

**ADMINISTRATIVE AGREEMENT
ON THE FEDERAL GAS TAX FUND**

- BETWEEN:** **HER MAJESTY THE QUEEN IN RIGHT OF CANADA**, as represented by the President of the Queen's Privy Council for Canada, Minister of Infrastructure, Communities and Intergovernmental Affairs (“Canada”)
- AND:** **HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**, as represented by the Minister of Municipal Affairs and Housing (“Ontario”),
- AND:** **ASSOCIATION OF MUNICIPALITIES OF ONTARIO**, legally incorporated under the *Corporations Act*, in the Province of Ontario (“AMO”),
- AND:** **CITY OF TORONTO**, continued as a municipal corporation pursuant to the *City of Toronto Act, 2006* (“Toronto”).

1. PURPOSE

This Administrative Agreement sets out the roles and responsibilities of Canada, Ontario, AMO and Toronto for the administration of the GTF. The roles and responsibilities of Ontario, AMO and Toronto set out in this Administrative Agreement are several and not joint.

2. CONTEXT

With this Administrative Agreement, Canada, Ontario, AMO and Toronto wish to help communities build and revitalize their public infrastructure that supports national objectives of productivity and economic growth, a clean environment and strong cities and communities, building on:

- The success of the First Agreement;
- Section 161 of the *Keeping Canada's Economy and Jobs Growing Act*, S.C. 2011, c. 24, under which the Government of Canada makes up to \$2 billion per year available for allocation by the Government of Canada for the purpose of municipal, regional and First Nations infrastructure starting in 2014-2015;
- *Economic Action Plan 2013*, through which the Government of Canada announced a renewed GTF which included the indexation of the gas tax funding at two percent per year, with increases to be applied in \$100 million increments (confirmed through section 161 of the *Keeping Canada's Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33);
- *Economic Action Plan 2013*, which encouraged provinces, territories, cities and communities to support the use of apprentices in infrastructure projects receiving federal funding. Canada recognizes that Ontario has developed and implemented its own initiatives with regards to the use of apprentices in infrastructure projects;
- *Economic Action Plan 2013*, through which the Government of Canada announced an expanded list of GTF eligible project categories and encouragement for asset management planning.

3. PRINCIPLES

Canada, Ontario, AMO and Toronto acknowledge that this Administrative Agreement is based on the following principles:

- a. **Principle 1 – Respect for jurisdiction:** The GTF was designed to leverage the strengths of each government and is based on the principle that each has areas of jurisdiction and is accountable to its population. Canada respects the jurisdiction of provinces and territories over municipal institutions.
- b. **Principle 2 – A flexible approach:** In recognition of the diversity of Canadian provinces, territories, regions and communities, the GTF recognizes the need for a flexible approach to program delivery. Wherever possible, the GTF aims to employ regionally adapted delivery mechanisms, including the leveraging of existing delivery mechanisms and reporting structures.

- c. **Principle 3 – Equity between jurisdictions:** The GTF recognizes the importance of ensuring that the inter-provincial/territorial allocation is equitable while supporting meaningful infrastructure investments within the least populated jurisdictions.
- d. **Principle 4 – Long-term solutions:** The GTF provides predictable, long-term funding for communities, where communities choose projects locally and prioritize them according to their needs, while respecting the principle of incrementality and not displacing current infrastructure investments.
- e. **Principle 5 – Transparency:** The GTF is administered via an open and transparent governance process which recognizes and communicates Canada’s contribution to communities’ infrastructure priorities and includes regular program evaluations and progress reporting to Canadians.

4. ANNEXES AND SCHEDULES

The following annexes and schedules are attached to and form part of this Administrative Agreement:

- Annex A: Definitions
- Annex B: Terms and conditions, including:
 - Schedule A: Ultimate Recipient Requirements
 - Schedule B: Eligible Project Categories
 - Schedule C: Eligible and Ineligible Expenditures
 - Schedule D: Reporting
 - Schedule E: Communications Protocol
 - Schedule F: Unincorporated Areas

5. DEFINITIONS

Unless defined elsewhere in this Administrative Agreement, capitalized words used throughout this Administrative Agreement are defined in Annex A (Definitions).

6. FEDERAL GAS TAX FUND

- 6.1 Any GTF funding that may be transferred by Canada to Ontario, AMO or Toronto, when transferred, will be administered by each of Ontario, AMO and Toronto in accordance with this Administrative Agreement, including the terms and conditions set out in Annex B (Terms and Conditions).
- 6.2 Any Unspent Funds, and any interest earned thereon, will be subject to the terms and conditions of this Administrative Agreement and will no longer be governed by the terms and conditions of the First Agreement.

7. OVERSIGHT COMMITTEE

- 7.1 An Oversight Committee established by Canada, consisting of two representatives from Canada, two representatives from Ontario, two representatives from AMO and two representatives from Toronto, will monitor the overall implementation of this Administrative Agreement, and will serve as the principal forum to address and resolve issues arising from the implementation of this Administrative Agreement.
- 7.2 Canada, Ontario, AMO and Toronto will each appoint a representative that will be designated as Executive Lead. The details of appointments, roles and responsibilities will be set out in the Oversight Committee’s terms of reference.
- 7.3 The Oversight Committee will be co-chaired by Canada’s Executive Lead and, on a rotational basis to be set out in the Oversight Committee’s terms of reference, the Ontario, AMO or Toronto Executive Lead.
- 7.4 Issues may be discussed between Executive Leads on a bilateral basis, or at the Oversight Committee. The Oversight Committee’s terms of reference will establish guidelines with respect to which subject matters are to be addressed bilaterally or by the Oversight Committee.
- 7.5 Canada, Ontario, AMO and Toronto will share information in response to reasonable inquiries made by representatives of the Oversight Committee regarding the implementation and administration of this Administrative Agreement.

7.6 Canada, Ontario, AMO and Toronto agree that, in addition to the requirements set out in Section 2.3 of Schedule E (Communications Protocol), any communications working group or subcommittee established by the Executive Leads, will report on plans and achievements throughout the year to the Oversight Committee.

8. DISPUTE RESOLUTION

8.1 Canada and Ontario, AMO and Toronto will work together as appropriate to resolve any issues which may arise in relation to this Administrative Agreement. The Oversight Committee's terms of reference will establish guidelines on subject matter that should be addressed either bilaterally or at the Oversight Committee.

8.2 It is understood that failure to meet the following requirements are of particular interest and will be addressed as a priority:

- a) compliance by Ultimate Recipients with Schedule B (Eligible Project Categories) and Schedule C (Eligible and Ineligible Expenditures) of Annex B (Terms and Conditions) in the case of AMO and Toronto, and compliance by Ontario with Sections 1, 2 and 3 of Schedule F (Unincorporated Areas);
- b) submission of an Annual Report to Canada by September 30th of each year and an Outcomes Report, as outlined in Schedule D (Reporting) of Annex B (Terms and Conditions) in the case of AMO and Toronto, and Section 6 of Schedule F (Unincorporated Areas) in the case of Ontario;
- c) conducting communications activities in accordance with the requirements outlined in Schedule E (Communications Protocol) of Annex B (Terms and Conditions).

8.3 An escalating dispute resolution approach would begin with an Oversight Committee discussion followed by senior official-level discussions and ultimately Ministerial-level discussions for resolution, within a reasonable timeframe, to the satisfaction of Canada.

8.4 In the event of any unresolved issue, it is understood that the final decision with respect to such issue will rest solely with Canada.

9. AUDITS AND EVALUATION

9.1 Canada may, at its expense, carry out any audit in relation to this Administrative Agreement. Ontario, AMO and Toronto will provide Canada and its designated representatives with reasonable and timely access to all documentation, records and accounts that are held by Ontario, AMO or Toronto, as appropriate, Ultimate Recipients, their respective agents or Third Parties and those that are related to this Administrative Agreement and the use of GTF funding, and any interest earned thereon, and to all other relevant information and documentation requested by Canada or its designated representatives for the purposes of audit and evaluation. Canada will share a copy of the audit with Ontario, AMO or Toronto as appropriate and discuss any concerns raised in the audit with Ontario, AMO or Toronto as appropriate.

9.2 Canada may, at its expense, complete a periodic evaluation of the GTF to review the relevance and performance (i.e. effectiveness, efficiency and economy) of the GTF. Ontario, AMO and Toronto will provide Canada with information on program performance and may be asked to participate in the evaluation process. The results of the evaluation will be made publicly available. Within a reasonable time period prior to the evaluation results being made publicly available, Canada will share a copy of the evaluation with Ontario, AMO or Toronto, as appropriate, and discuss any concerns raised in the evaluation with Ontario, AMO or Toronto as appropriate.

9.3 Ontario, AMO and Toronto will each keep proper and accurate accounts and records in respect of all Eligible Projects for at least six (6) years after completion of the Eligible Project and will, upon reasonable notice, make them available to Canada.

9.4 Sections 9.1 to 9.3 will remain in effect for seven (7) years beyond the expiration or termination of this Administrative Agreement.

10. DURATION, TERMINATION, REVIEW AND AMENDMENT

- 10.1 This Administrative Agreement will be effective as of April 1, 2014 and will be in effect until March 31, 2024 unless Canada, Ontario, AMO and Toronto agree to renew it. In the event where this Administrative Agreement is not renewed, any GTF funding and Unspent Funds, and any interest earned thereon held by Ontario, AMO, Toronto or an Ultimate Recipient, that have not been expended on Eligible Projects as of March 31, 2024 will nevertheless continue to be subject to this Administrative Agreement until such time as may be determined by Canada and Ontario, AMO or Toronto, as appropriate.
- 10.2 This Administrative Agreement will be reviewed by Canada, Ontario, AMO and Toronto by March 31, 2018.
- 10.3 This Administrative Agreement may be amended at any time in writing as agreed to by Canada, Ontario, AMO and Toronto.
- 10.4 If Canada concludes an agreement with respect to the GTF for similar purposes with any other province or territory of Canada, and that agreement taken as a whole is materially different from this Administrative Agreement, Ontario, AMO or Toronto may ask Canada to agree to amend this Administrative Agreement so that, taken as a whole, it affords similar treatment to Ontario and its Municipalities as the other agreement affords to the other province or territory and its municipalities. In the event of any such request, Canada, Ontario, AMO and Toronto agree to discuss the request and any agreement reached between them to amend this Administrative Agreement will be effected in accordance with Section 10.3 (Duration, Termination, Review and Amendment).
- 10.5 This Administrative Agreement may be terminated at any time and for any reason by Canada, Ontario, AMO or Toronto on two (2) years written notice to each of the other parties. In the event where this Administrative Agreement is so terminated, any GTF funding and Unspent Funds, and any interest earned thereon held by Ontario, AMO, Toronto, or an Ultimate Recipient, that have not been expended on Eligible Projects as of the date of termination will nevertheless continue to be subject to this Administrative Agreement until such time as may be determined by Canada and Ontario, AMO or Toronto, as appropriate.

11. COUNTERPART SIGNATURE

This Administrative Agreement may be signed in counterpart, and the signed copies will, when attached, constitute an original agreement.

12. SEVERABILITY

If for any reason a provision of this Administrative Agreement that is not a fundamental term, is found to be or becomes invalid or unenforceable, in whole or in part, it will be deemed to be severable and will be deleted from this Administrative Agreement, but all the other terms and conditions of this Administrative Agreement will continue to be valid and enforceable.

13. WAIVER

Canada, Ontario, AMO and Toronto may waive any right in this Administrative Agreement only in writing, and any tolerance or indulgence demonstrated by Canada, Ontario, AMO or Toronto will not constitute waiver of such right. Unless a waiver is executed in writing, Canada, Ontario, AMO and Toronto will be entitled to seek any remedy that it may have under this Administrative Agreement or under the law.

14. CORRESPONDENCE

Any correspondence under this Administrative Agreement may be delivered in person, sent by electronic mail, sent by facsimile, or sent by mail addressed to:

Canada:

Assistant Deputy Minister
Program Operations
Infrastructure Canada
1100-180 Kent Street
Ottawa, Ontario K1P 0B6
Facsimile (613) 960-9423

or to such other address or facsimile number or electronic address or addressed to such other person as Canada may, from time to time, designate in writing to Ontario, AMO and Toronto;

Ontario:

Assistant Deputy Minister, Local Government and Planning Policy Division
Ministry of Municipal Affairs and Housing
777 Bay Street, 13th Floor
Toronto ON M5G 2E5

or such other address or facsimile number or electronic address or addressed to such other person as Ontario may, from time to time, designate in writing to Canada, AMO and Toronto;

AMO:

Executive Director
Association of Municipalities of Ontario
200 University Ave, Suite 801
Toronto, Ontario M5H 3C6
Facsimile (416) 971-6191

or such other address or facsimile number or electronic address or addressed to such other person as AMO may, from time to time, designate in writing to Canada, Ontario and Toronto; and

Toronto:

City Manager
City of Toronto 11th Floor East Tower
100 Queen Street West
Toronto, Ontario M5H 2N2
Facsimile: (416) 696-3645

or such other address or facsimile number or electronic address or addressed to such other person as Toronto may, from time to time, designate in writing to Canada, Ontario and AMO.

12. SIGNATURES

HER MAJESTY THE QUEEN IN RIGHT
OF CANADA

HER MAJESTY THE QUEEN IN RIGHT
OF ONTARIO

The Honourable Denis Lebel
Minister of Infrastructure, Communities and
Intergovernmental Affairs

The Honourable Linda Jeffrey
Minister of Municipal Affairs and Housing

Date

Date

ASSOCIATION OF
MUNICIPALITIES OF ONTARIO

CITY OF TORONTO

President

Mayor

Date

Date

ANNEX A DEFINITIONS

“Administrative Agreement” means this Canada – Ontario – AMO – Toronto administrative agreement on The Federal Gas Tax Fund.

“Annual Report” means the duly completed annual report to be prepared and delivered by each Ontario, AMO and Toronto to Canada, as described in Schedule D (Reporting) for AMO and Toronto, and in Section 6 of Schedule F (Unincorporated Areas) for Ontario.

“Asset Management Plan” means a strategic document that states how a group of assets are to be managed over a period of time. The plan describes the characteristics and condition of infrastructure assets, the levels of service expected from them, planned actions to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions. The plan may use any appropriate format, as long as it includes the information and analysis required to be in a plan as described in Ontario’s Building Together: Guide for Municipal Asset Management Plans.

“Base Amount” means an amount reflecting total municipally-funded capital spending on Infrastructure between January 1, 2000, and December 31, 2004, less monies raised under the *Development Charges Act, 1997*, S.O. 1997, c.27 and monies received by Municipalities under federal and provincial infrastructure programs against which GTF investments will be measured to ensure that GTF investments are incremental.

“Contract” means an agreement between an Ultimate Recipient and a Third Party whereby the latter agrees to supply a product or service to an Eligible Project in return for financial consideration.

“Eligible Expenditures” means those expenditures described as eligible in Schedule C (Eligible and Ineligible Expenditures) for AMO and Toronto and Section 2 of Schedule F (Unincorporated Areas) for Ontario.

“Eligible Projects” means projects as described in Schedule B (Eligible Project Categories) for AMO and Toronto and Section 1 of Schedule F (Unincorporated Areas) for Ontario.

“Executive Lead” means a designated representative who sits on the Oversight Committee and whose roles and responsibilities are outlined in this Administrative Agreement and in the Oversight Committee terms of reference. Canada, Ontario, AMO and Toronto will each appoint an Executive Lead.

“First Agreement” means the agreement for the transfer of federal gas tax revenues entered into on June 17, 2005 by the Government of Canada, Ontario, AMO and Toronto, with an expiry date of March 31, 2015, as amended on September 3, 2008.

“GTF” means the Gas Tax Fund, a program established by the Government of Canada setting out the terms and conditions for the administration of funding that may be provided by Canada to recipients under section 161 of the *Keeping Canada’s Economy and Jobs Growing Act*, S.C. 2011, c. 24 as amended by section 233 of the *Economic Action Plan 2013 Act, No. 1*, S.C. 2013, c. 33, or any other source of funding as determined by Canada.

“Ineligible Expenditures” means those expenditures described as ineligible in Schedule C (Eligible and Ineligible Expenditures) for AMO and Toronto and Section 3 of Schedule F (Unincorporated Areas) for Ontario.

“Infrastructure” means municipal or regional, publicly or privately owned, tangible capital assets primarily for public use or benefit in Canada.

“Local Roads Board” means a board as defined under the *Local Roads Boards Act*, RSO 1990, c.L27.

“Lower-tier Municipality” means a Municipality that forms part of an Upper-tier Municipality for municipal purposes, as defined under the *Municipal Act, 2001* S.O. 2001, c.25.

“Municipality” and **“Municipalities”** means every municipality as defined under the *Municipal Act, 2001*, S.O. 2001 c. 25 and the *City of Toronto Act, 2006*, S.O. 2006, c.11.

“Outcomes Report” means the report to be delivered by each Ontario, AMO, and Toronto by March 31, 2018 and again by March 31, 2023 to Canada which reports on how GTF investments are supporting progress towards achieving the program benefits, more specifically described in Schedule D (Reporting) for AMO and Toronto, and Section 6 of Schedule F (Unincorporated Areas) for Ontario.

“Oversight Committee” means the committee established to monitor the overall implementation of this Administrative Agreement as outlined in section 7 (Oversight Committee) of this Administrative Agreement.

“Third Party” means any person or legal entity, other than Canada, Ontario, AMO, Toronto or an Ultimate Recipient, who participates in the implementation of an Eligible Project by means of a Contract.

“Ultimate Recipient” means:

- a) a Municipality (including Toronto) or its agent (including its wholly owned corporation); and
- b) a non-municipal entity, including for profit, non-governmental and not-for-profit organizations, on the condition that the Municipality(ies) has (have) indicated support for the project through a formal resolution of its (their) council(s);

“Unincorporated Areas” means territory within Ontario without municipal organization.

“Unspent Funds” means the amount reported as unspent by Ontario, AMO, Toronto and Eligible Recipients (as defined under the First Agreement) in the 2013-14 Annual Expenditure Report (as defined under the First Agreement).

“Upper Tier Municipality” means a Municipality of which two or more Lower-tier Municipalities form part for municipal purposes, as defined under the *Municipal Act, 2001* S.O. 2001, c.25.

ANNEX B TERMS AND CONDITIONS

1. ALLOCATION FORMULA

- 1.1 Any GTF funding that may be transferred to Ontario, AMO and Toronto, in aggregate, will be divided between them on a per capita basis, where AMO will receive any such GTF funding representing the per capita amount for Municipalities, excluding Toronto, Toronto will receive any such GTF funding representing the per capita amount for Toronto, and Ontario will receive any such GTF funding representing the per capita amount for the benefit of Unincorporated Areas.
- 1.2 Any Unspent Funds held by Ontario and AMO and any GTF funding that may be received by Ontario and AMO from Canada, as well as any interest earned thereon, will be distributed in accordance with the following formula:
- a) The formula for allocation to Municipalities, excluding Toronto, via AMO, will be on a per capita basis with allocations made on a 50:50 basis to Upper and Lower tier Municipalities, where they exist.
 - b) The formula for allocation for the benefit of Unincorporated Areas which will be provided to Ontario is on the basis of kilometres of public roads that are managed by each Local Roads Board.
- 1.3 AMO agrees to provide to Canada, upon request, a table detailing the Ultimate Recipient allocations, and promptly provide to Canada updates to the table upon any revision to the allocations.

2. DELIVERY MECHANISM

- 2.1 AMO: Any GTF funding that Canada may make available for Municipalities, excluding Toronto, will be transferred directly to AMO for delivery to Municipalities. AMO will transfer the GTF funding directly to Municipalities, excluding Toronto, in accordance with the allocation formula outlined in 1.2 a) of Annex B (Terms and Conditions) provided an agreement between AMO and the Municipality on the use of the GTF funding is in place.
- 2.2 Toronto: Any GTF funding that Canada may make available for Toronto will be transferred directly to Toronto.
- 2.3 Ontario:
- a) Any GTF funding that Canada may make available for the benefit of Unincorporated Areas will be transferred to Ontario. Ontario will then transfer the GTF funding via Ontario's Consolidated Revenue Fund Special Purposes Account for Unincorporated Roads for investment in Eligible Projects of Local Roads Boards.
 - b) In co-operation with the Local Roads Boards, Ontario will administer any GTF funding allocated to the Unincorporated Areas pursuant to Schedule F. Schedules A through D do not apply to Ontario.
 - c) Ontario will consult with Local Roads Boards to determine which Eligible Projects will be undertaken, and Ontario will engage contractors to fulfil the project work.

3 USE AND RECORDING OF FUNDS

- 3.1 Ontario, AMO and Toronto will use any GTF funding that may be transferred by Canada, Unspent Funds, and any interest earned thereon solely in accordance with the terms and conditions set out in this Administrative Agreement.
- 3.2 AMO will require that any GTF funding that may be transferred to it by Canada, Unspent Funds, and any interest earned thereon, that AMO then transfers to Ultimate Recipients, will be used in accordance with this Administrative Agreement and specifically in accordance with Schedule A (Ultimate Recipient Requirements).
- 3.3 Ontario, AMO and Toronto will each record into a separate and distinct account any GTF funding it may receive from Canada and any interest earned thereon.
- 3.4 Any GTF funding that may be transferred by Canada to Ontario, AMO and Toronto, will be treated as federal funds for the purpose of other federal infrastructure programs.

4 INCREMENTALITY

Any GTF funding that AMO and Toronto may receive from Canada is not intended to replace or displace existing sources of funding for a Municipality's tangible capital expenditures. The total annual expenditures on tangible capital assets of all Municipalities, on average, will not be less than the Base Amount.

5 ADMINISTRATION EXPENSES

Upon the review and acceptance by Canada of a detailed business case, which must be submitted within one (1) year of the date of last signature of the Administrative Agreement, AMO may apply a portion of any GTF funding it may receive from Canada for administration expenses related to program delivery and implementation of this Administrative Agreement, including expenditures associated with communication activities such as public project announcements and signage.

Upon the review and acceptance by Canada of a detailed business case, which must be submitted within one (1) year of the date of last signature of the Administrative Agreement, Ontario and Toronto may each apply a portion of any GTF funding they may receive from Canada for expenditures associated with audit and communication activities such as public project announcements and signage.

6 ELIGIBLE PROJECT CATEGORIES

Eligible Project categories under the GTF will continue to include: public transit, local roads and bridges, wastewater, water, solid waste and community energy infrastructure and non-capital investments in capacity building initiatives. As announced in *Economic Action Plan 2013*, new eligible project categories have been added to include highways, local and regional airports, short-line rail, short-sea shipping, disaster mitigation, broadband connectivity, brownfield redevelopment, culture, tourism, sport, and recreation infrastructure. Schedule B (Eligible Project Categories) provides further details regarding Eligible Project categories. Unincorporated Areas are limited to the local roads and capacity building categories, as detailed in Section 1 of Schedule F (Unincorporated Areas).

7 ELIGIBLE EXPENDITURES

Eligible Expenditures are those associated with: the acquiring, planning, designing, constructing, or renovating a tangible capital asset; the strengthening of the ability of Municipalities and Unincorporated Areas to improve local and regional planning and asset management as well as joint federal communication activities and federal signage. Schedule C (Eligible and Ineligible Expenditures) sets out specific requirements for eligible and ineligible expenditures for AMO and Toronto. Sections 2 and 3 of Schedule F (Unincorporated Areas) set out specific requirements for eligible and ineligible expenditures for Ontario.

8 REPORTING

Ontario, AMO and Toronto will each provide to Canada an Annual Report reporting on expenditures as well as project-level information. Furthermore, Ontario, AMO and Toronto will each provide to Canada periodic Outcomes Reports indicating progress and results of the GTF in order to demonstrate overall GTF progress toward the national objectives. Schedule D (Reporting) for AMO and Toronto and Schedule F (Unincorporated Areas) for Ontario set out specific reporting requirements.

9 COMMUNICATIONS

This Administrative Agreement formalizes clear requirements to support federal communications objectives. Schedule E (Communications Protocol) sets out specific communications requirements, including:

- providing upfront project information on an annual basis for communications purposes;
- including the federal government in local project communications; and
- installing federal project signs.

SCHEDULE A - Ultimate Recipient Requirements

Ultimate Recipients will be required to:

1. Be responsible for the completion of each Eligible Project in accordance with Schedule B (Eligible Project Categories) and Schedule C (Eligible and Ineligible Expenditures).
2. Comply with all Ultimate Recipient requirements outlined in Schedule E (Communications Protocol).
3. Develop and implement an Asset Management Plan, prior to December 31, 2016.
4. On a date (or dates) agreed upon by the Oversight Committee, provide a report to AMO (excluding Toronto, which will provide a report to Canada), using performance measurement methodology approved by the Oversight Committee, demonstrating that Asset Management Plans are being used to guide infrastructure planning and investment decisions and how GTF funding is being used to address priority projects.
5. Invest, in a distinct account, GTF funding it receives in advance of it paying Eligible Expenditures. GTF funding may only be retained up to a maximum of five (5) years after the end of the year in which GTF funding was received. GTF funding must be expended on Eligible Expenditures by the end of this timeframe.
6. With respect to Contracts, award and manage all Contracts in accordance with their relevant policies and procedures and, if applicable, in accordance with the Agreement on Internal Trade and applicable international trade agreements, and all other applicable laws.
7. Invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
8. Allow Canada reasonable and timely access to all of its documentation, records and accounts and those of their respective agents or Third Parties related to the use of GTF funding and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by Canada or its designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Administrative Agreement.
9. Keep proper and accurate accounts and records in respect of all Eligible Projects in accordance with the municipal records retention by-law and, upon reasonable notice, make them available to Canada.
10. Ensure their actions do not establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada and the Ultimate Recipient, or between Canada and a Third Party.
11. Ensure that they do not represent themselves, including in any agreement with a Third Party, as a partner, employee or agent of Canada.
12. Ensure that no current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies, will derive direct benefit from GTF funding, Unspent Funds, and interest earned thereon, unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.
13. Ensure that they will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that they, Third Parties or any other person or entity may suffer in relation to any matter related to GTF funding or an Eligible Project and that they will, at all times, compensate the Government of Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to GTF funding or an Eligible Project, except to the extent to which such claims or losses relate to the negligence of an officer, employee or agent of Canada in the performance of his or her duties.
14. Agree that the above requirements which, by their nature, should extend beyond the expiration or termination of this Administrative Agreement will extend for seven (7) years beyond such expiration or termination, with the exception of the requirement set out in 13 above, which will extend beyond the expiration or termination of this Administrative Agreement.
15. Agree that any GTF funding received will be treated as federal funds for the purpose of other federal infrastructure programs.

SCHEDULE B - Eligible Project Categories

Eligible Projects include investments in Infrastructure for its construction, renewal or material enhancement in each of the following categories:

1. Local roads and bridges – roads, bridges, tunnels and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
2. Highways – highway infrastructure.
3. Short-sea shipping – infrastructure related to the movement of cargo and passengers around the coast and on inland waterways, without directly crossing an ocean.
4. Short-line rail – railway related infrastructure for carriage of passengers or freight.
5. Regional and local airports – airport-related infrastructure (excludes the National Airport System).
6. Broadband connectivity – infrastructure that provides internet access to residents, businesses, and/or institutions in Canadian communities.
7. Public transit – infrastructure that supports a shared passenger transport system which is available for public use.
8. Drinking water – infrastructure that supports drinking water conservation, collection, treatment and distribution systems.
9. Wastewater – infrastructure that supports wastewater and storm water collection, treatment and management systems.
10. Solid waste – infrastructure that supports solid waste management systems including the collection, diversion and disposal of recyclables, compostable materials and garbage.
11. Community energy systems – infrastructure that generates or increases the efficient usage of energy.
12. Brownfield Redevelopment – remediation or decontamination and redevelopment of a brownfield site within municipal boundaries, where the redevelopment includes:
 - the construction of public infrastructure as identified in the context of any other category under the GTF, and/or;
 - the construction of municipal use public parks and publicly-owned social housing.
13. Sport Infrastructure – amateur sport infrastructure (excludes facilities, including arenas, which would be used as the home of professional sports teams or major junior hockey teams (e.g. Junior A)).
14. Recreational Infrastructure – recreational facilities or networks.
15. Cultural Infrastructure – infrastructure that supports arts, humanities, and heritage.
16. Tourism Infrastructure – infrastructure that attract travelers for recreation, leisure, business or other purposes.
17. Disaster mitigation – infrastructure that reduces or eliminates long-term impacts and risks associated with natural disasters.
18. Capacity building – includes investments related to strengthening the ability of Municipalities to develop long-term planning practices.

Note: Investments in health infrastructure (hospitals, convalescent and senior centres) are not eligible.

SCHEDULE C - Eligible and Ineligible Expenditures

1. Eligible Expenditures

1.1 Eligible Expenditures of Ultimate Recipients will be limited to the following:

- a) the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset;
- b) for the capacity building category only, the expenditures related to strengthening the ability of Municipalities to improve local and regional planning including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:
 - i. studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
 - ii. training directly related to asset management planning; and,
 - iii. long-term infrastructure plans.
- c) the expenditures directly associated with joint federal communication activities and with federal project signage.

1.2 Employee and Equipment Costs: The incremental costs of the Ultimate Recipient's employees or leasing of equipment may be included as Eligible Expenditures under the following conditions:

- a) the Ultimate Recipient is able to demonstrate that it is not economically feasible to tender a contract;
- b) the employee or equipment is engaged directly in respect of the work that would have been the subject of the contract; and
- c) the arrangement is approved in advance and in writing by Canada and AMO's Executive Leads or Canada and Toronto's Executive Leads, as appropriate.

1.3 Administration expenses of AMO and Toronto related to program delivery and implementation of this Agreement, in accordance with Section 5 (Administration Expenses) of Annex B (Terms and Conditions) are Eligible Expenditures.

2. Ineligible Expenditures

The following are deemed Ineligible Expenditures:

- a) project expenditures incurred before April 1, 2005;
- b) project expenditures incurred before April 1, 2014 for the following investment categories:
 - i. highways;
 - ii. regional and local airports;
 - iii. short-line rail;
 - iv. short-sea shipping;
 - v. disaster mitigation;
 - vi. broadband connectivity;
 - vii. brownfield redevelopment;
 - viii. cultural infrastructure;
 - ix. tourism infrastructure;
 - x. sport infrastructure; and
 - xi. recreational infrastructure.
- c) the cost of leasing of equipment by the Ultimate Recipient, any overhead costs, including salaries and other employment benefits of any employees of the Ultimate Recipient, its direct or indirect operating or administrative costs of Ultimate Recipients, and more specifically its costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by its staff, except in accordance with Eligible Expenditures above;
- d) taxes for which the Ultimate Recipient is eligible for a tax rebate and all other costs eligible for rebates;
- e) purchase of land or any interest therein, and related costs;
- f) legal fees; and
- g) routine repair and maintenance costs.

SCHEDULE D - Reporting

Reporting requirements under the GTF consist of an Annual Report and an Outcomes Report which will be submitted to Canada for review and acceptance. The reporting year is January 1 to December 31.

1. Annual Report

By September 30th of each year, AMO and Toronto will each provide to Canada an Annual Report in an electronic format deemed acceptable by Canada, and which AMO and Toronto will make available to the public via posting on an Internet website, consisting of the following:

1.1 Financial Report Table:

The financial report table will be submitted in accordance with the following template.

Annual Report Financial Table	Annual	Cumulative
	20xx - 20xx	2014 - 20xx
[INSERT AMO OR TORONTO, AS APPROPRIATE] in aggregate		
Opening Balance ¹	\$xxx	
Received from Canada	\$xxx	\$xxx
Interest Earned	\$xxx	\$xxx
Administrative Cost	(\$xxx)	(\$xxx)
Transferred to Ultimate Recipients	(\$xxx)	(\$xxx)
Closing Balance of unspent funds	\$xxx	
Ultimate Recipients in aggregate		
Opening Balance ²	\$xxx	
Received from [INSERT AMO OR TORONTO, AS APPROPRIATE]	\$xxx	\$xxx
Interest Earned	\$xxx	\$xxx
Spent on Eligible Projects	(\$xxx)	(\$xxx)
Closing Balance of unspent funds	\$xxx	

1.2 Independent Audit or Audit Based Attestation:

AMO and Toronto will each provide an independent audit opinion, or an attestation based on an independent audit and signed by a senior official designated in writing by AMO and Toronto, as appropriate, as to:

- a) the accuracy of the information submitted in the Financial Report Table; and
- b) that GTF funding and Unspent Funds, and any interest earned thereon, were expended for the purposes intended.

1.3 Project List

AMO and Toronto will each maintain, and provide to Canada a project list submitted in accordance with the following template.

¹ For the 2014-2015 Annual Report this means the amount reported as unspent by AMO or Toronto, as appropriate, in the 2013-2014 Annual Expenditure Report (as defined under the First Agreement).

² For the 2014-2015 Annual Report this means the amount reported as unspent by Eligible Recipients (as defined under the First Agreement) in the 2013-2014 Annual Expenditure Report (as defined under the First Agreement).

Annual Report - GTF Project List Template

Project ID	Ultimate Recipient	Project Title	Project Description	Investment category	Total Project Cost	Funds (GTF) Spent	Completed
							(Yes/No/Ongoing)
							(Yes/No/Ongoing)
							(Yes/No/Ongoing)
							(Yes/No/Ongoing)

2. Outcomes Report

By March 31, 2018 and March 31, 2023, AMO and Toronto will each provide to Canada and make publicly available, an Outcomes Report that will report in aggregate on the degree to which investments are supporting the progress in Ontario towards achieving the following program benefits:

- a) Beneficial impacts on communities of completed Eligible Projects;
- b) Enhanced impact of GTF as a predictable source of funding including incrementality; and
- c) Progress made on improving Municipalities' planning and asset management. This includes demonstrating how Asset Management Plans are being used to guide infrastructure planning and investment decisions and how GTF funding is being used to address priority projects.

The Outcomes Report will present performance data and a narrative on how each program benefit is being met. Performance measurement methodology in respect of each program benefit will be approved by the Oversight Committee.

SCHEDULE E- Communications Protocol

1 Purpose

- 1.1. The provisions of this Communications Protocol apply to all communications activities related to any GTF funding, including allocations, and Eligible Projects funded under this Administrative Agreement. Communications activities may include, but are not limited to, public or media events, news releases, reports, web articles, blogs, project signs, digital signs, publications, success stories and vignettes, photo compilations, videos, advertising campaigns, awareness campaigns, editorials, awards programs, and multi-media products.
- 1.2. Through collaboration, Canada, Ontario, AMO and Toronto agree to work to ensure clarity and consistency in the communications activities meant for the public.

2 Joint communications approach

- 2.1. Ontario, AMO and Toronto each agree to work in collaboration with Canada to develop respective joint communications approaches that identify guiding principles, including those related to the provision of upfront project information, project signage, and planned communications activities throughout the year. These joint communications approaches will have the objective of ensuring that communications activities undertaken each calendar year communicate a mix of Eligible Project types from both large and small communities, span the full calendar year and use a wide range of communications mediums.
- 2.2. Canada, Ontario, AMO and Toronto agree that the initial annual joint communications approaches will be finalized and approved by Canada's Executive Lead and Ontario, AMO or Toronto's Executive Lead, as appropriate, within 60 working days following the inaugural meeting of the Oversight Committee.
- 2.3. Canada, Ontario, AMO and Toronto agree that achievements under the joint communications approaches will be reported to the Oversight Committee once a year, or more frequently as requested by the Oversight Committee.
- 2.4. Ontario, AMO and Toronto agree to assess, bilaterally with Canada, the effectiveness of the joint communications approaches on an annual basis and, as required, update and propose modifications to the applicable joint communications approach. Any modifications will be brought to Canada's Executive Lead and Ontario, AMO, or Toronto's Executive Lead, as appropriate for approval.

3 Inform Canada on allocation and intended use of GTF funding for communications planning purposes

- 3.1. Ontario, AMO and Toronto agree to provide to Canada upfront information on planned Eligible Projects and Eligible Projects in progress on an annual basis, prior to the construction season. Canada and Ontario, AMO and Toronto will each agree, in their respective joint communications approaches, on the date this information will be provided. The information will include, at a minimum:

Ultimate Recipient name; Eligible Project name; Eligible Project category, a brief but meaningful Eligible Project description; Federal Contribution (Gas Tax); and anticipated start date.

- 3.2 Ontario, AMO and Toronto agree that the above information will be delivered to Canada in an electronic format deemed acceptable by Canada. This information will only be used for communications planning purposes and not for program reporting purposes.
- 3.3 Canada and Ontario, AMO and Toronto each agree that their respective joint communications approaches will define a mechanism to ensure the most up-to-date Eligible Project information is available to Canada to support media events and announcements for Eligible Projects.

4 Project signage

- 4.1 Canada, Ontario, AMO, Toronto and Ultimate Recipients may each have a sign recognizing their contribution to Eligible Projects.

- 4.2 At Canada's request, Ontario or Ultimate Recipients will install a federal sign to recognize federal funding at Eligible Project site(s). Federal sign design, content, and installation guidelines will be provided by Canada and included in the joint communications approach.
- 4.3 Where Ontario, AMO, Toronto or an Ultimate Recipient decides to install a permanent plaque or other suitable marker with respect to an Eligible Project, it must recognize the federal contribution to the Eligible Project(s) and be approved by Canada.
- 4.4 Ontario or the Ultimate Recipient is responsible for the production and installation of Eligible Project signage, or as otherwise agreed upon.
- 4.5 Ontario, AMO and Toronto agree to inform Canada of signage installations on a basis mutually agreed upon in the joint communications approaches.

5 Media events and Announcements for Eligible Projects

- 5.1 Canada, Ontario, AMO and Toronto agree to have regular announcements of Eligible Projects that are benefiting from GTF funding that may be provided by Canada. Key milestones may be marked by public events, news releases and/or other mechanisms.
- 5.2 Media events and announcements include, but are not limited to, news conferences, public announcements, official events or ceremonies, and news releases.
- 5.3 Canada, Ontario, AMO, Toronto or an Ultimate Recipient may request a media event or an announcement.
- 5.4 Media events and announcements related to Eligible Projects will not occur without the prior knowledge and agreement of Ontario, AMO or Toronto, as appropriate, Canada and the Ultimate Recipient.
- 5.5 The requester of a media event or an announcement will provide at least 15 working days' notice to other parties of their intention to undertake such an event. The event will take place at a mutually agreed date and location. AMO or Toronto, as appropriate, Canada, Ontario and the Ultimate Recipient will have the opportunity to participate in such events through a designated representative. Each participant will choose its own designated representative.
- 5.6 The conduct of all joint media events, announcements, and products will follow the Table of Precedence for Canada as outlined at <http://www.pch.gc.ca/pgm/ceem-cced/prtcl/precedence-eng.cfm>.
- 5.7 All joint communications material related to media events and announcements must be approved by Canada and recognize the funding of the parties.
- 5.8 All joint communications material must reflect Canada's policy on official languages and the federal identity program.

6 Program communications

- 6.1 Canada, Ontario, AMO, Toronto and Ultimate Recipients may include messaging in their own communications products and activities with regard to the GTF.
- 6.2 The party undertaking these activities will provide the opportunity for the other parties to participate, where appropriate, and will recognize the funding of all contributors.
- 6.3 Canada, Ontario, AMO and Toronto agree that they will not unreasonably restrict the other parties from using, for their own purposes, public communications products related to the GTF prepared by Canada, Ontario, AMO, Toronto or Ultimate Recipients, or, if web-based, from linking to it.
- 6.4 Notwithstanding Section 5 of Schedule E (Communications Protocol), Canada retains the right to meet its obligations to communicate information to Canadians about the GTF and the use of funding through communications products and activities.

7 Operational Communications

7.1 Ontario, AMO, Toronto or the Ultimate Recipient is solely responsible for operational communications with respect to Eligible Projects, including but not limited to, calls for tender, construction, and public safety notices. Operational communications as described above are not subject to the federal official language policy.

7.2 Ontario, AMO, Toronto and the Ultimate Recipient will share information promptly with Canada should significant emerging media or stakeholder issues relating to an Eligible Project arise. Canada, Ontario, AMO and Toronto will advise Ultimate Recipients, when appropriate, about media inquiries received concerning an Eligible Project.

8 Communicating Success Stories

AMO agrees to facilitate communications between Canada and Ultimate Recipients for the purposes of collaborating on communications activities and products including but not limited to Eligible Project success stories, Eligible Project vignettes, and Eligible Project start-to-finish features.

9 Advertising campaigns

Recognizing that advertising can be an effective means of communicating with the public, Canada, Ontario, AMO, Toronto or an Ultimate Recipient may, at their own cost, organize an advertising or public information campaign related to the GTF or Eligible Projects. However, such a campaign must respect the provisions of this Administrative Agreement. In the event of such a campaign, the sponsoring party or Ultimate Recipient agrees to inform the other parties of its intention, and to inform them no less than 21 working days prior to the campaign launch.

SCHEDULE F – Unincorporated Areas

1. Eligible Project Categories

- 1.1 Eligible Projects for the Unincorporated Areas will be limited to investments in Infrastructure for its construction, renewal or material enhancement in the following categories:
- a) Local roads and bridges – roads, bridges, tunnels and active transportation infrastructure (active transportation refers to investments that support active methods of travel. This can include: cycling lanes and paths, sidewalks, hiking and walking trails).
 - b) Capacity building - includes investments related to strengthening the ability of Ontario to develop long-term planning practices for Unincorporated Areas.

2. Eligible Expenditures

2.1 Project Expenditures

Eligible Expenditures of Ontario related to Eligible Projects described in Section 1.1 (Eligible Project Categories) of Schedule F (Unincorporated Areas) in the Unincorporated Areas will be limited to the following:

- a) the expenditures associated with acquiring, planning, designing, constructing or renovating a tangible capital asset, as defined by Generally Accepted Accounting Principles (GAAP), and any related debt financing charges specifically identified with that asset;
- b) for the capacity building category only, the expenditures related to strengthening the ability of Ontario to improve local and regional planning for Unincorporated Areas, including capital investment plans, integrated community sustainability plans, life-cycle cost assessments, and Asset Management Plans. The expenditures could include developing and implementing:
 - i. studies, strategies, or systems related to asset management, which may include software acquisition and implementation;
 - ii. training directly related to asset management planning; and,
 - iii. long-term infrastructure plans.
- c) expenditures directly associated with joint federal communication activities and with federal project signage.

2.2 Administrative Expenditures

Administration expenses of Ontario related to program delivery and implementation of this Administrative Agreement, in accordance with Section 5 (Administration Expenses) of Annex B (Terms and Conditions) are Eligible Expenditures.

3. Ineligible Expenditures

The following are deemed Ineligible Expenditures:

- a) project expenditures incurred before April 1, 2005, for local roads and bridges projects;
- b) project expenditures incurred before April 1, 2014, for capacity building projects;
- c) the cost of leasing of equipment by Ontario, overhead costs, including salaries and other employment benefits of any employees of Ontario, its direct or indirect operating or administrative costs, and more specifically costs related to planning, engineering, architecture, supervision, management and other activities normally carried out by Ontario, except in accordance with Eligible Expenditures above;
- d) taxes for which Ontario is eligible for a tax rebate and all other costs eligible for rebates;
- e) purchase of land or any interest therein, and related costs;
- f) legal fees; and
- g) routine repair and maintenance costs.

4. Requirements in Unincorporated Areas

- 4.1 Ontario, as administrator for the delivery of any GTF funding that may be provided by Canada for the benefit of Unincorporated Areas, will:
1. Ensure the GTF funds are invested solely in respect of projects related to capital investments in local roads and bridges for the benefit of Unincorporated Areas and only in respect of the Eligible Expenditures described in section 2 (Eligible Expenditures) of Schedule F (Unincorporated Areas).
 2. Develop and implement Asset Management Plans on a regional basis on behalf of the Unincorporated Areas (specifically Local Roads Boards) by December 31, 2016.
 3. Allow Canada reasonable and timely access to all of its documentation, records and accounts and those of their respective agents or Third Parties related to the use of GTF funding and Unspent Funds, and any interest earned thereon, and all other relevant information and documentation requested by Canada or its designated representatives for the purposes of audit, evaluation, and ensuring compliance with this Administrative Agreement.
 4. Be responsible for the completion of each Eligible Project in accordance with Section 1 (Eligible Project Categories), Section 2 (Eligible Expenditures) and Section 3 (Ineligible Expenditures) of Schedule F (Unincorporated Areas).
 5. Invest, in a distinct account, GTF funding it receives in advance of it paying Eligible Expenditures. GTF funding may only be retained up to a maximum of five (5) years after the end of the year in which GTF funding was received. GTF funding must be expended on Eligible Expenditures by the end of this timeframe.
 6. Invest into Eligible Projects, any revenue that is generated from the sale, lease, encumbrance or other disposal of an asset resulting from an Eligible Project where such disposal takes place within five (5) years of the date of completion of the Eligible Project.
 7. Award and manage all contracts for the supply of services and/or material to the project in accordance with Ontario's relevant policies and procedures and, if applicable, in accordance with the Agreement on Internal Trade and applicable international trade agreements, and all other applicable laws.
 8. Keep proper and accurate accounts and records in respect of all Eligible Projects for at least six (6) years after completion of the Eligible Project and, upon reasonable notice, make them available to Canada.
 9. Ensure that its actions do not establish or be deemed to establish a partnership, joint venture, principal-agent relationship or employer-employee relationship in any way or for any purpose whatsoever between Canada and Ontario, or between Canada and a Third Party.
 10. Ensure that it does not represent itself, including in any agreement with a Third Party, as a partner, employee or agent of Canada.
 11. Ensure that no current or former public servant or public office holder to whom any post-employment, ethics and conflict of interest legislation, guidelines, codes or policies of Canada applies, will derive direct benefit from GTF funding, Unspent Funds, and interest earned thereon, unless the provision or receipt of such benefits is in compliance with such legislation, guidelines, policies or codes.
 12. Agree that it will not, at any time, hold the Government of Canada, its officers, servants, employees or agents responsible for any claims or losses of any kind that it, Third Parties or any other person or entity may suffer in relation to any matter related to GTF funding for the benefit of Unincorporated Areas or an Eligible Project in an Unincorporated Area and that it will, at all times, compensate the Government of Canada, its officers, servants, employees and agents for any claims or losses of any kind that any of them may suffer in relation to any matter related to GTF funding for the benefit of Unincorporated Areas or an Eligible Project in an Unincorporated Area, except to the extent to which such claims or losses relate to the negligence of an officer, employee or agent of Canada in the performance of his or her duties.

13. Agree that the above requirements which, by their nature, should extend beyond the expiration or termination of this Administrative Agreement will extend for seven (7) years beyond such expiration or termination, with the exception of the requirement set out in 12 above, which will extend beyond the expiration or termination of this Administrative Agreement.

5. Communications

- 5.1 Ontario will manage communications and related requirements in accordance with Schedule E (Communications Protocol) with respect to the Unincorporated Areas.
- 5.2 The specific requirements for communications activities in Schedule E (Communications Protocol), including those that will be set out within the joint communications approach outlined in Section 2 of the Communications Protocol for the purpose of establishing appropriate and reasonable requirements for federal visibility, will take into account the financial value and duration of the Eligible Projects, the remoteness of these communities and the capacity to mount joint communications activities, such as events and announcements.
- 5.3 Joint media products will be developed by Canada in collaboration with Ontario. Ontario will be responsible for fact verification of project details and for seeking and approving Ontario or Local Roads Board statements included in such products.

6. Reporting

Reporting requirements under the GTF for the Unincorporated Areas consist of an Annual Report and an Outcomes Report which will be submitted to Canada for review and acceptance. The reporting year is January 1 to December 31.

6.1 Annual Report

Ontario, on behalf of the Unincorporated Areas (specifically Local Roads Boards), will provide to Canada an Annual Report by September 30th of each year in an electronic format deemed acceptable to Canada, and which Ontario will make available to the public via posting on an internet website, consisting of the following:

- a) a financial report table in accordance with the following template:

ANNUAL REPORT FINANCIAL TABLE	ANNUAL	CUMULATIVE
	20xx - 20xx	2014 - 20xx
Ontario		
Opening Balance	\$xxx	
Received from Canada	\$xxx	\$xxx
Interest Earned	\$xxx	\$xxx
Administrative Cost	(\$xxx)	(\$xxx)
Spent on Eligible Projects	(\$xxx)	(\$xxx)
Closing Balance of unspent funds	\$xxx	

- b) an audit opinion or an attestation based on an independent audit and signed by a senior official designated in writing by Ontario as to the accuracy of the information submitted in the financial report table and that GTF funding and Unspent Funds, and any interest earned thereon, were expended for the purposes intended; and,
- c) a project list, submitted in accordance with a template agreed upon by the Canada and Ontario Executive Leads.

6.2 Outcomes Report

By March 31, 2018 and March 31, 2023, Ontario will provide to Canada and make publicly available an Outcomes Report that will report in aggregate on the degree to which investments are supporting the progress in Ontario towards achieving the following program benefits:

- a) beneficial impacts on communities of completed Eligible Projects;
- b) enhanced impact of GTF as a predictable source of funding; and,
- c) progress made on improving planning and asset management in Unincorporated Areas. This includes demonstrating how Asset Management Plans are being used to guide infrastructure planning and investment decisions and how GTF funding is being used to address priority projects.

The Outcomes Report will present performance data and a narrative on how each program benefit is being met. Performance measurement methodology in respect of each program benefit will be approved by Canada's and Ontario's Executive Leads. Performance methodology for asset management will be proposed to the Oversight Committee by Ontario.

7. Incrementality

Any GTF funding that Ontario may receive from Canada is not intended to replace or displace existing sources of funding for Unincorporated Areas' tangible capital expenditures.