Table of Contents

Vision and Mission ........................................................................................................................................... 2
Message from the Chair ................................................................................................................................. 3
Message from the CEO .................................................................................................................................. 5
Board of Directors as at December 31, 2012 ............................................................................................... 7
Structural Changes ........................................................................................................................................ 8
Strategic Plan 2012-2015 ............................................................................................................................. 9
Committees .................................................................................................................................................... 10
Best Practices ............................................................................................................................................... 12
Thank you, Anthonie de Hoog ...................................................................................................................... 13
Finances as at December 31, 2012 ............................................................................................................... 14
Vision and Mission

CFOA’s Vision:

To be the recognized leading advocate for safe, efficient and environmentally responsible ferry transportation in Canada and an active, innovative contributor to the advancement of passenger vessel management worldwide.

CFOA’s Mission:

CFOA provides unified collaborative constructive dialogue between industry and Government on issues concerning ferry operations and regulation in Canada, and offers ferry operators and industry a forum for frank, open exchange of information with the aim of providing safe, reliable, cost effective and environmentally responsible passenger vessel management now and in the future.
Message from the Chair

Captain Jamie Marshall, Chair

It is a great honour to serve as Chair of the Canadian Ferry Operators Association. I have genuinely enjoyed CFOA’s level of professionalism and the cooperation I have received from our member owner-operators, industry participants, CFOA management and the Board of Directors.

CFOA prides itself on fostering an open and welcoming atmosphere for ferry operators and industry participants, providing quality networking opportunities, disseminating timely and relevant information, and providing a common voice representing ferry operators to external stakeholders, particularly government and regulatory bodies, the public and potential industry recruits.

The vision and mission statements that we created in 2012 for the organization through our strategic planning process not only encapsulate what the organization strives to do, but they also form the values that will be the backbone of the organization as we become an even higher-performing association.

The ferry industry in Canada is indeed facing real challenges as we move forward. As a Board of Directors we are aware of them and are making it our pledge to face them head on. Some of the acknowledged challenges that are on our radar include the following:

- **Labour shortages** are a top concern for the ferry industry. At the root of this challenge is a combination of the aging labour force, the specialized requirements and certifications needed in the ferry industry and the shortage of young professionals choosing ferry operations as a career of choice. We will work with stakeholders to find solutions.

- **Shipbuilding and shipbuilding capacity** is also an important concern. We have many operations looking outside the country and facing tariffs because the shipbuilding industry in Canada is unable to meet our needs. This is an issue we will be tackling aggressively.

- **The increase in legislative demands and a need to decrease the environmental impact of ferries** are always key concerns for our members. We will remain at the forefront of discussions related to these issues.

- **An increased awareness and public support for ferry systems** remains a challenge for the ferry industry. Some people see ferries as highways, an essential service funded by government, while others do not. Ferries need to be seen as critical infrastructure and supported as a matter of public policy. Very few operators are self-sustaining, so this is a survival issue.

As a result of these obstacles we are working to establish the framework in which we can meet what our members expect of us. To this end, we are launching ambitious projects to grow the membership, advocate for the industry on Parliament Hill, share information through the creation of a Best Practices
Library and shape the public perception of the ferry brand for the better. These measures will put us in solid position over the coming years.

We are working to make CFOA as dynamic as possible and capable of adapting to the ever-evolving obstacles before us in the marketplace and in the political realm. Based on what we have accomplished in the last year, we are very optimistic the ferry industry will continue to meet the challenges put before us.

As your Chair, I am extremely confident in you and the ferry industry in Canada. I look forward to working with you to tailor our vision of the future and make it a reality in facing our challenges head on. Thank you for your ongoing support.
I am pleased to participate in CFOA’s 2012 Annual Report. This is my first Annual Report as CEO, and I believe CFOA to be building on a solid foundation. My predecessor, Executive Director Anthonie de Hoog, served the membership with dedication for over six years. He left the association in better shape than he found it.

Ferries address a serious need within the national transportation infrastructure. As the voice of the ferry industry, CFOA has a real responsibility to ensure that our members can operate in an environment that allows them to thrive and deliver the highest professional and operational standards.

We take that responsibility seriously. For that reason the association dedicated itself to executing on the Board of Director’s plan, which identifies our top priorities moving forward. In 2012 we took the first steps of this process and committed to the following:

- **Providing the best advocacy and external relations support** — This included representation at CMAC in both the spring and fall sessions but also laying the groundwork to meet the politicians, political staffers, bureaucrats and stakeholders to make ourselves a part of the discussion on all matters of consequence to the association. 2013 can look forward to real results as a result of an increased presence and visibility on Parliament Hill and in the media.

- **Providing the annual conference and additional networking opportunities for members** — The 2012 conference in Victoria was a success, and we pledge to grow it even more in the years to come to ensure the event provides increased value to members.

- **Fostering membership growth** — The first steps have been made to reach out to non-member ferry operators, particularly the smaller ones that have been missed in our association in recent years. We will find them and include them in our discussions. We are also seeking out further industry participants, researchers, small companies and individual members that we can welcome to the fold. The results already look promising as membership continues to grow.

- **Provide information and best practices information to members, foster information sharing between members** — The mechanism has been put in place to find the funding in order to achieve the board’s vision of a Best Practices Library that will allow members to share information and engage in a community of practice that benefits all in the ferry industry.

- **Provide timely and interactive member communications** — We have upped our commitment to sending relevant information to members on a regular basis as well as circulate our quarterly newsletter that keeps our members on top of the latest developments. An informed membership is crucial to our success as an association. We are also regularly updating our
website, Twitter and LinkedIn groups in order to foster opportunities for members to connect with each other in meaningful ways.

On top of these efforts, we made organizational changes to strengthen our internal operations. We have modified our governance procedures, to enhance transparency and accountability. Some of these measures include the following:

- New tools have been put in place to allow Board Members to look directly into the operations of the organization without having to request information. They are now able to access an online collaboration tool that stores past minutes of Annual General Meetings and Board meetings, recent and older financial statements, committee minutes, etc.
- A number of policies were adopted related to transparency and board procedures. This provides Board Members a framework from which they can operate while better understanding their role and impact.
- We established support systems for the Board’s new standing committees, which will allow them to direct the organization’s affairs in a reliable manner.
- We reviewed financial operations and streamlined reporting in this area so that Board oversight is easier and more effective.

These are basic processes that are already having tangible results in making CFOA more efficient and ultimately more responsive to members.

Our relations with other stakeholders have likewise improved. From governments to the media, from other organizations to our members, there is a better understanding of who we are, what we stand for and how we function. This is important as we move forward, and the seeds have been planted in this area in 2012.

I wish to thank the Board for their oversight and commitment, and I look forward to continuing to serve CFOA members in the years ahead.
The affairs of the association are handled by the Board of Directors and the Executive Committee.

**Executive**

Captain Jamie Marshall, Chair  
François Bertrand, 1st Vice Chair  
Susan Schrempf, 2nd Vice Chair  
Gregg Ryder, Treasurer  
Stuart Jones, Secretary

**Board of Directors**

**Regional Members:**

Atlantic Region – Walter Pumphrey, Government of Newfoundland and Labrador, Lewisporte, Newfoundland and Labrador  
Ontario Region – Susan Schrempf, Owen Sound Transportation Company, Owen Sound, Ontario  
Pacific Region – Kirk Handrahan, Government of British Columbia, Ministry of Transportation, Victoria  
Prairies and North West Territories Region – Thomas Maher, Government of the Northwest Territories, Yellowknife, Northwest Territories  
Québec Region – François Bertrand, Société des traversiers du Québec, Ville de Québec, Québec

**Large Owner-Operator Seats:**

Corrine Storey, British Columbia Ferry Services Inc., Victoria, British Columbia  
Murray Hupman, Marine Atlantic Inc., St. John’s, Newfoundland and Labrador

**At Large Members:**

Jamie Marshall, British Columbia Ferry Services Inc., Victoria, British Columbia  
John Stoneson, Vancouver Seabus, North Vancouver, British Columbia  
Gregg Ryder, Coastal Transport Limited, Saint John, New Brunswick  
Stuart Jones, Government of Ontario, Ministry of Transportation, Kingston, Ontario  
Donald Cormier, NFL-Bay Ferries Ltd., Charlottetown Prince Edward Island
Structural Changes

CFOA has undergone significant structural changes in 2012 designed to improve operations and the effectiveness of the association.

As such, at a Board meeting on November 30\textsuperscript{th}, 2012, CFOA’s Board of Directors voted to approve revisions to CFOA’s By-laws.

Some changes were made in order to ensure CFOA’s By-laws comply with the new Canada Not-For-Profit Corporations Act (S.C. 2009, c. 23), which requires that By-laws comply fully with the new regulations by October 2014 at the latest. Some changes to the CFOA By-laws were required in order to achieve this.

One significant change that was made was to the membership categories. They are now divided into two categories – Full Members and Associate Members – with three classes of each.

Full Members:

- Large Owner / Operator: A corporation or agency whose fleet total’s Gross Registered Tonnage is 80,000 or greater.
- Owner / Operator: A corporation or agency whose fleet total’s Gross Registered Tonnage is less than 80,000.
- Industry Participant: A corporation or agency interested in the objectives of the Association that is not a ferry owner or operator.

Associate Members:

- Company: A company interested in the objectives of the Association.
- Individual: An individual not acting as part of, or in any way representing, a corporation or agency.
- Researcher: A corporation, agency or individual whose research interests are related to the objectives of the Association.

The new By-laws ensure that the organization is set to welcome a membership drive that will see the association grow. It is important for a strong Association that members engage actively in the process of establishing By-laws in order to ensure good governance.
Strategic Plan 2012-2015

In late 2011, the Canadian Ferry Operators Association retained the services of the Association Resource Centre (ARC) to assist in the development of a 3-year strategic plan that would help them continue to serve the evolving needs of their members.

ARC conducted ten in-depth, one-on-one interviews with a random selection of CFOA operator and associate members. The purpose of the interviews was to give participants the opportunity to express how they feel about CFOA in an environment where they would feel comfortable to speak their minds.

The CFOA Sub Committee on Vision, Mission and Strategy then met in early 2012 for a series of teleconference discussions with the goal of developing a strategy to address the evolving needs and priorities of the association. The result was a strategic plan that summarized the output from those sessions. The plan was presented to the Board of Directors at its February meeting.

The first item that the strategic plan formalized is the organization’s vision and mission, as stated earlier in this report.

The strategic plan also lays out five key initiatives of high strategic importance, which will focus the association’s efforts over the coming planning horizon. They are the following:

- **External Advocacy & Government Relations**: CFOA will be the acknowledged leading advocate of ferry operations in Canada.
- **Conference & Networking**: CFOA will provide a top-quality annual conference and additional networking opportunities for members throughout the year.
- **Communications & Member Engagement**: CFOA will foster member engagement by developing mechanisms for members to provide input into the decision-making process and by providing regular, interactive communications on important topics, trends and issues.
- **Information & Best Practices**: CFOA will foster sector innovation by creating a framework for the sharing of information and best practices that is current and accessible to all members.
- **Member Growth**: CFOA will be the acknowledged leading advocate of ferry operations in Canada.

Some of the above areas are already strengths of CFOA, though maintaining them at a high level for CFOA members remains a priority for the organization.

However, some of the areas are designed to address weaknesses currently observed in the organization, and over the coming months and years CFOA’s Board and management will use these top priorities as guiding objectives to reach. With them in place, CFOA has set a course for a successful future!
CFOA Board Committees

The Board of Directors of CFOA is responsible for overseeing and monitoring all significant aspects of the management of CFOA’s business and affairs to fulfill its mandate.

To assist the Board in fulfilling its responsibilities, the Board has established three committees of the Board to foster cooperation and communication among CFOA and its members, the public, the media and stakeholders, and to advise and make recommendations to the Board relating to these matters.

Lobbying and Communications Committee

The Lobbying and Communications Committee’s mandate is as follows:

- Identify issues of importance to the association
- Oversee lobbying activities
- Provide advice on the implementation of the Board’s decisions in relation to lobbying
- Promote ferry operations as a safe and critical part of Canadian transportation to the public
- Promote the maritime industry as a career choice for potential employees
- Develop mechanisms for members to provide input into the decision-making process
- Advise CFOA staff in relations with stakeholders
- Examine current and potential communications vehicles, frequency of communications and information disseminated to ensure alignment with member needs and priorities
Conference Committee

The Conference Committee’s mandate is as follows:

- Provide oversight and direction to CFOA staff in relation to the CFOA Annual Conference
- Examine revenue and sponsorship models in relation to the conference to ensure value to members and revenue growth for CFOA
- Advise CFOA staff in relations with stakeholders
- Investigate additional networking event opportunities throughout the year

Best Practices Committee

The Best Practices Committee’s mandate is as follows:

- Identify information of importance to the association
- Support research efforts related to operations, equipment, safety practices, etc., in the marine industry
- Widen the scope of education at the conference and through other information channels to appeal to a broader audience
- Oversee the dissemination of best practices information
- Provide advice on the implementation of the Board’s decisions in relation to the sharing of information
Coming Soon: Best Practices Library

CFOA has been working to foster sector innovation by creating a framework for the sharing of information that is current and accessible to all members.

With this objective in mind, we are developing a Best Practices Library. To be located in the Members Section of the CFOA website, this resource will be designed to help members share and access top-of-mind information in a quick and easy-to-retrieve format. It would be the first step in establishing a ferry operators’ online network.

CFOA members have expressed their wish to be exposed to the best examples of ferry operating practices in Canada, while learning more about the opportunities the ferry industry is finding.

The Best Practices Library will include useful resources such as articles, statistics, legislation, research and researchers, publications and reports.

CFOA’s Board of Directors has struck a Best Practices Committee to oversee the project.
Thank you, Anthonie de Hoog

After serving as CFOA's Executive Director for over 6 years, Anthonie de Hoog has retired.

During his time at CFOA, the organization grew from 12 members to over 40 members, and CFOA opened itself up to industry participants. Anthonie spearheaded CFOA's first conference in 2006, and the yearly event has since grown to be the preeminent trade show for the ferry industry in Canada.

He was instrumental in leading the organization and helping the Board reach its objectives in the last 6 years. Everyone at CFOA wishes Anthonie all the best in his future endeavours!
## Financial Statements as at December 31, 2012

### Canadian Ferry Operators Association

### Statement of Operations

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Actual 2012</th>
<th>Actual 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
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<td>Memberships - Full</td>
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<td>Memberships - Associate</td>
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<td>Memberships - Individual</td>
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<td>US $ Exchange Gain (Loss)</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td>$130,130.27</td>
<td>$120,698.96</td>
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</tbody>
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| **Expenditures**        |             |             |
| Consulting Fees (Exec Director & Accounting) | $92,895.04  | $74,867.83  |
| Management Services     |             |             |
| Performance Bonus       |             |             |
| Accounting Services     |             |             |
| Professional Accounting / Auditing | $2,500.00  | $0.00       |
| Travel & Entertainment  | $7,470.85   | $3,027.53   |
| Promotion               | $1,115.84   | $0.00       |
| Meetings                | $907.39     | $2,591.99   |
| Board Engagement        |             |             |
| Office (Rent, Phone & Supplies) | $4,624.35  | $5,066.69   |
| Web Site Maintenance    | $2,328.25   | $3,850.00   |
| Association Dues        | $758.00     | $1,323.47   |
| Software                | $0.00       | $0.00       |
| Board Liability Insurance| $0.00      | $0.00       |
| Bank Charges            | $1,291.18   | $149.18     |
| Translation Services    | $0.00       | $0.00       |
| Corporate Filing Fees   | $30.00      | $30.00      |
| Project: Strategic Plan | $10,480.75  |             |
| Project: Exec Director Search | $29,401.51 |             |
| Sector Studies & Research|            |             |
| Contingency             | $0.00       | $0.00       |
| **Total Expenditures**  | $153,803.16 | $90,906.69  |

| Balance Regular Operations | -$23,672.89 | $29,792.27 |

### Annual Conference

<p>| Revenues                   |             |             |
| Conference Registrations   | $48,150.00  | $34,350.00  |
| Conference Sponsorships    | $106,000.00 | $79,800.00  |
| Conference Booths          | $23,700.00  | $3,900.00   |
| <strong>Subtotal Conference Revenues</strong> | $177,850.00 | $118,050.00 |</p>
<table>
<thead>
<tr>
<th>Expenses</th>
<th>AGM General</th>
<th>Professional Services AGM</th>
<th>Conference Meals / Rooms</th>
<th>Gifts / Awards / Misc</th>
<th>Printing / Supplies / Signage</th>
<th>AGM Travel / Hotel / Meals</th>
<th>Audio Visual</th>
<th>Speaker / Events / Tours / Entertainment Group</th>
<th>Transportation</th>
<th>Subtotal Conference Expenses</th>
<th>Balance Annual Conference</th>
<th>Net Surplus (Deficit) All Operations</th>
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<td>$76,284.44</td>
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### Canadian Ferry Operators Association

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
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<tr>
<td>Short Term Investments (Mutual Funds)</td>
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<tr>
<td>Short Term Investments (GIC's)</td>
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<td>Prepaid Expenses</td>
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<td>Account Receivable</td>
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<tr>
<td><strong>Total Assets</strong></td>
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<tr>
<td><strong>Current Liabilities</strong></td>
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<td></td>
</tr>
<tr>
<td>Accounts Payable and Accrued Liabilities</td>
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</tr>
<tr>
<td>Deferred Revenue</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
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<tr>
<td><strong>Equity</strong></td>
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<tr>
<td>Opening Equity</td>
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<td>Current Surplus (Deficit)</td>
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<td><strong>Total Liabilities &amp; Equity</strong></td>
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<td>$155,768.00</td>
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</table>

#### Notes to Financial Statements as at December 31, 2012

1. **Summary of significant accounting policies**

   Incorporation: The Canadian Ferry Operations Association Inc. is incorporated under the Federal laws of Canada without share capital

2. **Short Term Investment - RBC Canadian T-Bill Fund**: Value per December 31st RBC statement

3. **Investment - GIC**: Investment $150,000; Term: 365 days; GIC Maturity Dec 24, 2013; Rate 1.0%; non-redeemable

4. **Accounts Receivable**: 2012 Dues Receivable