assets

	2024	2023
Capital fund	8,237	8,209
OM fund	4,544	3,752
Debt service fund	3,610	3,793
	\$ 16,391	\$ 15,754

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

5. Restricted assets (continued)

2015 Loan

The Commission entered into a long-term loan agreement with the Province of Nova Scotia on February 6, 2015, with the proceeds used to finance the replacement of the suspended span of the MacDonald Bridge (the Big Lift project). This agreement requires that the Commission maintain an Operating, Maintenance & Administrative Fund (OM Fund), a Debt Service Fund, and a Capital Fund.

Under the terms of the loan agreement, the OM Fund must be maintained at an amount at least equal to 25% of the annual budgeted OM expenses for the following year subject to a minimum balance of \$2,500. This fund can only be used to pay OM expenses, although any amount in the fund in excess of the required balance can be transferred to the Commission's unrestricted accounts. At March 31, 2024, the OM Fund had a market value of \$4,544 (2023 - \$3,752) and was invested in a guaranteed investment certificate at a rate of 5.60% per annum, maturing September 20, 2024.

Under the terms of the loan agreement, the Debt Service Fund must be maintained at an amount equal to or greater than the debt service amount for the next fiscal year. This fund can only be used to pay principal, interest, and other amounts coming due, although any amount in the fund in excess of the required balance can be transferred to the Commission's unrestricted accounts. At March 31, 2024, the Debt Service Fund had a market value of \$3,610 (2023 - \$3,793) and was invested in a guaranteed investment certificate at a rate of 5.60% per annum, maturing September 20, 2024.

Under the terms of the loan agreement, the Commission established and deposited a minimum of \$1,000 to a Capital Fund commencing March 6, 2015, continuing every six months over four years to accumulate the required Capital Fund balance of \$8,000. This fund can only be used for payment of costs arising from any capital improvements planned for the Bridges, excluding re-decking projects. At March 31, 2024, the Capital Fund had a market value of \$8,237 (2023 - \$8,209) and was invested in guaranteed investment certificate with maturities between July 12, 2024 and December 2, 2024 and rates between 5.75% – 6.48% per annum.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024

(in thousands of dollars)

6. Property, plant and equipment

Cost	Land	Buildings(1)	Bridge ALM	Bridge AMM	ETC	Other	Comp Equip.	Mobile Equip.	WIP	Total
Balance, March 31, 2023	\$ 9,252	\$ 8,859	\$ 283,728	\$ 50,724	\$ 6,801	\$ 16,080	\$ 14,143	\$ 2,624	\$ 19,564	\$ 411,775
Additions	–	610	–	–	–	–	–	–	29,065	29,675
Retirements	–	–	–	–	–	(252)	(137)	(106)	–	(495)
Transfers	–	179	1,683	420	–	298	851	595	(4,026)	–
Balance, March 31, 2024	\$ 9,252	\$ 9,648	\$ 285,411	\$ 51,144	\$ 6,801	\$ 16,126	\$ 14,857	\$ 3,113	\$ 44,603	\$ 440,955

Accumulated Amortization	Land	Buildings	Bridge ALM	Bridge AMM	ETC	Other	Comp Equip.	Mobile Equip.	WIP	Total
Balance, March 31, 2023	\$ –	\$ 4,511	\$ 59,971	\$ 35,151	\$ 6,380	\$ 12,295	\$ 10,715	\$ 1,929	\$ –	\$ 130,952
Amortization expense	–	374	6,621	1,719	185	381	685	180	–	10,145
Retirements	–	–	–	–	–	(214)	(136)	(106)	–	(456)
Balance, March 31, 2024	\$ –	\$ 4,885	\$ 66,592	\$ 36,870	\$ 6,565	\$ 12,462	\$ 11,264	\$ 2,003	\$ –	\$ 140,641

Net Book Values

Balance, March 31, 2023	\$ 9,252	\$ 4,348	\$ 223,757	\$ 15,573	\$ 421	\$ 3,785	\$ 3,428	\$ 695	\$ 19,564	\$ 280,823
Balance, March 31, 2024	\$ 9,252	\$ 4,763	\$ 218,819	\$ 14,274	\$ 236	\$ 3,664	\$ 3,593	\$ 1,110	\$ 44,603	\$ 300,314

(1) Buildings include Right of Use Assets consisting of leased office space. For the year ended March 31, 2024 the Right of Use Asset has an addition of \$610 (2023 – \$Nil) and amortization expense of \$109 (2023 – \$Nil) with an ending net book value of \$501 (2023 – Nil).

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

7. Accounts payable and accrued liabilities

	2024	2023
Trade payables	\$ 2,087	\$ 1,649
Accrued expenses	1,362	479
Project holdbacks	799	1,089
Accrued liabilities	1,735	1,378
Current portion of unearned revenue	189	203
	\$ 6,172	\$ 4,798

8. Long-term debt

	2024	2023
Province of Nova Scotia – 2015 Loan	\$ 130,000	\$ 138,000
Less: current portion	(8,000)	(8,000)
	\$ 122,000	\$ 130,000

Principal payments required on the loans for the next five years are due as follows:

2025	\$ 8,000
2026	8,000
2027	8,000
2028	8,000
2029	8,000
	\$ 40,000

At March 31, 2024, long-term debt consists of a loan from the Province of Nova Scotia:

2015 Loan

A \$160,000 unsecured loan issued February 6, 2015 bearing interest at an average rate of 2.80%. The loan proceeds have financed the replacement of the suspended span of the MacDonald Bridge (the Big Lift project). The 2015 loan is to be repaid over twenty years starting June 1, 2019 with annual principal repayments of between \$4,000 and \$10,000. Interest is paid semi-annually on June 1 and December 1 of each year.

Line of Credit

A \$60,000 revolving, unsecured line of credit with the Province of Nova Scotia that matures on March 31, 2025. Interest is charged on outstanding balances at a rate equal to the arithmetical average of the discount rates on Canadian Dealer Offered Rate (CDOR) Banker's Acceptances applicable on the date of the requested advance payable at maturity. As at March 31, 2024, the balance drawn was \$15,000 (2023 - \$2,000) at a weighted average interest rate of 5.169%, maturing April 17, 2024. During the twelve months ended March 31, 2024, the balance outstanding on the line of credit fluctuated between \$2,000 and \$15,000 (2023 - \$Nil and \$2,000).

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

8. Long-term debt (continued)

Operating Loan Facility

A \$5,000, unsecured, operating loan facility with a chartered bank which bears interest at the bank prime rate minus 0.5% per annum. As at March 31, 2024, the balance drawn was \$Nil (2023 - \$Nil) and no advances were outstanding during the year.

9. Finance income and finance costs

	2024 Budget (unaudited)	2024	2023
Interest income on restricted assets	\$ (921)	\$ (912)	\$ (492)
Investment income	(210)	(284)	(263)
Finance income	(1,131)	(1,196)	(755)
Interest expense on Line of Credit	22	466	106
Interest expense on long-term debt	5,420	3,803	3,953
	5,442	4,269	4,059
Net finance cost recognized in profit or loss	\$ 4,311	\$ 3,073	\$ 3,304

10. Net change in non-cash working capital balances

	2023	2023
Decrease (increase):		
Receivables	\$ (150)	\$ 205
Prepaid expenses and inventory	(84)	96
Increase (decrease):		
Accounts payable, accrued liabilities and provisions	1,374	1,561
Deferred revenue	399	302
Net change	\$ 1,539	\$ (958)

11. Financial risk management

The Commission has exposure to the following risks from its use of financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

11. Financial risk management (continued)

a) Credit risk

The Commission provides credit to certain non-toll revenue customers in the normal course of its operations. In order to reduce its credit risk, the Commission has adopted credit policies including the monitoring of customer accounts.

b) Interest rate risk

The long-term debt has fixed interest rates for the entire terms of both loans and consequently, there is no risk of higher interest rates in the future. The line of credit and operating loan facility are floating rate facilities with the interest rate set on the date of advance as per note 8 which consequently entails interest rate risk exposure on any outstanding balances.

c) Liquidity risk

The Commission is exposed to liquidity risk arising primarily from its long-term debt with the Province of Nova Scotia. The 2015 loan requires annual repayments of principal, ranging between \$8,000 and \$10,000 through June 2038.

The Commission manages liquidity risk by monitoring short and long-term cash flows, setting toll rates and controlling the level of operating and capital expenditures. The 2015 loan requires annual contributions to a capital fund of \$2,000 to a maximum of \$8,000 that is to be maintained for the life of the loan.

The Commission's cash and restricted assets are invested in liquid, interest-bearing, investments.

12. Capital management

The Commission's capital management objective is to ensure there is adequate cash flow to meet its operational requirements, fund capital expenditures and make required debt payments.

The Commission regularly reviews its projected future toll revenues in conjunction with its current cash position and borrowing ability in order to finance significant future projects that are required to upgrade and maintain its property, plant and equipment. There were no changes to the Commission's approach to capital management during the year.

13. Related party transactions

As a provincially controlled public sector entity, the Commission is considered to be related to the Province of Nova Scotia. The Commission is also related to the City of Halifax by virtue of Halifax's right to appoint four members of the Commission's Board of Commissioners.

The Commission has applied the modified disclosure requirements under IAS 24, Related Party Disclosures, which exempt government-related entities from providing all of the disclosure about related party transactions with government or other government-related entities.

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

13. Related party transactions (continued)

The Commission has one long-term loan with the Province of Nova Scotia (Note 8) outstanding at March 31, 2024. The 2015 loan has an outstanding balance of \$130,000 and interest charges for the period ended March 31, 2024 of \$3,803 (2023 - \$3,953), of which \$1,258 (2023 - \$1,305) was payable at year-end.

The Commission has a \$60,000 revolving, unsecured line of credit with the Province of Nova Scotia that matures on March 31, 2025. The line of credit has an outstanding balance of \$15,000 (2023 - \$2,000) and interest charges for the period ended March 31, 2024 of \$466 (2023 - \$106), of which \$102 (2023 - \$9) was payable at year-end.

The Commission collects toll revenue from the province and the City of Halifax and makes purchases from the City of Halifax in the normal course of business.

14. Pension plans

The Commission is a Nova Scotia Public Service Superannuation Plan (PSSP) employer, which is a defined benefit plan. Eligible employees of the Commission are PSSP members and the Commission matches employee contributions to the PSSP calculated as 8.4% on eligible earnings up to the year's Maximum Pensionable Earnings (YMPE) under the Canada Pension Plan (CPP), and 10.9% on eligible earnings that is in excess of YMPE. The actuarial and investment risk of the PSSP is administered by Public Service Superannuation Plan Trustee Inc. The Commission is not responsible for any unfunded liability with respect to the PSSP and accounts for the contributions as a defined contribution plan.

The Commission recognized pension expense of \$363 for the period ended March 31, 2024 (2023 - \$304). No future contributions are required in respect of past service at March 31, 2024.

15. Fair value measurement

The fair value of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position are as follows:

	March 31, 2024				March 31, 2023			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
Assets								
Cash	\$ 4,109	\$ 4,109	\$ -	\$ -	\$ 8,498	\$ 8,498	\$ -	\$ -
Receivables	\$ 754	\$ -	\$ 754	\$ -	\$ 604	\$ -	\$ 604	\$ -
Restricted assets	\$ 16,391	\$ -	\$ 16,391	\$ -	\$ 15,754	\$ -	\$ 15,754	\$ -
Liabilities								
Trade and other payables	\$ 6,172	\$ -	\$ 6,172	\$ -	\$ 4,765	\$ -	\$ 4,765	\$ -
Long Term Debt	\$130,000	\$130,000	\$ -	\$ -	\$138,000	\$138,000	\$ -	\$ -
Line of credit	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ -	\$ -

HALIFAX DARTMOUTH BRIDGE COMMISSION

Notes to Financial Statements (continued)

Year ended March 31, 2024
(in thousands of dollars)

15 Fair value measurement (continued)

The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

16 Commitments

The Commission has entered into contracts for the 2024-2025 fiscal year for the continued maintenance and capital improvement of the bridges, toll systems and related computer networks in the amount of \$7,005.

	2025	2026	2027	2028	2029
Contract obligations	\$ 390	\$ 412	\$ 220	\$ 160	\$ 82
Capital contract obligations	6,615	–	–	–	–
Total contract obligations	\$ 7,005	\$ 412	\$ 220	\$ 160	\$ 82

17 Comparative figures

Certain comparative figures for the March 31, 2023 period have been reclassified from those previously presented to conform to the financial statement presentation adopted for 2024.

18 Subsequent event

On April 17, 2024, the Commission extended the \$15,000 maturing balance on the line of credit facility to August 15, 2024 at an interest rate of 5.28% per annum.

On May 31, 2024, the Commission drew \$9,000 on the line of credit facility with the Province of Nova Scotia increasing the total outstanding on the facility to \$24,000. The advance has a maturity date of August 15, 2024 and bears interest at 5.24% per annum.