

The Federal Gas Tax Fund

Updates and other comments

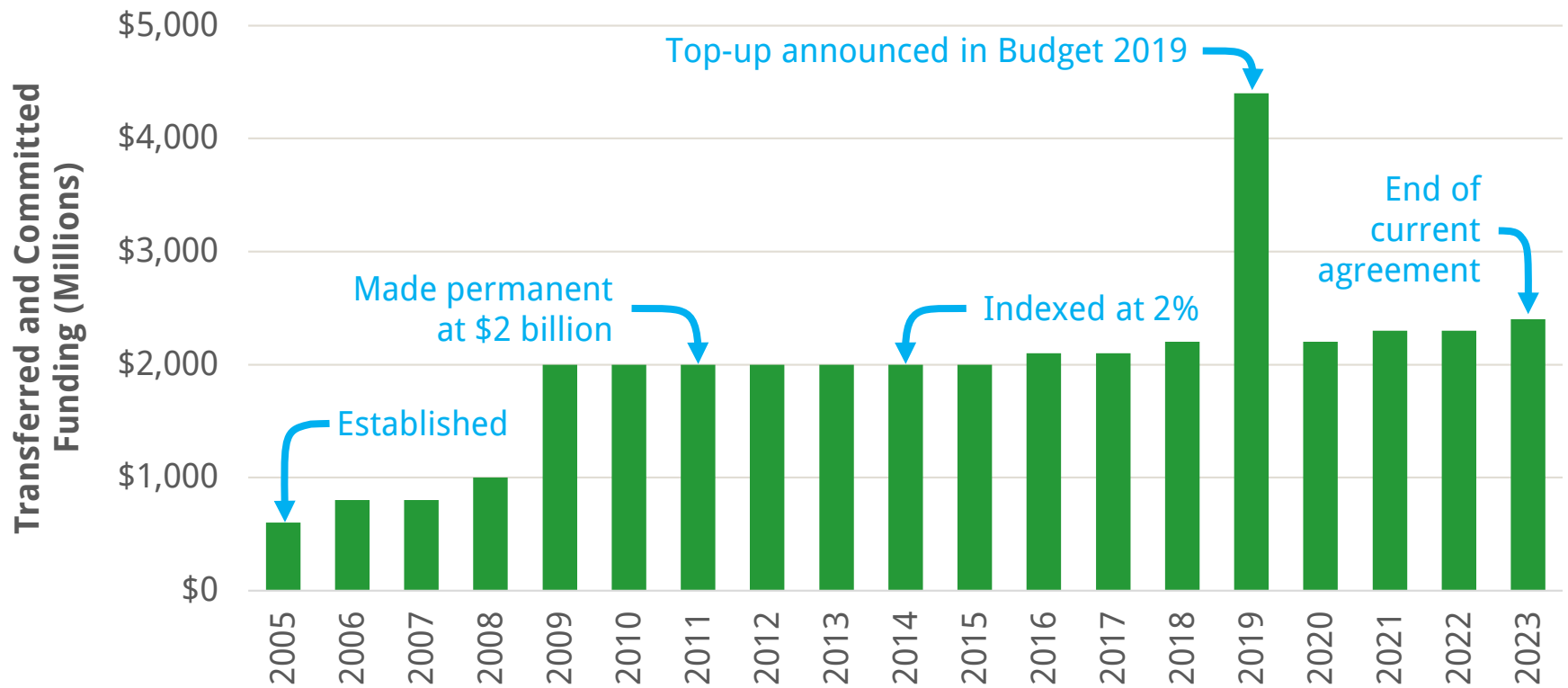
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The Federal Gas Tax Fund

Background and updates

The Federal Gas Tax Fund

The Fund provides permanent and predictable federal funding for local infrastructure. Canadian municipalities receive over \$2 billion/year.



The Federal Gas Tax Fund

A one-time top-up was announced in Budget 2019 – doubling this year’s allocation. Top-up funds are:

- **Already at work in your community**

The full amount – \$819.4 million across Ontario – was distributed in July.

- **Federal Gas Tax funds**

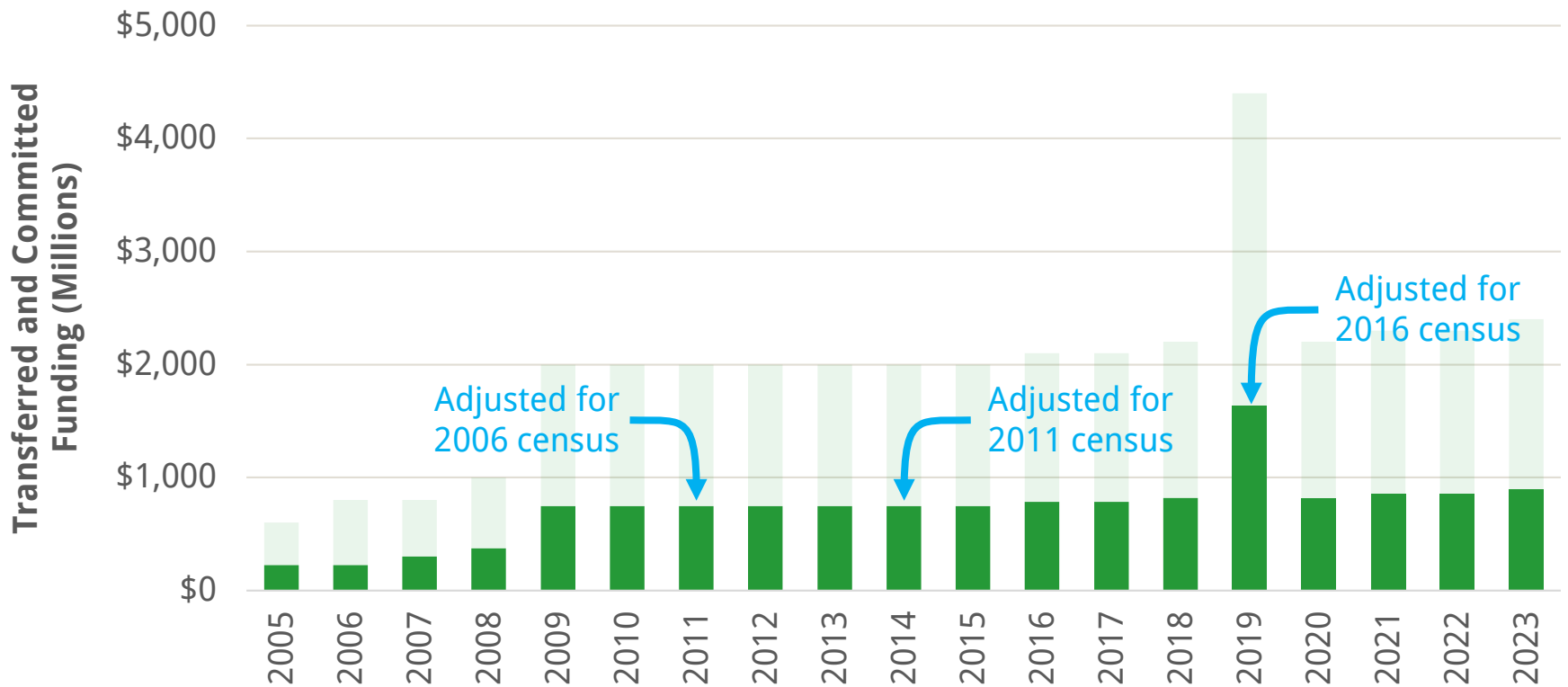
The top-up is subject to the same rules – around the distribution and banking of funds, eligibility of investments, etc. – as your annual allocation.

- **Intended for incremental investment**

Like all federal Gas Tax funds, the top-up is intended to complement – without replacing or displacing – other sources of infrastructure funding.

The Federal Gas Tax Fund

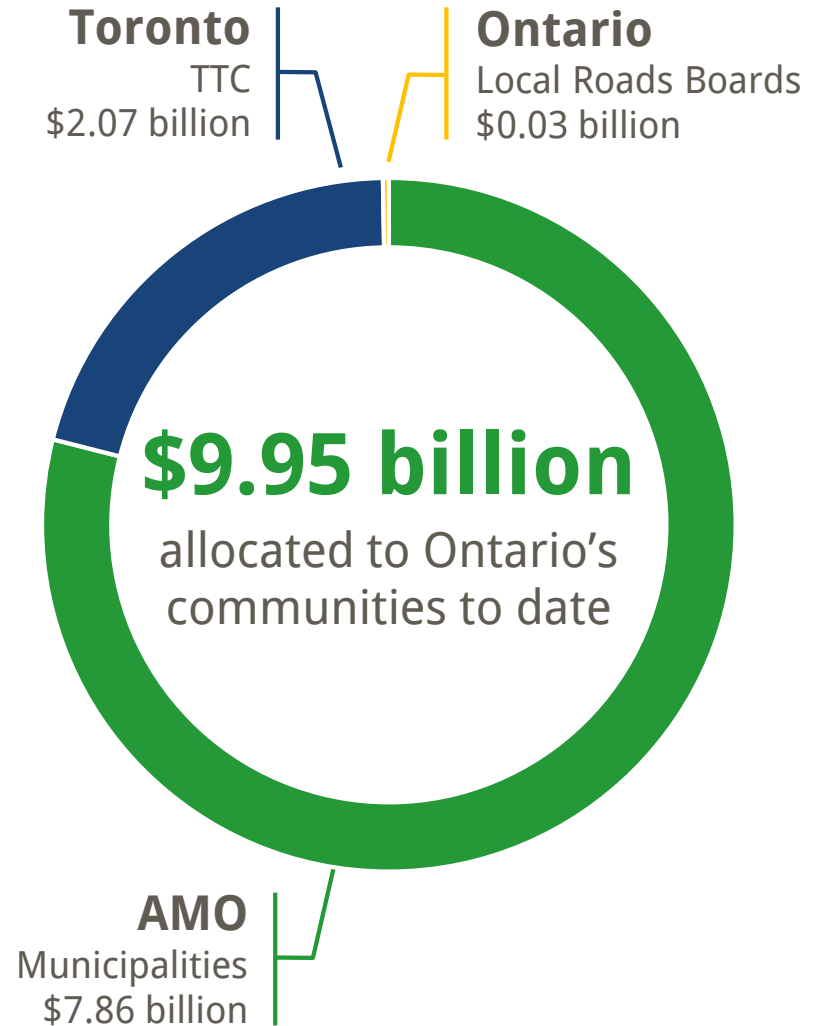
Funds are distributed on a per-capita basis in accordance with census population counts. Ontario's communities receive over \$800 million/year.



The Federal Gas Tax Fund

Ontario's share is administered by:

- **AMO**
Distributes funds to all 444 municipalities – except Toronto.
- **The City of Toronto**
Receives funds directly from the Government of Canada.
- **The Government of Ontario**
Delivers funds to unincorporated areas.



The Federal Gas Tax Fund

Each municipality's share is determined by its:

- **Population**

Allocations are distributed on a per-capita basis.

- **Tier**

Allocations are split 50/50 in two-tier systems.

The Federal Gas Tax Fund

Allocations can be:

- **Transferred**

To reallocate or pool funds.

- **Banked**

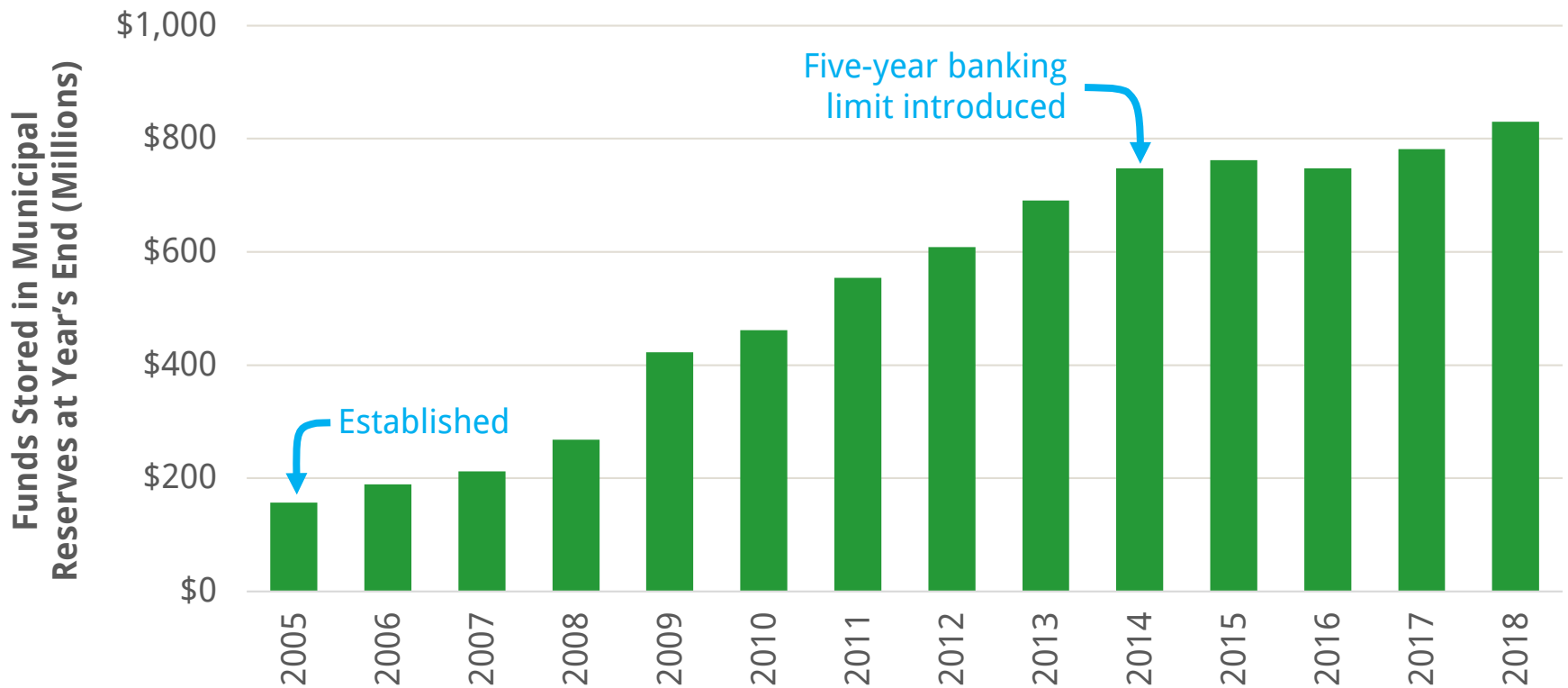
In reserves for up to five years.

- **Invested**

In local infrastructure projects.

The Federal Gas Tax Fund

Over \$830 million is currently banked in municipal reserves – earning interest and opening opportunities for larger investments in the future.



The Federal Gas Tax Fund

Funds can be invested in infrastructure projects that boost economic growth, promote a cleaner environment, or build stronger communities.



Broadband Connectivity



Brownfield Redevelopment



Capacity-Building



Local and Regional Airports



Community Energy Systems



Culture



Local Roads and Bridges



Drinking Water



Disaster Mitigation



Public Transit



Solid Waste



Recreation



Short-Line Rail



Wastewater



Sports



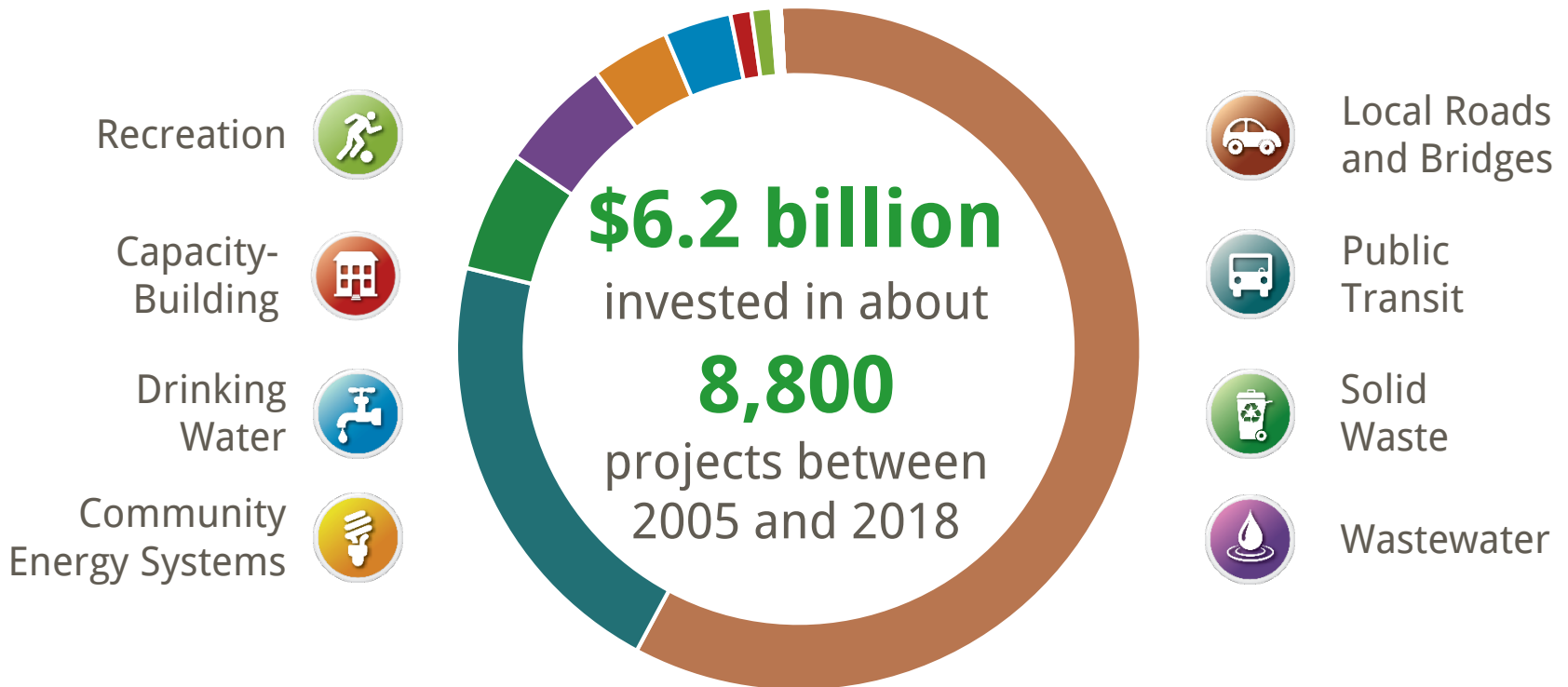
Short-Sea Shipping



Tourism

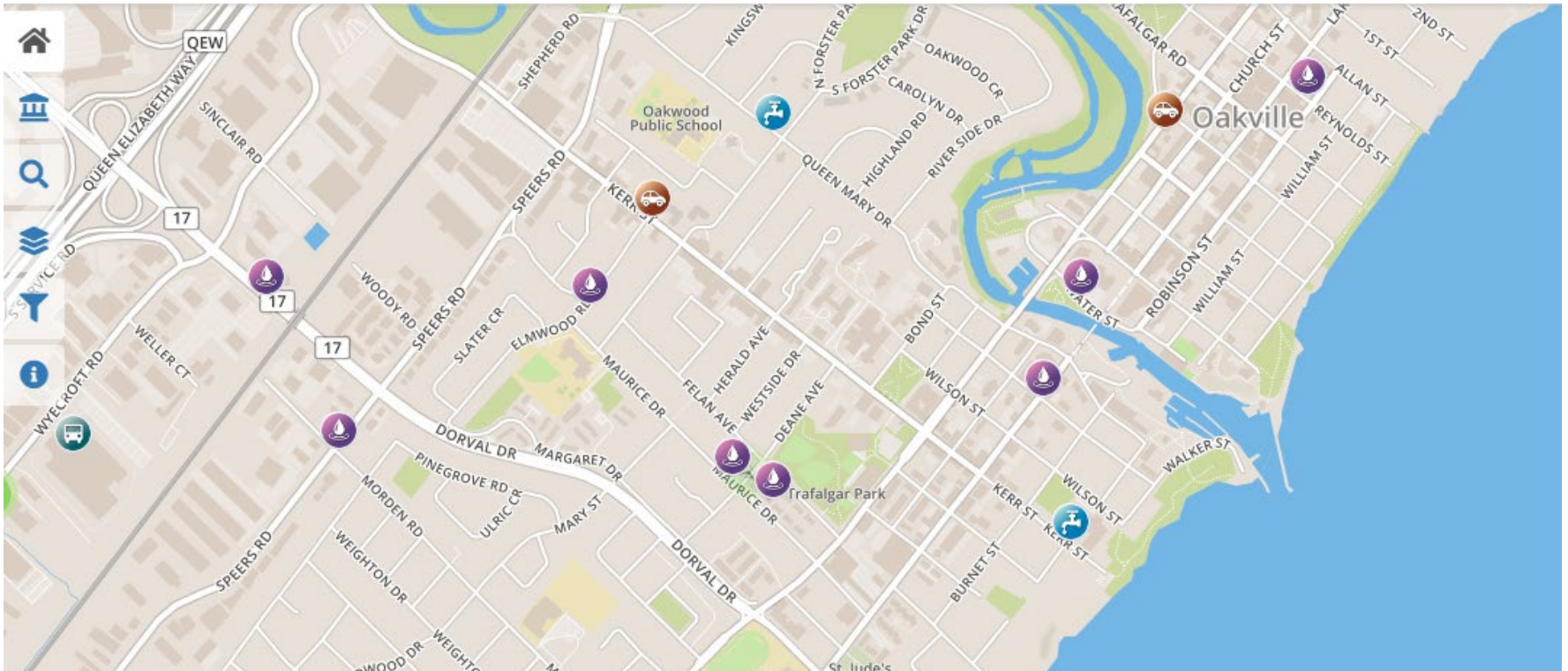
The Federal Gas Tax Fund

Ontario's municipalities dedicate the bulk of their federal Gas Tax funds to transportation infrastructure.



The Federal Gas Tax Fund

Projects supported by the Fund are mapped online. Find projects in and around your neighbourhood at www.gastaxatwork.ca/project-map.



The Federal Gas Tax Fund

Investments of the Fund have tangible impacts on our residents and communities. Between 2014 and 2016 alone, the Fund helped:

Install nearly 27,000 energy-efficient streetlights

Purchase, replace or refurbish over 650 public transit vehicles

Distribute over 25,000 new blue boxes or green bins

Rehabilitate over 9,000 lane-km of local roads



Replace or rehabilitate over 100 km of pipes and sewers

The Federal Gas Tax Fund

The Fund isn't the only federal infrastructure program supporting municipalities – but it is uniquely:

- **Predictable**

Funds are provided up-front, twice a year – allowing communities to plan and budget for the long-term.

- **Flexible**

Municipalities can bank funds, finance up to 100% of the cost of eligible projects, and invest funds across 17 types of infrastructure.

- **Focused on local decision-making**

Local governments identify their priorities and allocate funds accordingly – putting shovels in the ground sooner and delivering results faster.

Asset Management

Prioritizing your investments

Asset Management

All municipalities have an asset management plan. Communities are now expected to continually improve and implement their plans to:

- **Identify priority projects**

Prioritize infrastructure needs by collecting reliable data describing costs, risks, and levels of service.

- **Guide infrastructure planning and investment decisions**

Federal Gas Tax funds are intended for investment in priority projects.

Asset Management

To help municipalities move forward, AMO is:

- **Studying asset management plans**

Plans were collected from all communities in 2017. AMO staff are now reviewing plans to identify gaps and training needs.

- **Developing capacity-building programs**

AMO is providing technical assistance to communities across Ontario, and is developing training materials for elected officials.

- **Ensuring coordination between capacity-building initiatives**

AMO shares data and resources with other levels of government and municipal associations.

Reporting Requirements

Common concerns

Reporting Requirements

Municipalities are required to report the use of federal Gas Tax funds to AMO by March 31st each year. Keep things simple by:

- **Disaggregating projects**

Report separate capital projects as separate federal Gas Tax projects – unless it's unreasonable to do so.

- **Reporting regularly**

Report new projects to AMO as soon as they're approved by Council.

- **Keeping us posted**

Project information shouldn't change from year to year. Use the "Additional Comments" field to explain any changes – particularly to total project costs, timelines, and project descriptions.

Reporting Requirements

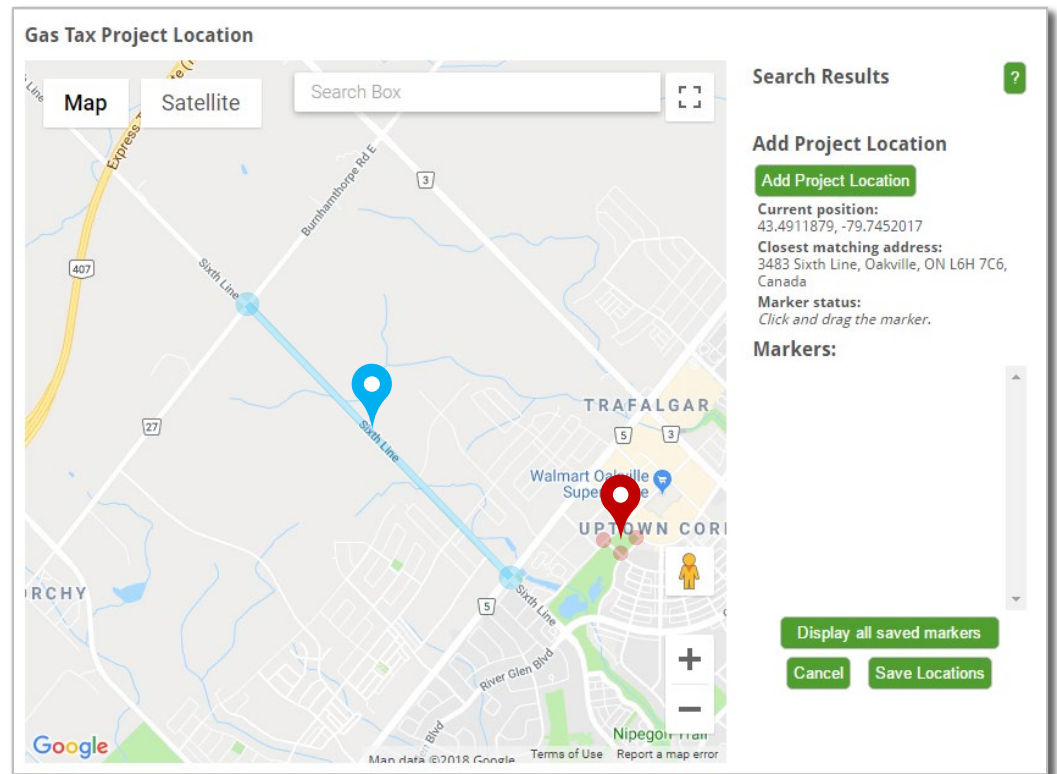
Projects can be mapped to multiple locations – but only one will be shown on AMO's project map.

Linear assets

Use the approximate midpoint of the asset.

Multiple assets

Use a logical location (e.g., a transit garage, or your municipal offices).



Reporting Requirements

Contact AMO if you have questions about eligibility or the reporting process. Challenges remain with:

- **Staff costs**

Staff costs cannot be covered by the Fund.

- **Interest and reserves**

Funds should begin earning interest as soon as they are received – or as soon as practical thereafter. All interest should be reported.

- **Project titles and descriptions**

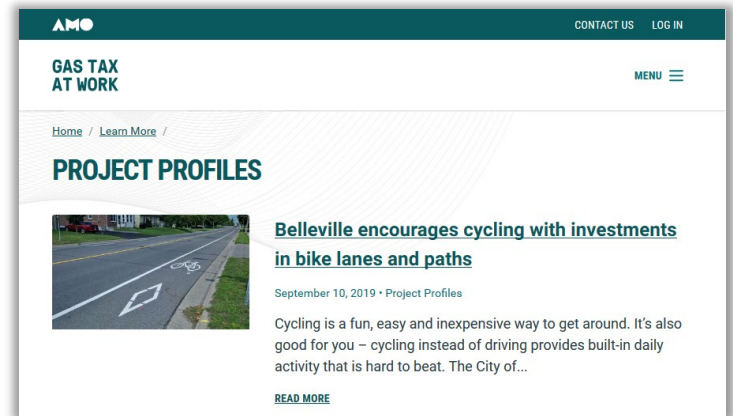
Titles should succinctly summarize the scope of work in plain language (e.g., “Rehabilitation of Main St between 1st Ave and 2nd Ave”).

Communications Requirements

Let AMO help!

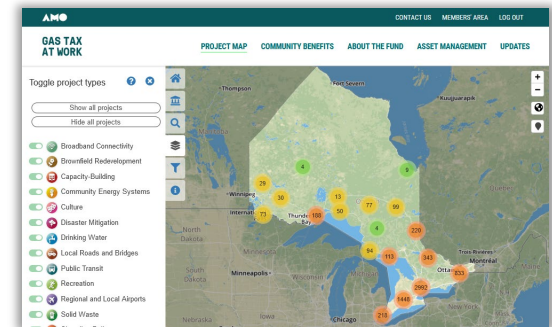
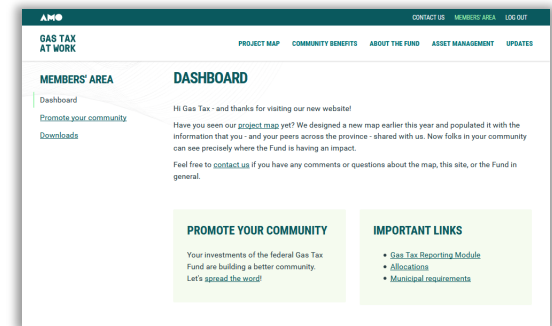
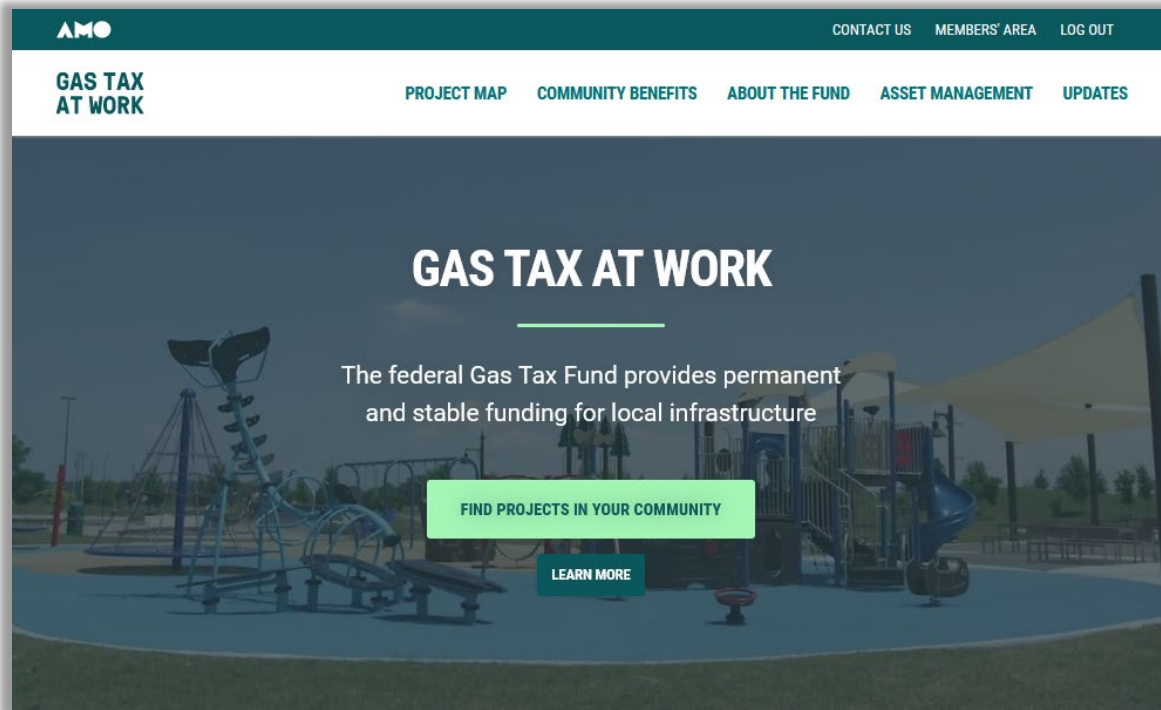
Communications Requirements

Keep us in the loop! We can help you coordinate media events, plan news releases, and spread the word about your infrastructure projects.



Communications Requirements

AMO overhauled www.gastaxatwork.ca this year. Check it out – and let us know if you have any suggestions for improvement or content to share.



Communications Requirements

Post infrastructure signage prior to construction – and let us know when it's up. Signage requirements were simplified in 2017.

- **Post signs whenever appropriate**

Projects receiving federal funding of \$100,000 or more should have a sign.

- **Digital signs are acceptable**

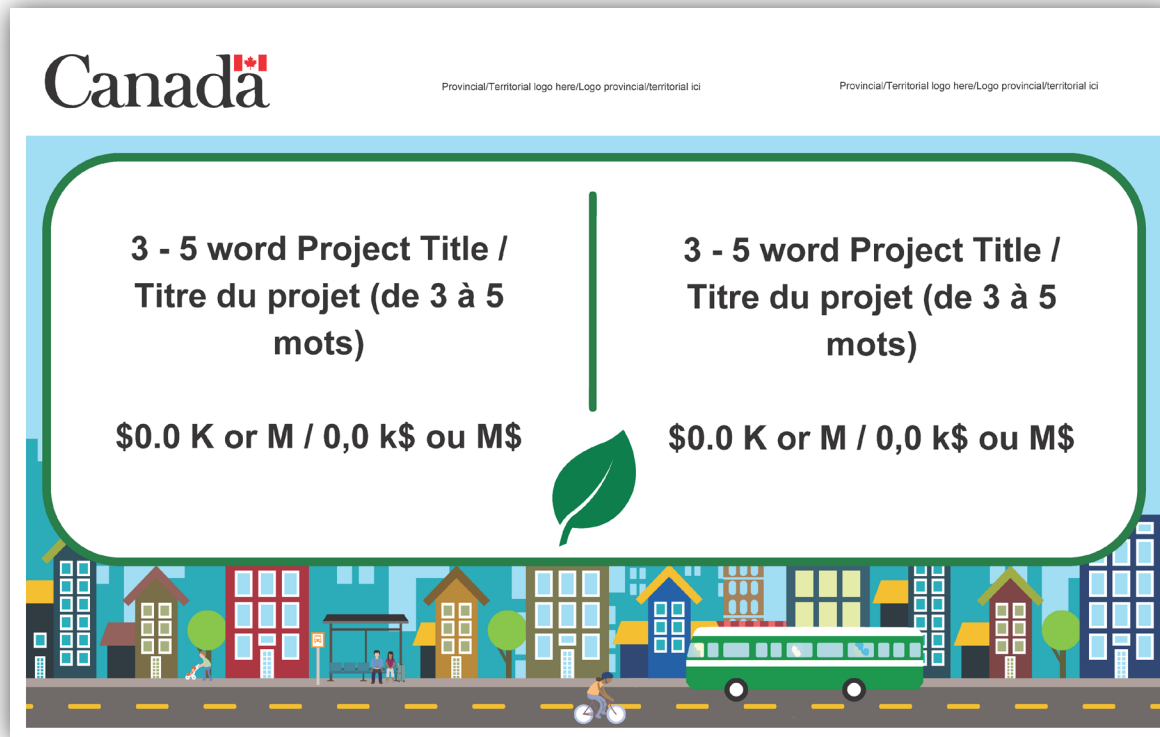
Particularly if the project is located in a remote area.

- **Projects can share a sign**

Provided that they are thematically similar and located near to each other.

Communications Requirements

Templates were simplified this year. Signs should identify the project, funding partners and the appropriate federal funding stream.



Communications Requirements

The federal election is scheduled for October 21st. During the campaign period, municipalities should refrain from:

- **Posting federal infrastructure signs**
Signs can be posted following the election.
- **Making announcements related to the Fund**
Including media events, social media posts, etc.

Work With Us!

The key takeaway

Work With Us!

We are continually improving the administration of the Fund – and we can use your help. Help AMO – and your peers – by:

- **Sharing project photos and updates**

Is your community working on a project that you're really proud of? Tag us in to spread the word!

- **Sending feedback and suggestions to AMO**

Tell us about your experience with the Fund – and share any ideas that you have to improve its administration.

The Key Takeaway

Work with us!

We can help coordinate communications events and answer questions relating to the federal Gas Tax Fund – and we rely on your feedback to improve its administration.



www.gastaxatwork.ca

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