

Port of Johnstown 2021 Year End Review



Port of Johnstown

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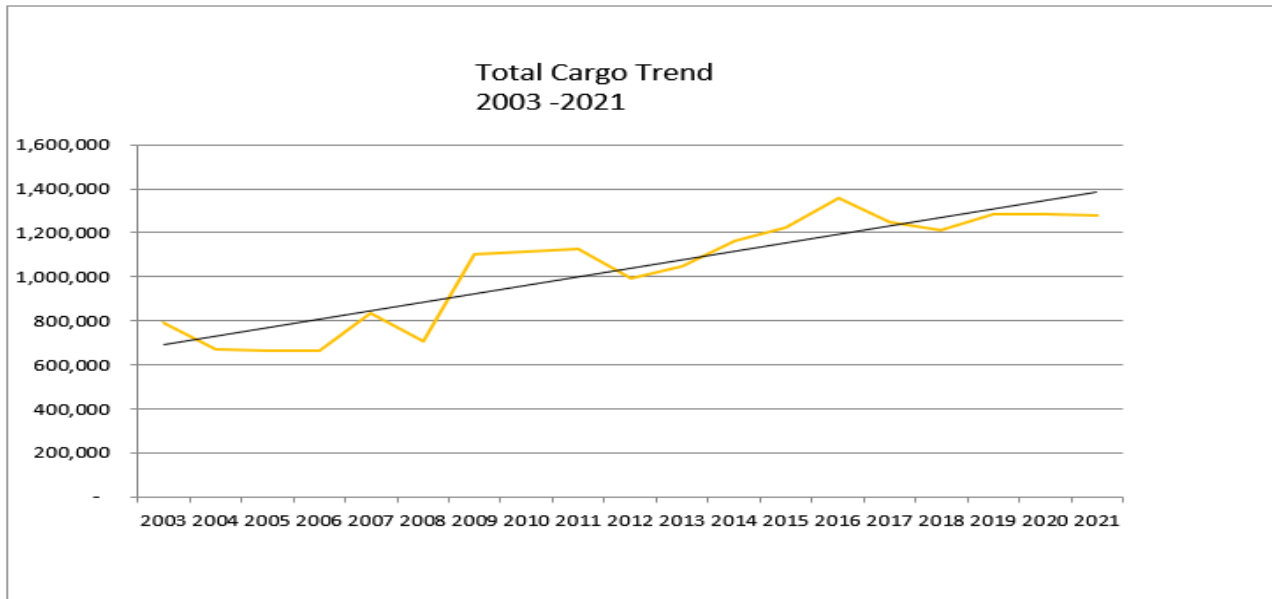
Date: Jan.19, 2022

Total Cargo 2021

Total cargo processed at the Port in 2021 totalled 1,267,529 metric tons.

From 2001-2011 average cargo = 842,429 mt.

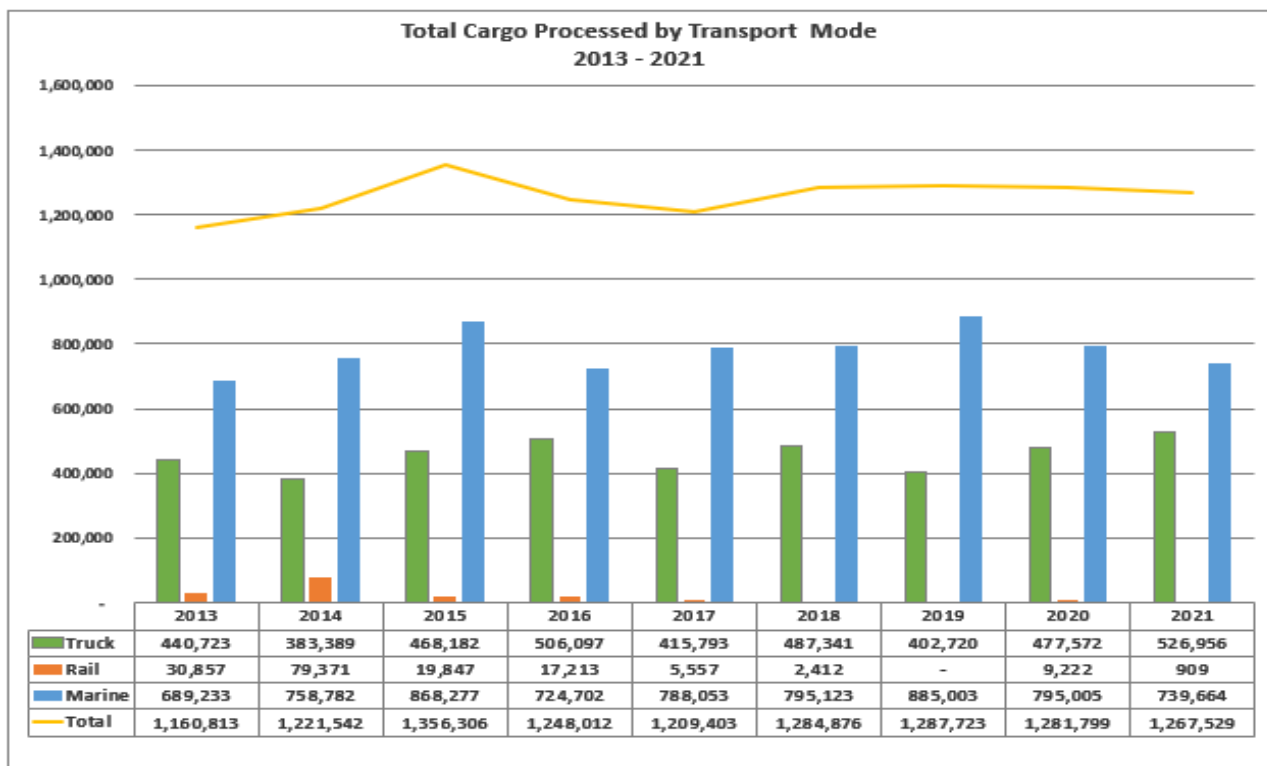
From 2012-2021 average cargo = 1,209,167 mt.



Tri-modal Transport

The Port's marine and grain terminals process a variety of bulk cargos by vessel, truck and rail.

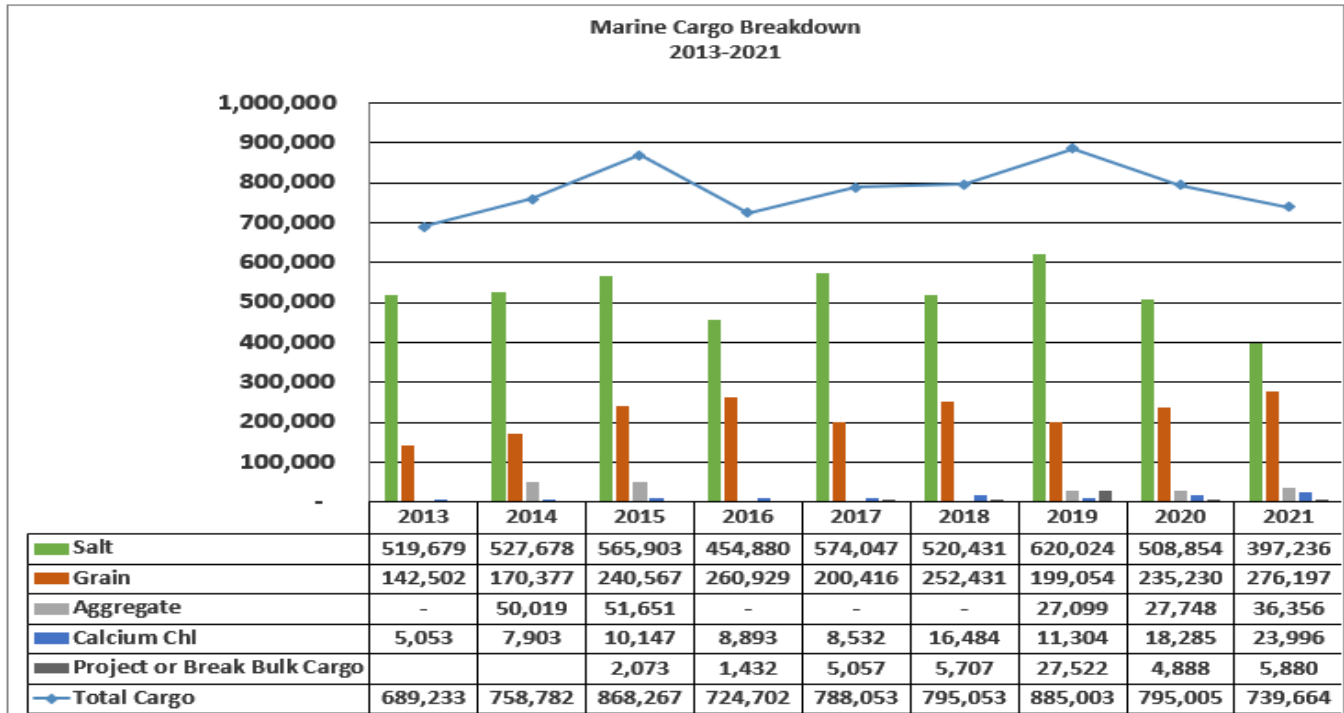
Marine transport 58% Trucking 41.5% Rail 0.5%



Marine Business Report

Cargo

The Port processed a total of 739,664 metric tons of cargo over its docks. Grain movement by vessel was up by 17.4% over 2020, however, salt was down by over 110,000 MT resulting in an overall decrease in marine cargo movement of 55,342 MT (7%). A couple of bright notes to report was the increase in both aggregate and calcium chloride tonnage shipped and received at the Port.



Vessel Traffic Summary

Number of vessels

Cargo	2015	2016	2017	2018	2019	2020	2021
Bulk Cargo - Salt	28	24	26	25	30	22	20
Bulk Cargo - Grain	13	16	13	18	13	15	15
Project Cargo - Wind Energy	1	1	1	0	13	0	2
Cruise	0	0	4	1	10	0	0
Break Bulk Cargo - Steel	0	0	2	2	2	1	2
Liquid Bulk Cargo - Calcium Chl.	2	2	2	3	2	3	4
Bulk Cargo - Aggregate	2	0	0	0	1	1	2
Other	1	3	5	5	7	3	8
Total	47	46	53	54	78	45	53

Bulk Cargo- Salt

First Vessel of 2021 – The Algoma Niagara arrived on April 6 with a load of salt. The captain was greeted by the Port General Manager and received a gift.



The Algoma Innovator was the last vessel of 2021, arriving on December 30th discharging 21,705 MT of salt.



Salt Shipments by Vessel

As expected, salt cargo was down from the record breaking 620,024 MT received in 2019. Milder winters in the past 2 years has resulted in a surplus of salt remaining in inventory and this trend may carry over again in 2022. Of note, there were no salt shipments imported from overseas in 2021.

Date	Vessel	Commodity	Qty (MT)
April 6	Algoma Niagara	Salt	26,536
May 2	Algoma Sault	Salt	12,423
May 21	Baie Comeau	Salt	28,229
May 29	Whitefish Bay	Salt	28,513
June 8	Algoma Buffalo	Salt	17,681
June 18	Algoma Buffalo	Salt	17,444
June 23	Algoma Buffalo	Salt	17,586
June 23	Algoma Sault	Salt	11,151
Aug 4	Algoma Buffalo	Salt	18,039
Aug 15	Algoma Buffalo	Salt	17,999
Sept 26	Algoma Sault	Salt	10,140
Oct 6	Baie Comeau	Salt	28,555
Oct 13	Algoma Innovator	Salt	9,009
Oct 30	Baie St. Paul	Salt	18,378
Nov 2	Baie Comeau	Salt	28,717
Nov 16	Atlantic Huron	Salt	27,557
Nov 26	Algoma Compass	Salt	24,423
Dec 8	Algoma Innovator	Salt	5,277
Dec 13	Atlantic Huron	Salt	27,875
Dec 30	Algoma Innovator	Salt	21,705
		Total MT	397,236

* Salt Imported

Liquid Bulk Shipments

The Port received 23,996 MT of calcium chloride, an increase of over 30% from 2020.



Grain Shipments by Vessel



The Port had a total of 276,197 metric tons of grain cross the elevator dock in 2021. A total of 15 vessels arrived at the Port, including four ocean vessels destined for foreign markets and two lakera bringing corn in from the USA.

Grain Shipments by Vessel

Date	Vessel	Commodity	Qty (MT)
April 16	Algoma Sault	US Corn	24,963
June 1	Acadia Desgagnes	Corn	8,568
July 26	Acadia Desgagnes	Corn	5,100
Sept 3	Algoma Niagara	US Corn	27,184
Sept 6	Algoma Niagara	Soybeans	15,622
Oct 15	Tufty*	Soybeans	19,490
Oct 23	Whitefish Bay	Soybeans	28,000
Nov 1	Onego Elbe*	Soybeans	9,738
Nov 3	Florence Spirit	Soybeans	11,827
Nov 9	Blair McKeil	Soybeans	11,895
Nov 19	Federal Frontier*	Soybeans	21,172
Nov 16	Whitefish Bay	Soybeans	28,352
Nov 17	Harvest Spirit	Soybeans	14,750
Dec 9	Federal Leda*	Soybeans	21,535
Dec 22	Thunder Bay	Corn	28,000
		Total	276,197

* Import/Export Vessel

Grain Business Report

The volume of grain received at the Port in 2021 was 427,482 MT which was an increase of 66,363 MT when compared to the previous year. It is the first year on record that the quantity of grain has exceeded 400,000 MT. The volume of all three main commodities (wheat, soybean and corn) was up. It should be noted that the inbound corn volume included two vessels for a local processor.

The producers saw a good year in terms of weather at planting time. This allowed them to get their crops in the ground in the normal timeframe. The weather is always a concern for crop yields. In 2021 it appears that the precipitation, although not plentiful in June and July, fell at the right time for the crops. The average soybean yield was above the average yield for the area. In addition, the average corn yield in Eastern Ontario was at a record level as reported by Farms.com. The missing precipitation did arrive in October and November which had the effect of slowing the soybean harvest with a few stops and starts due to wet field conditions and wet soybeans.

The challenge with soybeans in 2021 was the quantity of wet soybeans received. In a normal year, the percentage of wet soybeans is around 30%. The percentage of wet soybeans in 2021 was approximately 50%. This meant more grain drying and keeping the soybeans flowing through the dryer in order to be ready for the vessels as they arrived which we were able to accomplish.

The record corn yields in Eastern Ontario created demand for additional storage space at the Port. The addition of bin #9 at the annex in 2020 was a benefit in meeting some of this demand.

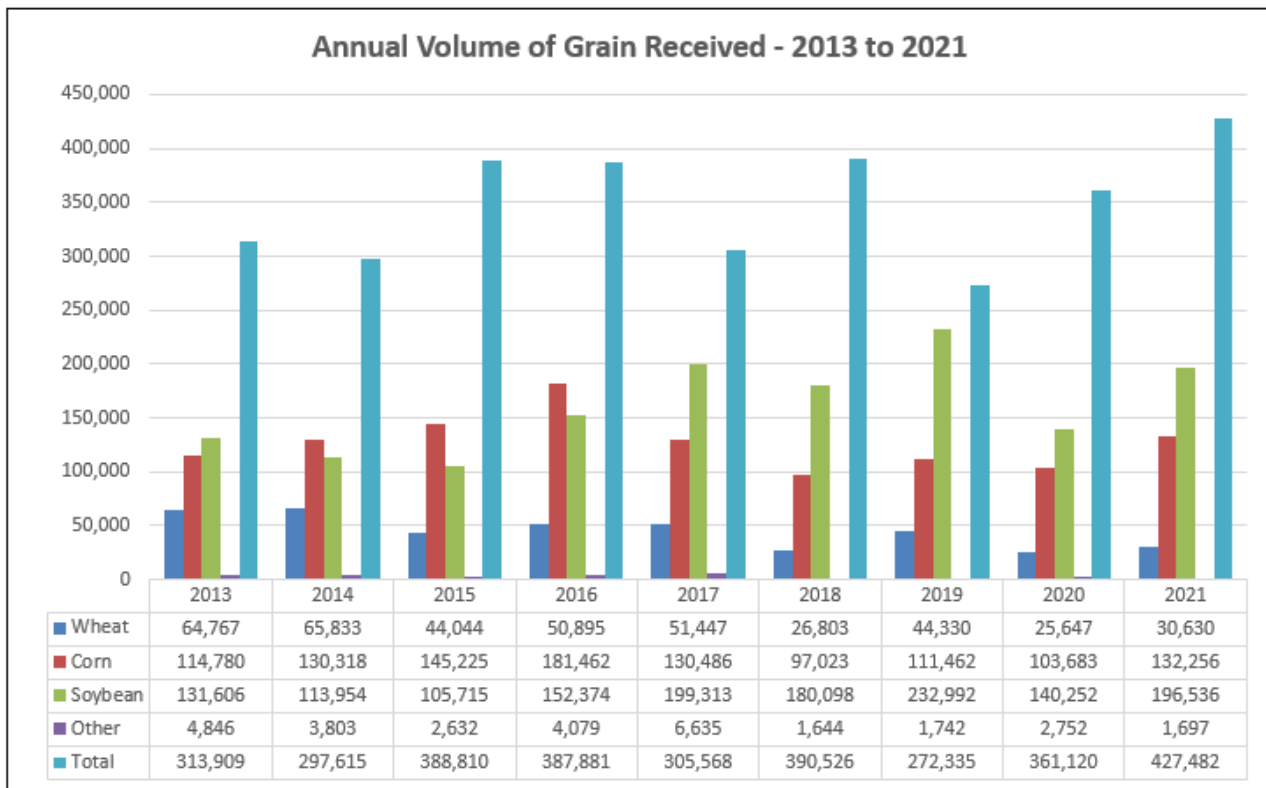
Storage of non-GMO corn continues to be an important aspect of the service that the Port provides.

The Port successfully completed the annual surveillance audit for its GMP+ Feed Assurance program and retained its certification. To recap, this is a quality program that requires the facility to have procedures in place to ensure our customers that we are receiving, handling, storing and shipping grain in accordance with recognized best practices for the feed industry. The success of the GMP+ program required the continued input and participation of all employees to make it successful.

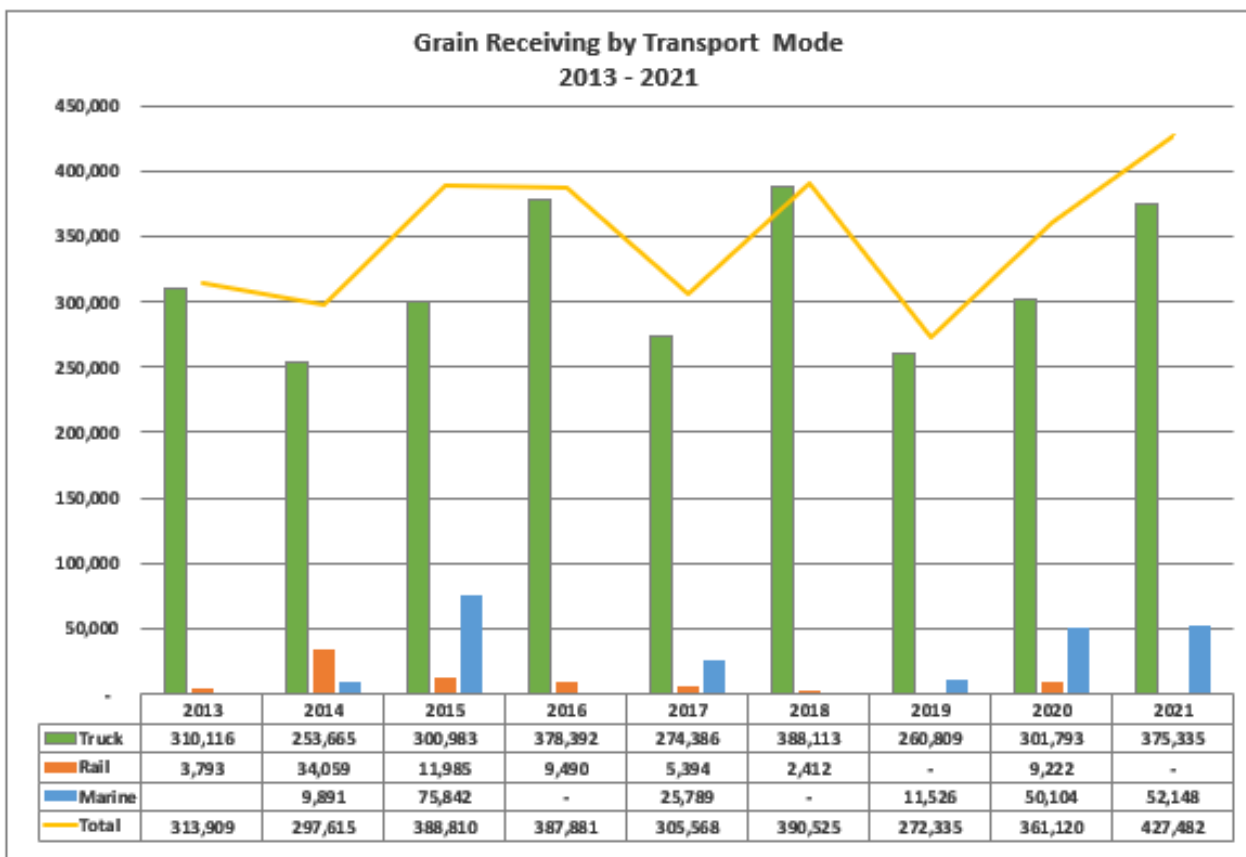
The Port also continues to support our local corn customers by providing extended working hours at night and on weekends to ensure that their production needs are being met.

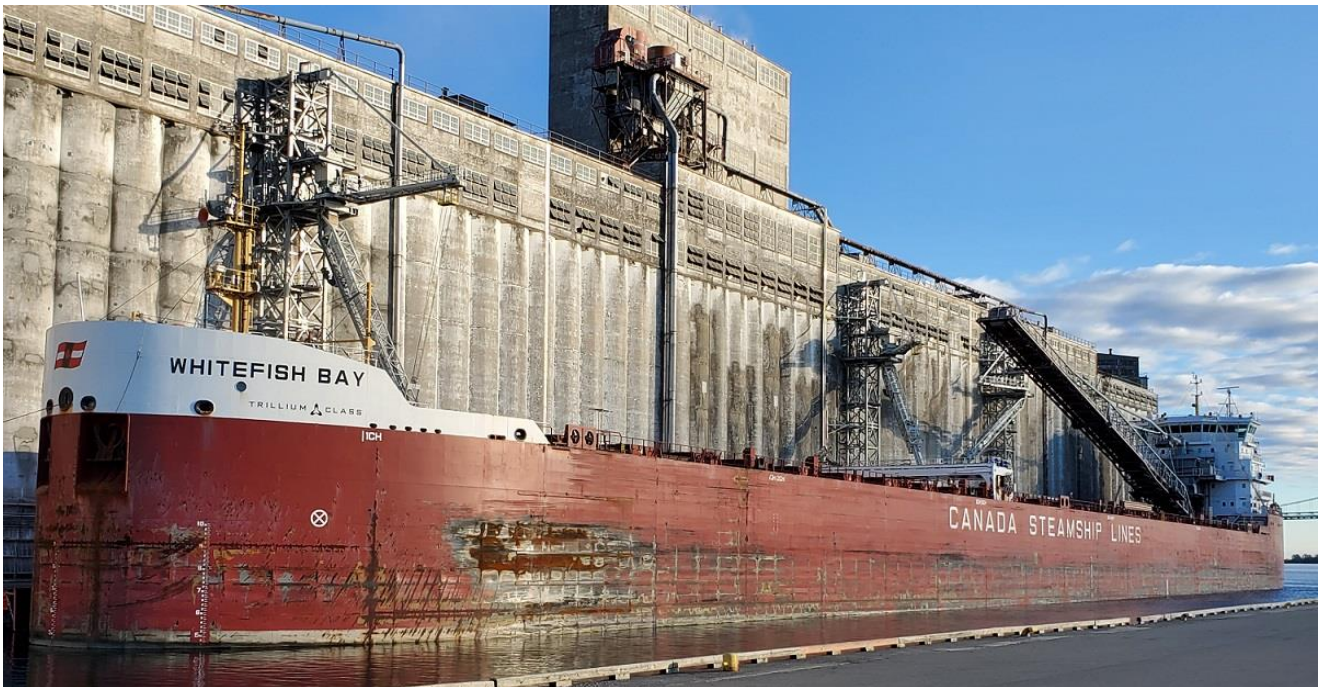
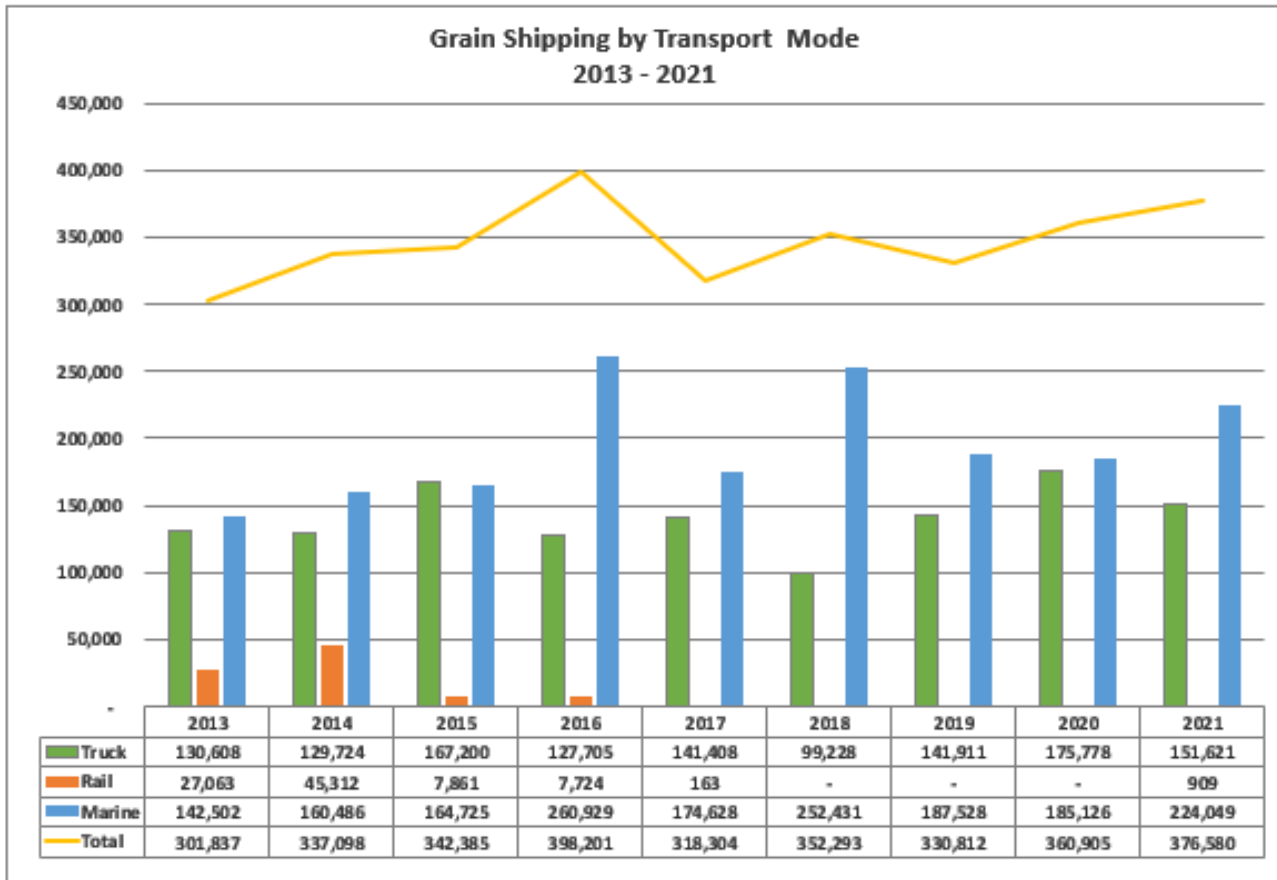


The chart below shows the total volume of each commodity handled per year. The interesting trend to note is the decline of wheat and increase in soybeans over the years.



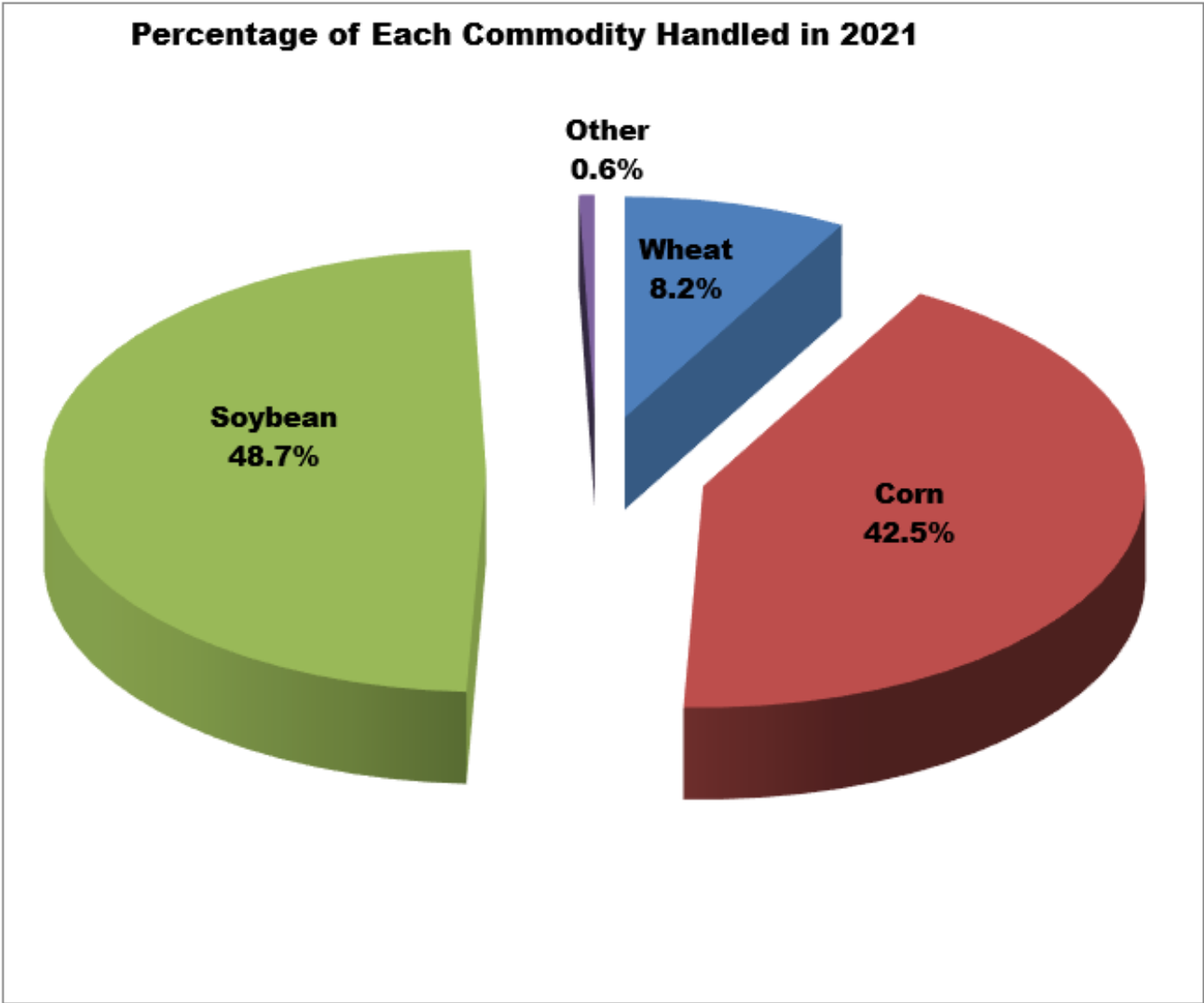
The following charts show the mode of transport used for receiving and shipping grain at the Port.



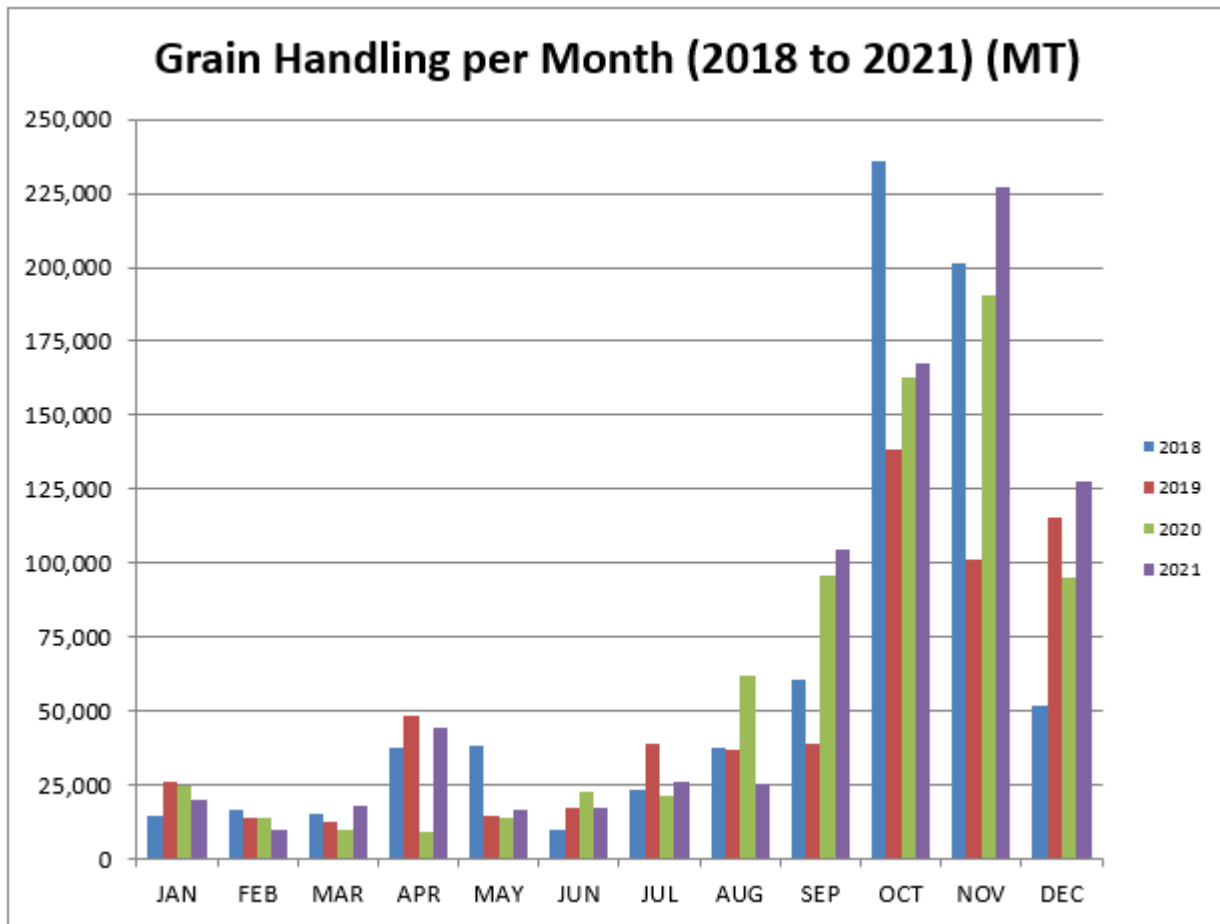


CSL Whitefish Bay taking a load of soybeans. The first of two trips to the Port in 2021.

The chart below illustrates the volume of each commodity handled by the Port. The highest volume crop handled by the Port continues to be soybeans.



The chart below highlights the volume of grain handled per month (receipts and shipments) over the last four years.



The wheat handled at the Port was up slightly in 2021 compared to the previous year. The volume received was 38,511 MT which was an increase of approximately 7,880 MT over 2020. The quality of wheat at harvest was very good. The preferred crops in this area continue to be corn and soybeans over wheat.

The 187,048 MT of corn received in 2021 was an increase of 57,792 MT compared to the previous year. It should be noted that approximately 52,147 MT of corn was brought in by two different vessels. The increase in corn yields in 2021 drove that increase as the inland elevators filled their bins. The added volume of corn lead to a vessel shipment from the Port on December 24th.

Receipts of non-GMO corn continued in 2021 with 25,526 MT received. This is on par with the previous year. The customer continues to be satisfied with the way their corn was handled and with the level of service provided.

The soybean harvest was once again a busy time at the Port with 199,602 MT received. This is a slight increase of 3,067 MT over the previous year. The vessels arrived at the Port in a more consistent pattern which allowed a steady flow of trucks into the receiving area over the course of harvest.

Capital Projects

The total spent on capital projects in 2021 was \$7,852,925 million dollars that covered a variety of projects. However, the majority of the funds were for the new vessel loading spouts. A summary of those projects for the grain operations is shown below. It should be noted that a few other projects were not completed or deferred as it was determined further work or study was required before proceeding. These projects will carry over to 2022.

The following is a list of projects that were completed to improve operations at the Port in 2021:

- The installation and commissioning of the new vessel loading spouts was completed in 2021. This was the largest portion of the capital spending this year. The photos below show the before and after shots of the loading spouts.

Before:



After:



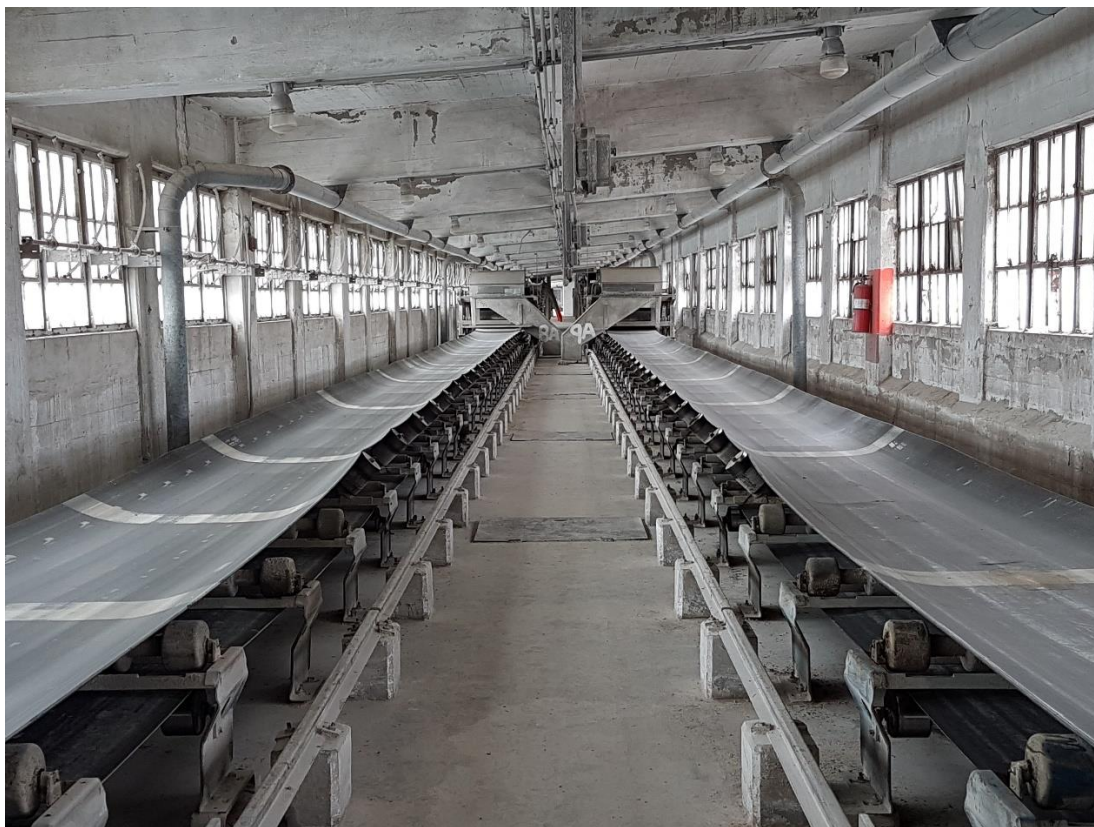
Loading soybeans with old spouts



Loading soybeans with the new spouts – note the absence of dust



Shipping Gallery conveyors with the old system



Shipping Gallery conveyors with new system



Replaced Conveyor Belt #1 in basement



Purchased a new Grain Analyzer



Paving Project: The Port began the resurfacing of their marine docks. Areas had consolidated over the years causing large amounts of water accumulating on the dock which is not conducive to storing salt.

The first phase was the west Riverfront dock. A total of 12,777 square meters of paving was completed in July 2021 at a cost of \$401,330. The project was completed in less than 2 weeks causing minimal disruption to the Port's marine activities.

Before Paving:



After Paving:



Capital Budget Summary

2021 CAPITAL BUDGET - YEAR END

as of dec 31/21

January 19, 2022 meeting

	Capital Spending	2021 Budget Amount	Actual	Status	Completion	Estimated Remaining 2021
1	Paving Projects	\$ 450,000	\$ 401,330	Complete	2nd Qtr	\$ -
2	Rail Repair	\$ 50,000	\$ 49,903	Complete - Outst. invoice	4th Qtr	
3	New Conveyor belt for basement	\$ 75,000	\$ 73,411	Complete - Outst. invoice	4th Qtr	
4	New motors/dividers for two grain samplers - QC	\$ 40,000	\$ 32,212	Complete	2nd Qtr	\$ -
5	New protein analyzer for grain grading	\$ 49,500	\$ 38,750	Complete	2nd Qtr	\$ -
6	Additional hardware for temperature monitoring system	\$ 45,000	\$ 33,216	Complete	2nd Qtr	\$ -
7	Air conditioning unit for general foreman/scale room	\$ 16,000	\$ 7,895	Complete	2nd Qtr	\$ -
8	Lifter belt for marine lofers (#3 lifter)	\$ 30,000	\$ 24,447	Complete	2nd Qtr	\$ -
10	Loading Spouts	\$ 6,890,301	\$ 7,008,318	Complete	4th Qtr	\$ -
9	New Grain Building	\$ 50,000	\$ 2,400	Carryover into 2022	4th Qtr	\$ 10,000
11	Dust system	\$ 60,000	\$ 29,897	Carryover into 2022	4th Qtr	\$ 45,000
12	Security cameras/fencing	\$ 45,000	\$ 11,785	Carryover into 2022	4th Qtr	\$ 45,000
13	Dock Fenders	\$ 300,000	\$ 139,363	Carryover into 2022	4th Qtr/2022	\$ 65,000
14	New Natural Gas generator	\$ 300,000		Deferred to 2022 (RFQ)	2022	\$ -
15	New tooling for cleaning the tops of bins	\$ 7,500		Deferred to 2022	2022	\$ -
16	Connect #5 scale to bin 601	\$ 25,000		Deferred to 2022	2022	\$ -
17	Repairs to concrete floor at #6 Receiving Pit	\$ 50,000		Deferred to 2022	2022	\$ -
						\$ 165,000

Total Capital Budget/Actual (Completed Projects)	\$ 7,645,801	\$ 7,669,481	
Total Capital in Progress Budget/Actual	\$ 837,500	\$ 183,444	
Potential Carryover for 2022	\$ 654,056		

Total Capital Budget Approved /Actual 2021	\$ 8,483,301	\$ 7,852,925	
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Maintenance Report

The maintenance department was busy during the year with many tasks in order to keep the elevator running smoothly. This includes annual inspections and preventative maintenance tasks, as well as completing projects to obtain improvements geared towards efficiency and reliability. An abbreviated summary of the activities in the maintenance department this year is shown below.

Maintenance - Electrical

- Installed new components to update the bin temperature monitoring system at the Port.
- Installed new plc's for the scale control system.
- Move some electrical conduits to make room for the new loading spouts.
- Replace 50 hp motor for one of the dust fans.
- Installed additional lighting on the scale floor.
- Spent time with the technician from Neuero (spout manufacturer) to become familiar with the electrical system for the new loading spouts.

Maintenance - Mechanical

- Annual cleaning of the cooling section of GSI grain dryer and service dryer unload drag conveyor.
- Sealed off the doors from the bin floor to the old unloading towers.
- Installed new UHMW liner in the loaders for conveyors 5A, 6A and 7A.
- Annual inspection and maintenance of trippers 6A, 7A, 8A and 9A.
- Annual inspection and maintenance of rail and marine shipping lofters.
- Installed a new belt in lofter #3.
- Replaced the polyethylene buckets on lofter #2 that were damaged due to the lofter plugging.
- Annual inspection and maintenance of perimeter fence and gates.
- Annual lubrication of all rotating equipment was completed.
- Annual change out of dust collector bags was completed.
- Patch holes in skin of GSI grain dryer.
- Repair to the auger that transports dust from dust collectors A1 and A2 to the dust tank.
- Weekly, monthly and quarterly dust system inspections and maintenance.

Contractors

- The Electrical Safety Authority conducted their inspections in 2021. All was found to be in order.
- Drapeau Automatic Sprinkler Corp. conducted the annual inspection and verification of our fire alarm system. No issues were found during the testing and we were given our Certificate of Inspection.
- Annual inspection and certification of PPE for "working from heights" and "confined space entry" was performed by a technician from Grainger Canada.
- Unitech performed the annual inspection of the hoisting equipment.
- Schneider Electric sampled and analyzed transformer oil.



January 18, 2022

Memo to: Mr. Robert Dalley, General Manager
From: Mr. John McGeough, Prevention and Regulatory Solutions Ltd.

Re: Environmental, Health & Safety Program Activities for 2021

Below is a summary of the environmental and health & safety program activities for the 2021 year that were provided by Prevention and Regulatory Solutions Ltd.

Management Support

- Prepared recommendations for short and longer-term areas of program development and training. Updated recommendations and discussed with management regularly.
- Prepared an outline of orientation subject matter for new Port employees and reviewed with management. Updated the training materials for procedures and programs that had changed since the previous orientation sessions.
- Circulated information to management regarding newly introduced changes to federal health and safety legislation and applicable standards.

General H&S Support

- Reviewed safety committee inspections, safety committee meeting minutes, and incident investigation reports from the previous year, and updated the hazard prevention program (HPP) assessment. Reviewed the new HPP content and recent or planned future safeguards with management, then consulted with the safety committee on adjustments before reissuing.
- In consultation with the safety committee, updated and reissued the respiratory hazard assessment and the Port procedure for respiratory protection against chemical exposures.
- Conducted two separate orientation training sessions for new Port employees.
- Conducted training for safety committee members participating in the development of the workplace harassment and violence (WH&V) prevention policy. Jointly developed the WH&V hazard assessment, policy, and employee training program with the safety committee and management and distributed all documents.
- Conducted training sessions for WH&V in two parts, to improve employee comprehension and retention.
- In consultation with the safety committee, made major updates to the policy on personal protective equipment and the procedure for working from heights, in line with changes to federal regulations. Finalized and issued the updated documents.
- In consultation with the safety committee, made planned updates to the procedures for reporting injuries and hazardous occurrences, confined space entry, and employee training, all on 3-year update schedules. Finalized and issued the updated procedures.

- Reviewed confined space entry (CSE) assessments and permit documents that were expiring due to their mandatory 3-year review cycle. Confined spaces involved in this review were the Class A and B spaces applicable to the normal bins and shipping bins in the elevator. Updated content and permit forms, circulated to management and confined space entry team for comments, then issued documents for use.
- Conducted on-site respirator fit testing for all available Port personnel using the new style of 3M N-95 respirators.

Environmental Program Support

- Reviewed the draft annual report for saltwater testing (by Blu Metric) and provided comments and recommendations to the General Manager.
- Participated in a virtual meeting with Port General Manager and the Ministry of Environment, Conservation and Parks (MECP). The meeting was requested by the MECP as a general discussion.
- Reviewed 2021 salt shipping data, inspection records, and salt management records in preparation for an annual MECP inspection.
- Analyzed and discussed results of pond outlet sampling data and discussed implications and recommendations with the General Manager.
- Participated in a planned inspection by the MECP regarding storm water management works and salt handling best management program. Prepared meeting minutes for the General Manager.

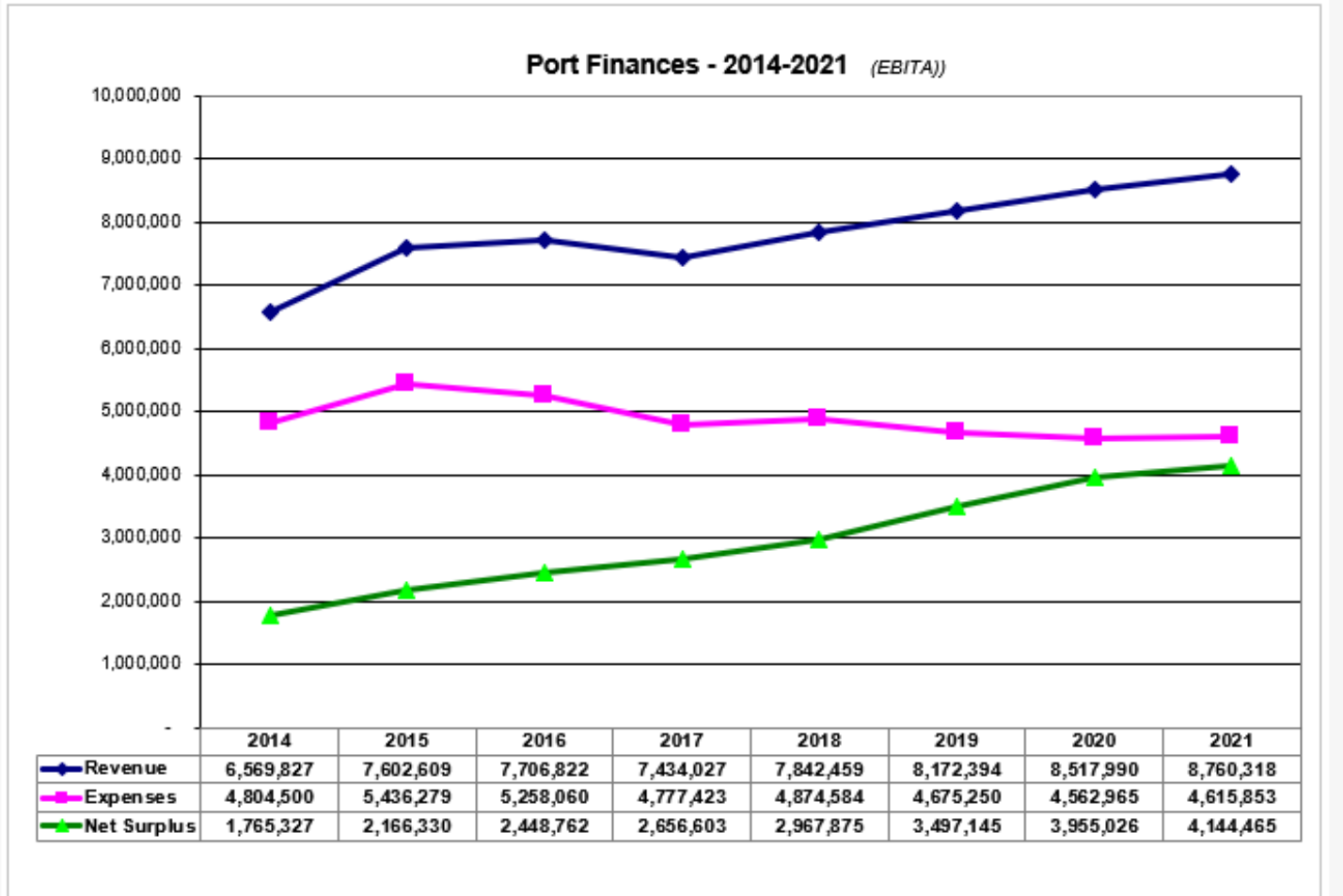
2021 Health and Safety Metrics

Apart from the PandRS training hours, the following metrics were provided by the Port Office Manager.

Regular safety committee meetings	12
Special safety committee meetings	6
Workplace Inspections conducted	12
Incident or safety investigations conducted	3
Safety complaints filed	0
Work refusals filed	0
Accidents resulting in medical aid only	0
Accidents resulting in lost work days	0
Lost work days due to accidents	0
Training hours provided by PandRS	74

FINANCE REPORT – Pre-audited EBITA

The Port of Johnstown, a division of the Township of Edwardsburgh Cardinal, has completed another very successful year. As detailed in the information below, we have finished 2021 with the highest revenues since the Township acquired the Port. Revenues for 2021 increased by 2.8% while expenses were slightly higher by 1.15% resulting in a record surplus of 4.144 million. This is a 4.5% increase in surplus over 2020 and a 135% increase since 2014.

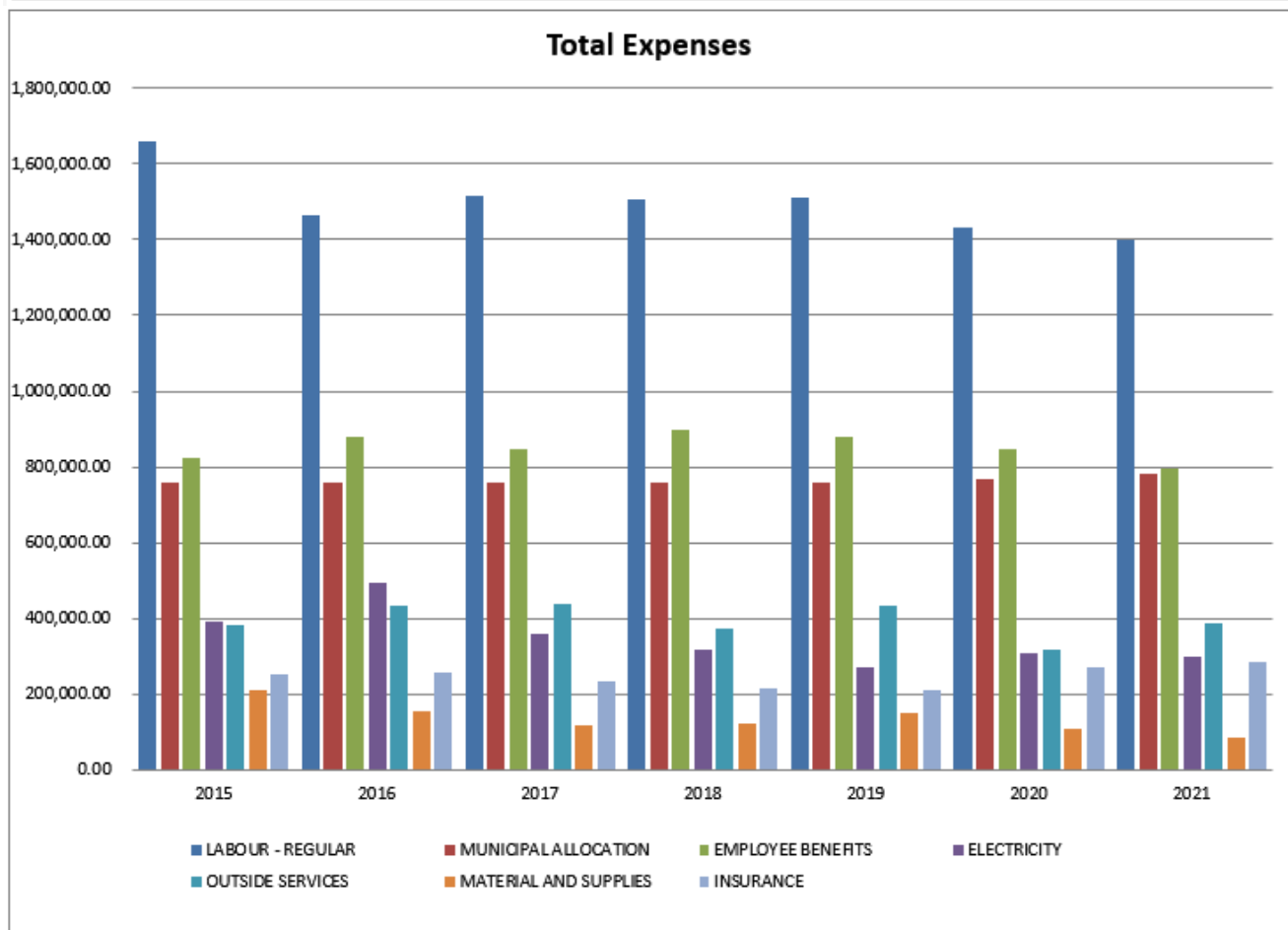
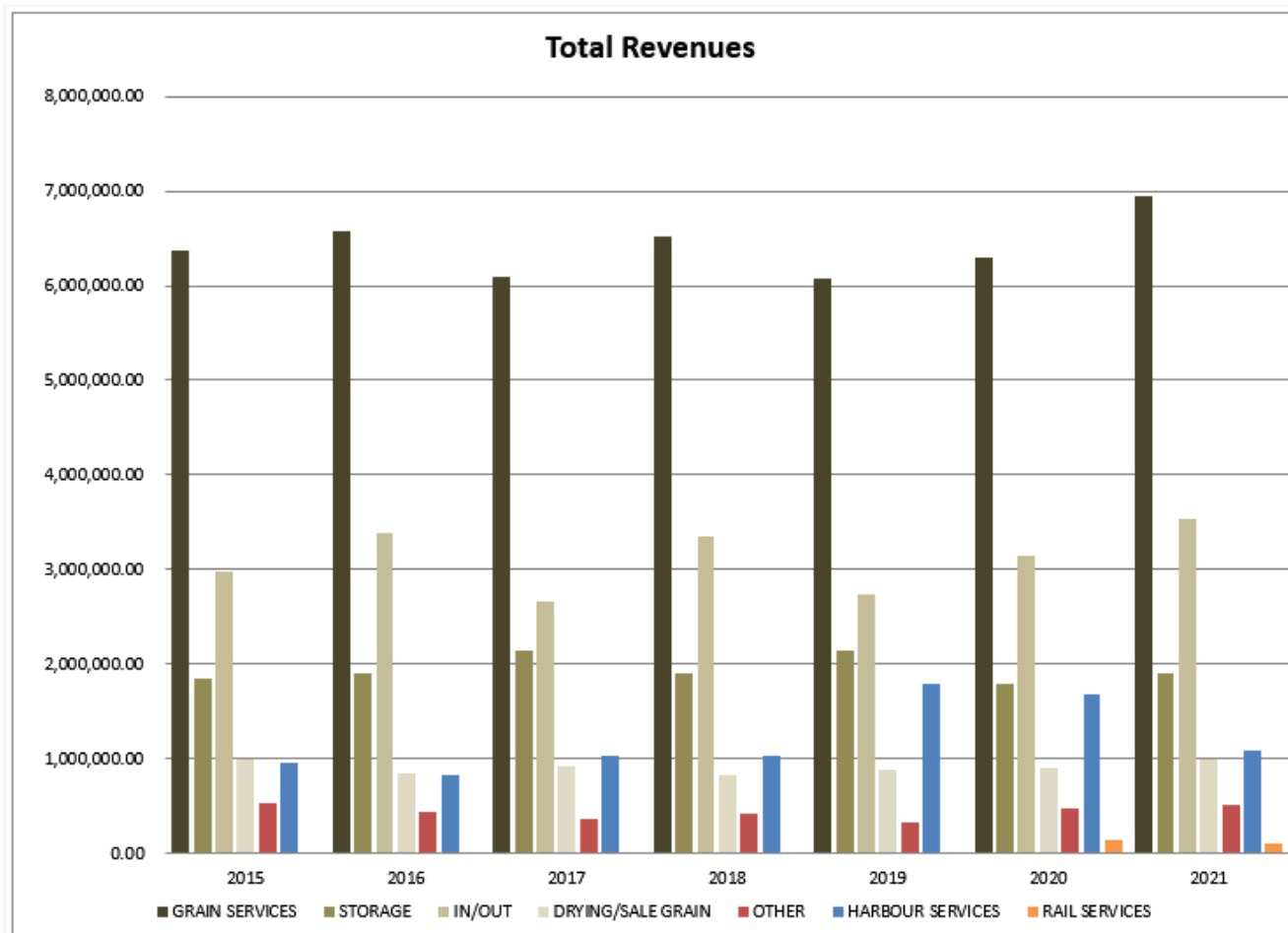


2021 - Revenues/Expenses/Surplus Quarterly Actuals VS Budget

Jan. 19, 2022

2021 BUDGET	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Total
BUDGET REVENUE	900,000	1,260,000	1,650,000	4,195,000	8,005,000
ACTUAL REVENUE	836,760	1,287,377	2,223,661	4,412,517	8,760,316
BUDGET OPER. EXPENSE	975,000	1,225,000	1,325,000	1,475,000	5,000,000
ACTUAL EXPENSE	945,364	1,009,703	1,124,491	1,536,295	4,615,853
BUDGET NET SURPLUS	(75,000)	35,000	325,000	2,720,000	3,005,000
*ACTUAL SURPLUS	(108,604)	277,675	1,099,170	2,876,222	4,144,463
2011-2020 Actuals	1ST QTR	2ND QTR	3RD QTR	4TH QTR	Total
2020 REVENUE	967,003	1,291,866	1,997,000	4,262,122	8,517,990
2020 OPERATING EXP.	980,922	1,043,542	1,076,049	1,462,451	4,562,964
2020 NET SURPLUS	(13,920)	248,324	920,951	2,799,671	3,955,026
2019 REVENUE	1,012,775	1,397,838	1,583,263	4,178,519	8,172,394
2019 OPERATING EXP.	983,681	1,140,643	1,138,321	1,412,605	4,675,250
2019 NET SURPLUS	29,094	257,195	444,942	2,765,914	3,497,145
2018 REVENUE	840,124	1,150,186	1,633,737	4,218,410	7,842,457
2018 OPERATING EXP.	995,233	1,252,738	1,197,547	1,429,065	4,874,583
2018 NET SURPLUS	(155,109)	(102,552)	436,190	2,789,345	2,967,874
2017 REVENUE	789,446	1,268,062	1,617,288	3,759,231	7,434,027
2017 OPERATING EXP.	1,118,701	1,066,194	1,068,904	1,523,624	4,777,423
2017 NET SURPLUS	(329,256)	201,867	548,384	2,235,607	2,656,603
2016 REVENUE	920,382	1,305,343	1,347,954	4,133,144	7,706,822
2016 OPERATING EXP.	1,066,614	1,089,587	1,154,851	1,947,007	5,258,060
2016 NET SURPLUS	(146,232)	215,755	193,102	2,186,136	2,448,762
2015 REVENUE	668,203	1,301,025	1,979,858	3,653,523	7,602,608
2015 OPERATING EXP.	988,047	1,208,856	1,185,003	2,054,371	5,436,278
2015 NET SURPLUS	(319,845)	92,169	794,854	1,599,151	2,166,330
2014 REVENUE	900,947	1,220,444	1,374,870	3,073,567	6,569,827
2014 OPERATING EXP.	1,000,915	1,075,992	1,152,317	1,592,545	4,821,769
2014 NET SURPLUS	(99,969)	144,452	222,553	1,481,022	1,748,058
2013 REVENUE	916,144	876,808	1,260,291	3,445,665	6,498,909
2013 OPERATING EXP.	882,299	936,500	1,031,999	1,570,761	4,421,559
2013 NET SURPLUS	33,846	(59,692)	228,292	1,874,904	2,077,350
2012 REVENUE	1,001,076	1,267,195	1,594,203	2,561,825	6,424,299
2012 OPERATING EXP.	844,654	1,021,032	1,028,383	1,356,966	4,251,036
2012 NET SURPLUS	156,422	246,162	565,820	1,204,859	2,173,263
2011 REVENUE	1,058,110	1,010,541	1,716,133	2,747,541	6,532,325
2011 OPERATING EXP.	861,508	976,755	1,378,283	1,564,685	4,781,232
2011 NET SURPLUS	196,602	33,785	337,850	1,182,856	1,751,093

*All values are EBITA



Community Capital Funding

Now in its 2nd year the Port of Johnstown provided capital funds to 3 local community groups to carry out projects in the community in 2021.

20 KW NG Standby/Backup Power Generator

Organization: St. John's United Church, First Responders.

To retrofit their facility with a standby/backup power generator to enable them to use the facility as a comfort centre in the event of a blackout or emergency situation during a First Responders Retreat which provides therapeutic and educational experiences designed to help current and retired First Responders with recognizing work-related stress including post-traumatic stress disorder.



Community Business Signage and Community Benches

Organization: Spencerville Business and Community Connections (SBCC)

Local community-based organization devoted to promoting and advancing the interests of Spencerville and the wider area. Creating long-term signage to display SBCC business members to people entering the township, also creating benches in the community and refurbishing existing signage.



Restore and Preserve Spencerville Mill

Organization: Spencerville Mill Foundation

To repair main areas of need identified in the Ontario Heritage Trust Report, to continue to restore the Spencerville Mill and all its heritage.



The Port is continuing the Community Capital Project Funding Program in 2022 with up to \$75,000 available. Applications will be received until March 1, 2022. For more information, please go to our website. www.portofjohnstown.com

General Manager Year in Review

Last year my report started with the following:

It was a year like no other. While the world was dealing with the effects of a global pandemic and subsequent shutdowns, the transportation and agricultural sectors continued to operate providing critical supply chain services. The Port of Johnstown remained open during these challenging times ensuring that grain supplies used to make feed for livestock, oils for food and fuel for automobiles, reached their various destinations. I am very proud of our workforce here at the Port, as well as all essential service workers worldwide for how they have responded during this crisis. While 2021 will continue to challenge us all, I have no doubt that our resolve will remain and that we will adapt and overcome any obstacles that lie ahead.

Looking back, I had no idea that we would be in 2022 and facing another surge with this deadly pandemic. The Port has gone to great lengths in protecting their employees including; handing out masks, hand sanitizer and Antigen rapid tests. This pandemic has tested our resolve and we will continue to take all necessary precautions to protect the health and well-being of our workforce.

On behalf of the Port Management Committee and our staff, I would like to thank our customers for their loyalty and continued use of the Port's facilities. We continue to work on continuous improvement projects in order to provide safe, efficient, and reliable services. Our latest 15-million-dollar investment; including a new 16,000 metric ton steel grain bin and the replacement of our aging grain load out spouts are a testament to our commitment in providing reliable customer service.

We could not do this without the support of our Port of Johnstown Management / Town Council who understand the importance of re-investing monies back into the Port, ensuring our sustainability for many years to come. This is evident in the continued growth that the Port has experienced as a result of these key investment initiatives.

In 2020, we began funding smaller capital projects that are brought forward by our local community organizations. These organizations, often led by volunteers who put in countless hours of work, are the strength of our community and help make our neighbourhoods a better place to live. We are very fortunate to be able to help them with their projects.

A further recognition of our staff who worked diligently throughout the 2021 harvest to ensure that the trucks kept moving and that the vessels got loaded in often less than ideal weather conditions. Our last grain vessel was completed at 12pm on December 24th just in time for our Christmas shutdown.

Also, hats off to both the Port and Township's management teams who have had to take on the extra challenges during this pandemic ensuring that our workers are kept safe. Bravo!

Wishing everyone a healthy and safe 2022.

Robert Dalley
General Manager
Port of Johnstown