

# The Federal Gas Tax Fund

## 2014 Annual Expenditure Report – Part I

Since the Fund was initiated in 2005, Ontario municipalities have invested **\$3.7 billion** into **5,960** projects resulting in:

A decrease in Ontario's annual **energy demand** by almost **24.5 million kilowatt hours** – enough to power **2,547** average Ontario homes for a full year

Expansion of **composting programs** to **611,540** more households

Diversion of over **181,228 tonnes** of waste from Ontario landfills

**260,545 metres** of new and rehabilitated **water, storm and wastewater pipes**

**AMO** Association of  
**Municipalities Ontario**



Please note that the Oversight Committee has not yet identified project outcomes for the new national program objective of demonstrating economic growth and stronger communities. AMO continues to report relevant environmental outcomes on completed projects in the water, wastewater, solid waste and community energy categories.

## Letter from AMO President

September 30, 2015



The success of the federal Gas Tax Fund in Ontario is a great example of what can happen when we work together. Through AMO, Ontario municipalities have developed a direct and trusting relationship with the Government of Canada. AMO distributes Gas Tax funding to Ontario municipalities twice a year, on a per capita basis. In turn, local councils invest in priority projects and municipal staff report back to AMO about how these projects are meeting community need. For the past ten years, this unique arrangement has demonstrated that municipal governments are transparent, accountable and capable.

In 2014 AMO signed a new Agreement with the Government of Canada to continue administering the Fund for another 10 years, through to 2023. Nationally, the federal Gas Tax Fund is the only permanent and stable source of funding for municipal infrastructure, providing Ontario municipalities, excluding the City of Toronto, with \$588 million per year.

I am pleased with this new Agreement and the changes to the Fund that will directly benefit municipalities. New project categories have been added, the Fund is now indexed so that it will grow over time and administrative requirements have been streamlined. More information about the new Agreement is available on page 17.

This report tells the story of the \$561 million in Gas Tax funding that municipalities invested into 1,203 infrastructure projects in 2014. The details about individual projects and communities included in this Report help paint a larger picture of the state of infrastructure in our province and the resources required to ensure that local assets can meet community need over the long term. All municipalities must have an asset management plan in place by the end of 2016. AMO is doing some important work to facilitate this process. See page 14 for more information.

Over the past 10 years, Ontario municipalities have invested more than \$3.7 billion in close to 6,000 infrastructure and capacity building projects worth \$10.7 billion. With a new Agreement in place that builds on the Fund's strengths and important asset management work underway all across the province, I am confident that our federal-municipal partnership will continue to help build safe, efficient and prosperous Canadian communities over the long term.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary McNamara'. The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Gary McNamara  
AMO President

# Gas Tax Annual Expenditure Report 2014

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## PART II

### Available at [www.amo.on.ca](http://www.amo.on.ca)

*Contains funding allocation information, project summaries, and detailed compliance and financial audit statements.*

## Transmittal Letter

September 30, 2015

AMO is pleased to provide the Annual Report regarding the transfer of the federal Gas Tax Fund for the period of January to December 31, 2014. This report fulfills the commitment that Ontario municipalities, excluding the City of Toronto, made to the Government of Canada through the Administrative Agreement on the federal Gas Tax Fund.

In 2014, Ontario municipalities invested \$561 million from the federal Gas Tax Fund into 1,203 infrastructure projects. More than half of this funding was invested into local roads and bridges, assets that exists in almost every Ontario municipality. Other major investment categories include community energy systems, public transit and capacity building.

For the first time, municipalities were able to invest in new project categories that support important municipal services like recreation, culture, tourism and sport. \$2.8 million in Gas Tax funding was invested in these project categories in 2014.

This report is presented in two parts. Part I provides a general overview of AMO's administration of the Fund in Ontario and total investments made by Ontario's municipalities. Part II provides compliance and financial audit statements, as well as details about every project in Ontario that received Gas Tax funds in 2014.

The federal Gas Tax Fund is one of the only permanent, stable sources of funding available for municipal infrastructure. The Fund is creating economic growth and prosperity, and improving the environment, right across Ontario.

Sincerely,



Gary McNamara  
AMO President



Pat Vanini  
AMO Executive Director

## Introduction to Reports

This Annual Report constitutes AMO's required reporting commitments for 2014 under the Administrative Agreement on the federal Gas Tax Fund<sup>1</sup>. Part I of this report provides a summary of how funding is being spent, its benefits to Ontario municipalities, and AMO's success in administering the program. Part II provides detailed compliance and financial audit statements and a summary of every project ongoing in 2014.

AMO will distribute Part I of the report to all municipalities. Given its size and the limited demand for distribution, Part II is not printed. Both are available electronically on the **AMO website**<sup>2</sup> and the **Gas Tax at Work**<sup>3</sup> website.

## About the federal Gas Tax Fund

The federal Gas Tax Fund is a permanent, stable and predictable source of funding for municipal infrastructure. The funding helps address an Ontario-wide infrastructure deficit and can be invested into local projects that achieve the program's goals of increased productivity and economic growth, a cleaner environment, stronger communities and effective asset management planning.

Eligible project categories in 2014 include local roads and bridges, public transit, water, wastewater, solid waste, community energy systems, broadband connectivity, sport, tourism, culture, recreation, brownfield redevelopment, regional and local airports, disaster mitigation, short-sea shipping, short-line rail, and capacity building where economic, environmental or community benefits can be demonstrated.

The Gas Tax Fund currently transfers \$2 billion per year in federal funding to Canadian municipalities and commits, in total, close to \$22 billion over the ten-year period between 2014 and 2023. In 2011, the Fund was legislated as an indexed, permanent annual source of infrastructure funding for municipalities.

## The federal Gas Tax Agreement in Ontario

The flexibility of the Fund allows each province and territory to have its own agreement with the federal government. Under the Administrative Agreement on the federal Gas Tax Fund (the Agreement), the entire allocation for Ontario, excluding funds administered by the Province of Ontario for unincorporated areas, flows directly to municipalities on a per capita basis without the need to fill out an application form. Allocations are distributed in two annual installments, which typically occur in July and November.

AMO administers Gas Tax Fund payments for all of Ontario's municipalities, except the City of Toronto which receives its funds directly from the federal government. The Province of Ontario administers the portion of the funding allocated to unincorporated areas but has no role in the delivery of funding administered by AMO. This arrangement is unique to Ontario. It recognizes municipalities as a duly elected, mature and accountable order of government.

The federal Gas Tax Fund in Ontario is upfront, predictable and stable. Funding allocations are known in advance, which allows municipal councils to identify and fund current and future priority eligible infrastructure projects or plan capital budgets accordingly.

<sup>1</sup> Consistent with the terms of the Agreement, AMO does not provide comment on the compliance of the City of Toronto. The City of Toronto completes its own reporting requirements.

<sup>2</sup> [www.amo.on.ca](http://www.amo.on.ca) <sup>3</sup> [www.gastaxatwork.ca](http://www.gastaxatwork.ca)

Municipalities may use funds:

- Towards the full cost of eligible projects;
- To support eligible projects that benefit from other funding sources;
- To save and/or invest for future eligible projects;
- To finance long-term debt for eligible projects;
- To accrue interest which can be applied towards eligible projects;
- To develop and implement asset management plans, and;
- To collaborate with other municipalities or non-municipal entities to fund eligible projects.

AMO will facilitate the distribution of approximately \$3.1 billion from the Gas Tax Fund between 2014 and 2018. The Fund is delivered in an efficient and innovative way at a cost of less than 0.5 per cent of total program allocation. As a result, AMO's surplus administration funds of \$15.6 million were transferred to the 443 Ontario municipalities in 2014. AMO's success in administering the Fund means more money for local infrastructure. The annual allocation and the amount of surplus administrative funds that each municipality received is contained in Part II of this report which is available on the AMO website.

In 2014, the federal government, the Province of Ontario, AMO and the City of Toronto signed a new Gas Tax Fund Agreement that will govern the flow of funds for the next 10 years. More information is available on page 16.

## 2014 Oversight Committee

### Pat Vanini

Executive Director  
Association of Municipalities of Ontario (Co-chair)

### Monika Turner

Director of Policy  
Association of Municipalities of Ontario

### Kate Manson-Smith

Assistant Deputy Minister  
Local Government and Planning Policy Division,  
Ontario Ministry of Municipal Affairs & Housing

### Diane McArthur-Rodgers

Director  
Intergovernmental Relations and Partnerships,  
Ontario Ministry of Municipal Affairs & Housing

### Josie La Vita

Director, Financial Planning  
City of Toronto

### Peter Notaro

Director, Corporate Intergovernmental and Agency Relations  
City of Toronto (Co-chair)

### Natasha Rascanin (January - April 2014)

Assistant Deputy Minister  
Program Operations Branch, Infrastructure Canada (Co-chair)

### Marc Fortin (May - December 2014)

Assistant Deputy Minister  
Program Operations Branch, Infrastructure Canada (Co-chair)

### Deryck Trehearne

Director General – North/Atlantic/Ontario  
Program Operations Branch, Infrastructure Canada

## Compliance

A compliance audit for the year ending December 31, 2014, completed by Grant Thornton LLP, confirms that AMO has fulfilled the terms set out in the Administrative Agreement on the federal Gas Tax Fund.

## Overview Of 2014 Investments

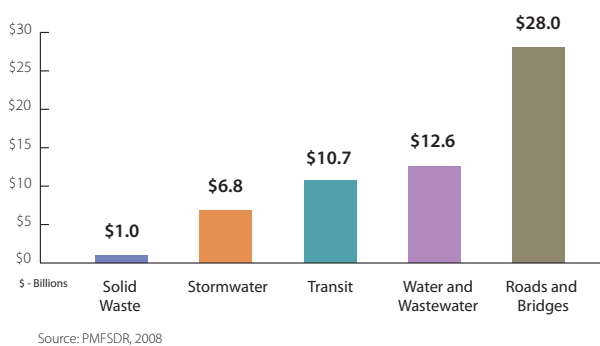
### Federal investment helping communities prosper

All 443 municipalities have completed online reporting to AMO. In 2014, Ontario municipalities invested \$561 million from the federal Gas Tax Fund into 1,203 infrastructure projects, including 634 new projects. Since the launch of the federal Gas Tax Fund in 2005, Ontario municipalities have invested over \$3.7 billion in 5,960 infrastructure and capacity building projects worth \$10.7 billion.

Despite this significant investment, Ontario's infrastructure is under pressure. Much of it was built more than half a century ago and needs to be replaced or upgraded. In addition, new infrastructure must be built to respond to growing populations and changing community needs.

According to a 2008 Review, Ontario faces a municipal infrastructure investment gap of around \$60 billion, with roads and bridges making up almost half of this amount (Figure 1)<sup>4</sup>. This gap is present in all communities, with the most pressure being felt in small municipalities that own more assets per capita than municipalities with larger populations. Many small municipalities simply do not have the fiscal capacity needed to meet local infrastructure needs. While significant investments have been made by all orders of government in recent years, it is clear that this challenge continues to exist.

Figure 1 – Infrastructure Gap Across Ontario (PMFSDR, 2008)



Safe and up-to-date infrastructure is the foundation of prosperous communities. Investing in infrastructure results in short-term job creation and long-term economic growth. Local roads and bridges connect people and places, municipal transit systems shorten commute times, and water, wastewater and solid waste systems provide significant long-term health and environmental benefits.

In addition to core infrastructure like roads and wastewater systems, municipalities own, operate and maintain arenas, libraries, recreation facilities and social infrastructure that has a direct impact on

residents' quality of life. They also provide infrastructure that supports culture, tourism and sport. These assets serve as a local economic development tool by making communities attractive places to live, work, do business and visit. They help to create an environment where people can interact, shop, play and develop a sense of belonging. Social infrastructure, such as housing, also helps improve local productivity by providing people with stability and security<sup>5</sup>.

Municipalities own most of Ontario's public infrastructure, but receive only 9 cents out of every tax dollar collected by governments. It is essential that all orders of government work together to build local infrastructure. Strong and prosperous local economies provide the building blocks for a strong and prosperous Canadian economy.

<sup>4</sup> The Provincial-Municipal Fiscal Service Delivery Review (PMFSDR) was conducted in 2008. More information is available at [www.amo.on.ca](http://www.amo.on.ca).

<sup>5</sup> Ontario is the only province where housing is a municipal responsibility.



The flexible nature of the Gas Tax Fund means that municipalities can choose to invest in 16 different types of infrastructure, or into capacity building projects, ensuring that local needs are met. Municipalities continue to invest the most funding into critical local roads and bridges, the most extensive municipal asset class, which is responsible for majority of the infrastructure gap. Road and bridge infrastructure is found in virtually every single Ontario municipality. Over the last ten years, roads and bridges accounted for 57 per cent of all Gas Tax investment, worth \$2.1 billion.

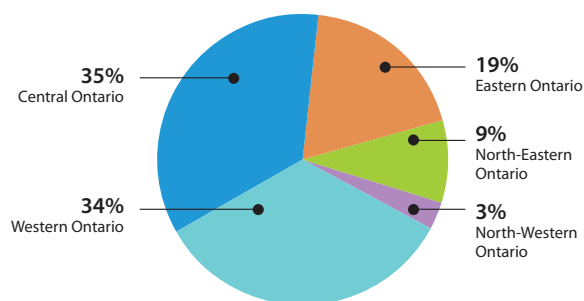
Figure 2 shows the investment distribution for roads and bridges across Ontario.

The second largest investment category in the last decade has been public transit. These investments are primarily driven by four large municipalities that are responsible for 87 per cent of the total \$816 million Gas Tax investment in transit (Figure 3).

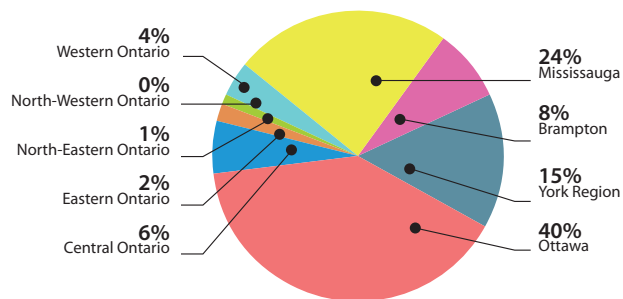
A majority of the 1,203 infrastructure projects that received Gas Tax funding in 2014 are geared towards transportation and environmental services, energy efficiency, and capacity building (Figure 4).

In 2014, municipalities invested \$2.8 million of Gas Tax funds in the new eligible project categories (Figure 5). These new categories include local and regional airports, short-line rail, short-sea shipping, disaster mitigation, broadband and connectivity, brownfield redevelopment, culture, tourism, sport and recreation. More information about the new project categories is available on page 16. These new and varied project categories reflect the fact that Ontario municipalities have broad and diverse needs because of differences in population, geography, local priorities and challenges and asset condition. The Fund's flexibility allows municipalities to meet local need and investments in the new project categories reflect this reality.

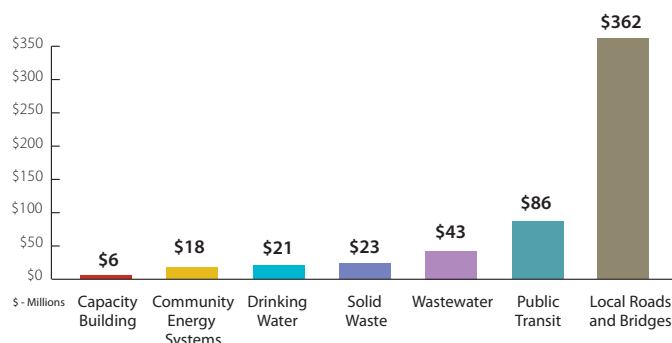
**Figure 2 – \$2.1 Billion Investment in Local Roads and Bridges Since 2005**



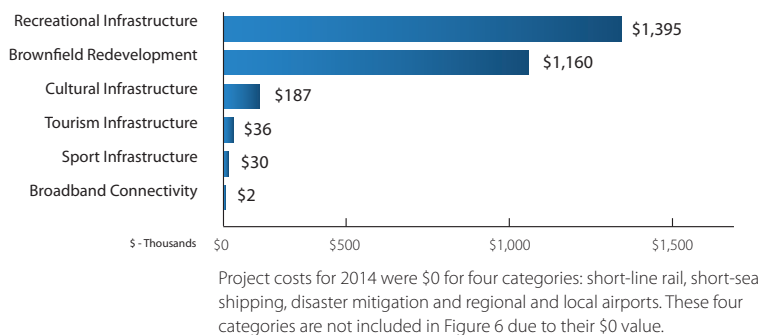
**Figure 3 – \$816 Million Investment in Public Transit Since 2005**



**Figure 4 – 2014 Gas Tax Investments in Major Eligible Categories**

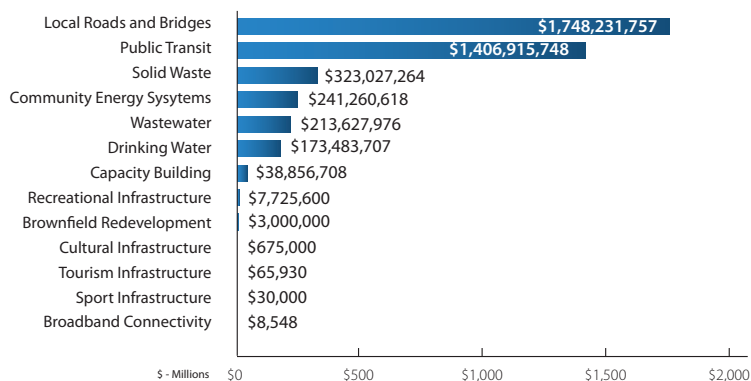


**Figure 5 – 2014 Gas Tax Investments in New Categories**



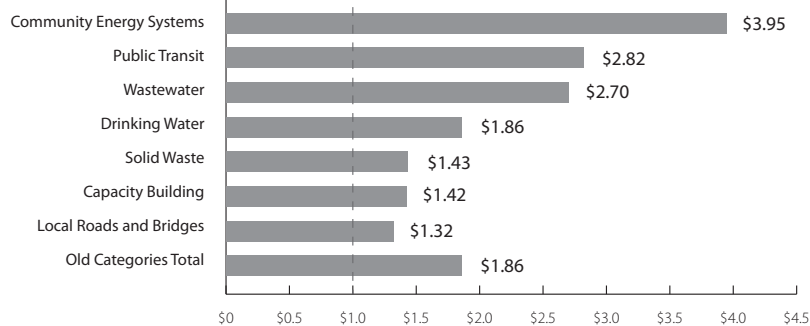
As part of the annual reporting process, municipalities are also required to provide the total project cost for Gas Tax funded projects. Due to the size of the Gas Tax investment, it is unsurprising that roads and bridges and public transit have the largest project values among the seventeen eligible categories (Figure 6).

**Figure 6 – 2014 Total Gas Tax Project Costs**

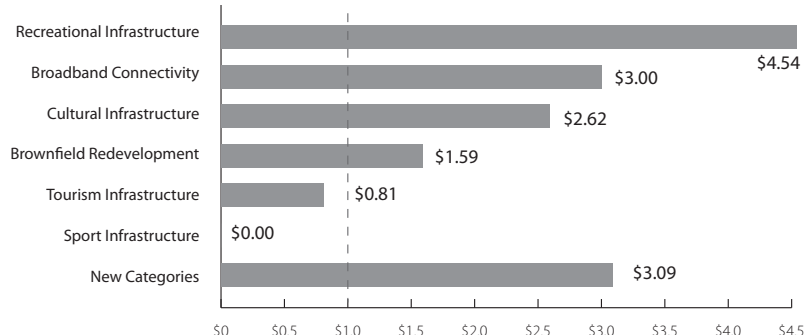


Information about total project cost is updated on an annual basis and allows AMO to calculate the funding leveraged in each category. For every \$1 of federal Gas Tax funds invested in local roads and bridges, solid waste, water, wastewater, community energy, and capacity building projects since 2005, municipalities have invested an additional \$1.86 from all other sources (Figure 7). Additionally, for every \$1 of federal Gas Tax funds invested in the new categories in 2014, municipalities have invested an additional \$3.09 from all other sources (Figure 8). This amount varies from category to category with recreation, community energy, broadband, and public transit leading the way. The amount leveraged in general has decreased over time as municipalities are investing more federal Gas Tax funds into long-term projects spanning multiple reporting years. However, initial investments indicate that the amount leveraged for projects in the new categories is quite high, demonstrating that municipalities are making efficient use of the Fund.

**Figure 7 – Spending Leveraged For Every \$1 of Gas Tax Funds Invested Since 2005**



**Figure 8 – Spending Leveraged For Every \$1 of Gas Tax Funds Invested in New Categories**



## Project Outcomes

With the new Agreement comes a new national performance framework developed by Infrastructure Canada. Municipalities will report on core indicators that have a direct impact on the national objectives of productivity and economic growth, cleaner environment and strong communities.

The Oversight Committee has not yet identified outcomes for these new national objectives. AMO has continued to collect outcomes on projects completed with the goal of improving the environment since this is a continued national objective for the water, wastewater, solid waste and community energy categories. All other categories will have municipal reporting completed on a project by project basis once the core indicators are identified.

Ontario municipalities continue to be leaders in this field and will demonstrate that a flexible source of funding can be directed to local priority projects in order to achieve federal goals. AMO will continue to report on outcomes annually to show the ongoing benefits of our joint investments in municipal infrastructure.

## National Objectives

Productivity and Economic Growth	Clean Environment	Strong Cities and Communities
Local Roads and Bridges	Community Energy Systems	Capacity Building
Public Transit	Drinking Water	Disaster Mitigation <b>NEW</b>
Local and Regional Airports <b>NEW</b>	Wastewater	Recreation <b>NEW</b>
Broadband Connectivity <b>NEW</b>	Solid Waste	Cultural <b>NEW</b>
Short-Sea Shipping <b>NEW</b>	Brownfield Redevelopment <b>NEW</b>	Tourism <b>NEW</b>
Short-Line Rail <b>NEW</b>		Sport <b>NEW</b>



## **Audit Requirements**

As required under the first federal Gas Tax Fund Agreement, an AMO-Canada joint-evaluation, and a National evaluation on the administration and delivery of the Gas Tax Fund were completed in 2009. Both reported positive results.

Among the changes recommended was a move to a risk based audit framework, which has already been implemented in other parts of the country. A risk based framework can reduce costs by adding thresholds for when an audit is required. Municipalities in Ontario are low risk, and have shown transparency and accountability by meeting Gas Tax program requirements since 2005. In Ontario, municipalities consistently report to the public on provincially mandated financial reporting, which includes audits.

The new Agreement now includes a risk based audit framework and 2014 marks the first year of this new approach. Risk management is a coordinated set of activities undertaken by AMO and municipalities to implement processes that will minimize the risk of non-compliance by municipalities under the federal Gas Tax program.

There are two components to the requirement – AMO's compliance as an administrator to the terms and conditions of the Agreement and municipal compliance.

### **AMO's Risk Management Framework**

In response to the new approach, AMO undertook steps to develop a risk management framework specifically designed for administration of the federal Gas Tax Fund, with the focus on AMO's ability to provide assurances to Canada that municipalities are in compliance with the key objectives of the Agreement.

AMO's risk management framework is made up of policy, plans and processes, with education forming the basis to manage risks and ensure maximum efficiency and effectiveness in delivering the program. The fundamental piece of the framework is the federal Gas Tax risk management policy, which outlines AMO's goals in managing risk as well as the key objectives within the federal Gas Tax Agreement that are crucial to the success of the program. This combined with AMO's existing financial policies has created a robust financial management policy framework, within which AMO staff operates in the day to day administration of the Agreement.

To manage the risks associated with municipal compliance, the suite of existing processes successfully used to administer the program in the past, are now augmented by plans and processes including a process for municipal self-reporting through the online reporting tool, a sampling methodology to identify municipalities for audit, and an audit scope for municipal compliance audits. These plans and processes will continue to evolve over time as the framework matures.

AMO recognizes that the risk of municipal non-compliance can increase when there is incomplete information or inadequate knowledge of the requirements of the Agreement. Therefore, particular emphasis has been placed on the training of municipal staff and councils around the federal Gas Tax Agreement as an ongoing effort to manage risk.

## AMO Compliance Audit

AMO's Compliance Audit reflects the Association's own compliance with the terms and conditions of the Agreement as of December 31, 2014. As per the terms of the Agreement, this is submitted to the Government of Canada in Part II of this report.

## Municipal Compliance Audit

AMO is now required to undertake, through its approved business plan, an annual sampling of municipalities sufficient enough for its auditor to attest to municipal compliance with the Agreement.

Approximately 10 per cent of municipalities will be selected for audit by AMO's auditors each year with the sample size increasing by 2 per cent if there are material findings in the original sample. The list of the 44 randomly selected municipalities as well as the summary report of the municipal compliance audits is available in Part II of this report.

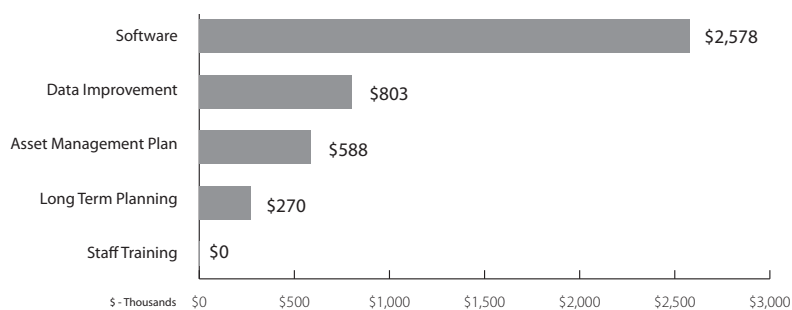


## Asset Management Planning

Under the new Gas Tax Agreement, municipalities must develop and implement an asset management plan by December 31, 2016. Plans should include all local infrastructure that is eligible for Gas Tax funding. AMO recommends that municipalities align asset management plans with existing reports sent to the Province. This will help keep asset management plans consistent with other municipal financial reporting.

Municipalities can use Gas Tax funds for expenditures that strengthen their ability to develop and implement asset management plans, including software acquisition and implementation, staff training directly related to asset management planning, and other long-term infrastructure plans. In 2014, municipalities invested \$6.2 million of Gas Tax funds in the capacity building category out of which \$4.2 million was invested in 30 projects related to asset management. Figure 9 shows the breakdown of 2014 asset management projects.

**Figure 9 – Asset Management Gas Tax Projects in 2014**



In addition to the asset management plan requirement, municipalities will also have to demonstrate that they are using the plan to guide infrastructure planning and investment decisions and that Gas Tax funds are being used to address priority projects. This is to be demonstrated over the life of the Agreement, with AMO reporting to the Government of Canada through an outcomes report by March 31, 2018 and March 31, 2023.

In order to help meet these requirements, AMO is currently conducting baseline research to understand the state of asset management within Ontario's municipal governments, the state of municipal road and bridge infrastructure across the province, and the municipal use of debt and reserves to finance asset management plans.

Undertaking this important asset management work will help all Ontario municipalities better plan for the future. It will also paint a picture of where Ontario stands in terms of what types of resources will be needed to meet community need over the long term.



## Roads And Bridges Study

Local roads and bridges are the municipal sector's largest asset class and consistently the largest investment category for federal Gas Tax funds. It is no surprise that roads and bridges continue to be a large focus of the program. By taking stock of the largest asset class, municipalities (and AMO) will demonstrate progress on asset management as required by the Agreement. In 2014, AMO commissioned a **research report**<sup>6</sup> that provides an up-to-date and comprehensive understanding of the state of road and bridge infrastructure across 93 Ontario municipalities.



**\$5 billion**  
DEFICIT

**\$0.5**  
billion/yr.  
NEEDED

### Key Results:

- 32 per cent of assets are in poor to very poor condition with a replacement cost of \$9 billion.
- Assets with condition data are performing better than their age data suggests. This means that municipalities have been completing appropriate maintenance and repairs with the resources that are available to them.
- Infrastructure deficit of \$5 billion. That means that it would cost \$5 billion to replace assets that have reached the end of their life cycle.
- Annual infrastructure gap of about \$0.5 billion. Our sample municipalities would ideally spend \$911 million each year to maintain existing assets that have some life remaining. However, they are short by \$462 million every year.

The research revealed a comprehensive and up-to-date picture of the state of roads, bridges and culverts in Ontario. The results show that there is a need for ongoing capacity building work within Ontario municipalities. Municipalities that have completed condition assessments for local assets have found that those assets are performing better than their age suggests. The increased use of condition assessments is essential for effective asset management planning. This research highlights the importance of condition assessment data.

In the lead up to asset management outcomes reporting in 2018 and 2023, the results of this study will provide a baseline on the state of the infrastructure and availability of condition data. This study was not intended to find a solution to the municipal infrastructure deficit. Not all failing infrastructure can be fixed at once. The starting point is to develop an asset management plan and prioritize infrastructure projects over the long term.



<sup>6</sup>[http://www.amo.on.ca/AMO-PDFs/Gas\\_Tax/Roads-and-Bridges/Roads-and-Bridges-Study-March-2015.aspx](http://www.amo.on.ca/AMO-PDFs/Gas_Tax/Roads-and-Bridges/Roads-and-Bridges-Study-March-2015.aspx)

## Debt and Reserves Research

A best practice within asset management planning is the development of corresponding long-term financial plans, which outline the financial resources needed for proper maintenance, renewal and replacement of assets over their lifecycles. It is anticipated that many municipalities will face significant challenges in financing the projects identified in their asset management plans.

It is often suggested that municipalities should leverage Gas Tax funds and other funding programs by issuing more debt or using municipal reserves to fund infrastructure because municipalities have high levels of unused debt capacity and significant reserve balances. These observations, however, do not address affordability and sustainability issues related to taking on debt or depleting existing reserves, which may have been created to achieve long-term goals.

AMO is sponsoring research on the use of municipal debt and reserves for funding municipal infrastructure. The research will be used to develop recommended practices and guidance with respect to sustainable funding strategies. The research study will provide an evidence-based framework that will highlight existing reserve balances and debt levels, as well as identify specific concerns on municipal infrastructure per capita and fiscal capacity, which vary throughout the province. The results of this study will be available by late 2016.





## The New Agreement

The federal Gas Tax Fund is the only permanent, stable and predictable source of funding for municipal infrastructure. Canada, Ontario, AMO and the City of Toronto extended the Gas Tax Fund to 2023 by signing the Administrative Agreement on the federal Gas Tax Fund, which took effect on April 1, 2014. The new Agreement will provide \$3.8 billion to Ontario's municipalities between 2014 and 2018<sup>7</sup>. AMO is pleased to be able to continue to facilitate the distribution of approximately \$3.1 billion from the Fund on behalf of the Government of Canada.

The new Agreement builds on the Fund's strengths with changes that will benefit Ontario's communities. The Gas Tax Fund is now permanent in federal legislation. New project categories have been added so that municipalities can invest in many different types of infrastructure that meet local need:

- local roads and bridges
- public transit
- wastewater infrastructure
- drinking water
- solid waste management
- community energy systems
- local and regional airports
- short-line rail
- short-sea shipping
- disaster mitigation
- broadband and connectivity
- brownfield redevelopment
- culture
- tourism
- sport
- recreation
- capacity building

The Fund is now indexed so that it will grow over time. Municipal allocations will increase by roughly five per cent in 2016 and then again in 2018. Reporting requirements have been streamlined eliminating the need for annual audits or Treasurer's Certificates, which will save municipal staff municipal time and reduce costs. These changes are a result of an administration model that has proven to be accountable and transparent. AMO has developed a risk management framework to provide assurance to the Government of Canada of municipal compliance with the Agreement. More information about this risk based approach is available on page 12.

The new Agreement puts a greater emphasis on communicating the benefits of the federal Gas Tax Fund to local residents, members of the provincial and federal governments, and the media. Communications is primarily a municipal responsibility, but AMO plays a lead role in facilitating many different types of communications activities. See page 18 to learn more about communications related to the Gas Tax Fund.



<sup>7</sup> Allocations for 2014-2018 are based on population data from the 2011 Census, while allocations for 2019-2023 will be based on the 2016 Census.

## One Investment Program

Under the new Agreement, municipalities can carry over Gas Tax funds for up to five years. This allows municipalities to implement finance strategies that are part of their local asset management plan. For example, a municipality may want to bank Gas Tax funding for a larger project that they plan to complete in the future. Investing Gas Tax funding increases the impact of the Fund in our communities, helping it go further.

Municipalities now have the option to automatically direct Gas Tax payments into the One Investment Program that will grow the investment over time, providing additional funds to spend on future infrastructure. There are investment options available for fixed one, two, three, four or five year terms, giving municipalities the flexibility to invest as the need arises.

The One Investment Program is a co-investment program jointly operated by LAS and CHUMS: subsidiaries of AMO and the Municipal Finance Officers Association of Ontario (MFOA,) respectively. The Program is designed specifically to maximize investment returns for municipalities while meeting regulatory requirements of the Municipal Act. The Program has been offered for over 20 years. Investing Gas Tax funds through the One Investment Program provides access to professional portfolio management and balanced investments that generate competitive returns in a low interest rate environment with minimal risk.

Gas Tax funds are invested in a mix of three investment vehicles depending on the length of investment. For example, if a municipality invests for one-year, the majority of Gas Tax funds will be invested in the One Investment Program's Money Market Portfolio, which is optimal for short-term investments.

### 2014 Investment Mix

Investment Duration	Money Market	Short-term Bonds	Corporate Bonds
12 months	80%	10%	10%
24 months	45%	30%	25%
36 months	10%	50%	40%
48 months	5%	35%	60%
60 months	0%	20%	80%

Municipality	Investment Duration
Municipality of Red Lake	5 years
Township of The Archipelago	3 years
Township of Carling	3 years
Township of Hilliard	1 year

Investment options have been communicated to municipalities through a micro-website that features information as well as three short animations that outline the opportunity. In addition, presentations on the initiative have been made at various conferences and info sessions including the MFOA Conference and at LAS/MFOA investment sessions.

In 2014, four small municipalities chose to invest federal Gas Tax funds into the One Investment program.



## Communications

Sharing the local benefits of the federal Gas Tax Fund with residents, Members of Parliament and the media demonstrates that municipalities are accountable and transparent in their use of the Fund. Communications is primarily a municipal responsibility. However, AMO plays a lead role by providing direct support to municipal staff and officials on many different types of communications activities, including traditional media events, news releases, social and digital media, video and more.

In 2014, Infrastructure Canada and AMO worked together to develop a Joint Communications Approach. The Approach sets out roles and responsibilities, different types of communications activities and targets for measuring success.

The productive relationship between the two organizations has been developed over many years and has proven to be an effective way to plan, execute and analyze communications related to the Gas Tax Fund.

With the new Agreement to celebrate in 2014, Infrastructure Canada, AMO and individual municipalities worked hard to share the benefits of the Fund. That hard work paid off with increased interest in the federal Gas Tax Fund evidenced by a record amount of media coverage and social media traffic.

A total of 15 local events and/or news releases were held throughout Ontario in 2014.

### Municipal Gas Tax Communications Activities in 2014

January 21	City of Sarnia – Rehabilitation of Donohue Bridge
March 7	Town of Niagara-on-the-Lake – Restoration of Queenston Bridge
April 24	County of Wellington – Several local projects
June 23	City of Windsor – Improvements to Ottawa Street
June 26	City of Brantford – Improvements to local roads
August 7	Town of Penetanguishene – Improvements to local roads, water and wastewater systems
September 11	City of Kenora – Rehabilitation of Winnipeg River West Branch Bridge
November 10	City of London – Grand opening of Canada Games Aquatic Centre
November 10	City of Sault Ste. Marie – Reconstruction of Queen St. E. and John Roswell Hub Trail
November 22	Township of Adjala-Tosorontio – Improvements to local roads
December 5	Municipality of Trent Lakes – Improvements to local roads
December 9	Town of Innisfil – Improvements to local roads
December 16	Town of Halton Hills – Improvements to local roads
December 16	Town of Woolwich – Several local projects
December 17	Township of Oro-Medonte – Several local projects

## In the Media

Local events and news releases generated a record amount of media coverage in 2014, resulting in 31 media hits, compared to 20 hits in 2013. On July 11, 2014, AMO's President participated in a media event to sign the new Gas Tax Agreement. This event, held in Toronto, generated 20 media hits, including coverage from Canada's major news outlets.

While municipalities produced fewer events and news releases in 2014 than they did in 2013, media coverage increased 55 per cent. This reflects a more strategic approach to communications activities.

# Making Headlines



## Penetanguishene upgrades Maria Street sewer, road

– Midland Mirror, August 7, 2014



**PENETANGUISHENE** – If you live in Penetanguishene, the sewer system running underneath your street could be as old as “Leave It to Beaver.”

The town is working to update its storm and sanitary sewers built in the 1950s and people living on Maria Street are the latest beneficiaries.

## Donohue Bridge Rehab Recognized

– Blackburn News, January 21, 2014

Local dignitaries gathered in the bitter cold this morning to celebrate the completion of Phase one and Phase two rehabilitation work on the Donohue Bridge. Ottawa contributed just over \$3.8-million toward substructure improvements through the federal Gas Tax Fund transfer with the city of Sarnia picking up the rest of the \$3.3-million dollar cost. Sarnia-Lambton MP Pat Davidson is pleased the gas tax dollars are being put to good use.

## Ottawa Street open for business, says mayor and MP Watson

– Our Windsor.ca, June 23, 2014

Mayor Eddie Francis and Essex MP Jeff Watson have unveiled streetscape improvements to a section of Ottawa Street funded by both federal and municipal dollars.

The improvements include road reconstruction, new benches, bike racks and trees on both sides of the street between Windermere Road and

## Filling up on gas tax fund

– Brantford Expositor, June 26, 2014

Efforts to improve Shellard Lane are well underway.

The reconstruction of Shellard from Colborne Street West to about a kilometre west of Conklin Road began in May.

## Aquatic Centre's \$6.3 million upgrades complete

– The Londoner, November 1, 2014

An improved Canada Games Aquatic Centre is up and running after \$6.3 million in upgrades officials say will help reduce ongoing energy usage at the Wonderland Road facility by 41 per cent.

“It's been a top to (bottom) renovation,” said Bill Coxhead, managing director of parks and recreation, at the facility Nov. 10. A long list of changes at the pool includes aesthetics — new flooring, paint and



## Seven Adjala-Tosorontio road projects completed

– Alliston Herald, November 25, 2014

**ADJALA-TOSORONTIO** - The federal government is helping to pave the way for a smoother ride in Adjala-Tosorontio. Recently, the township marked the completion of seven road improvement projects that received federal gas tax funding. A total of 6.5 kilometres of road was repaved. The stretches of road include Concession Road 3 Tosorontio, Main Street Lisle, Mulmur-Tosorontio Townline, 5th Sideroad Tosorontio, North Kennansville “stub”

## Feds renew Gas Tax Fund for Ontario cities

– Waterloo Record, July 11, 2014

The federal government announced today that more than \$8 billion will flow to Ontario municipalities under a renewed gas tax fund.

## Construction Complete!

– Sault Online, November 14, 2014

## Municipal Outreach

AMO communicates with municipal elected officials and staff by phone and email, through its weekly e-newsletter, the AMO Watch File, at no-cost Town Hall Information Sessions, through the Gas Tax at Work website and through social media. AMO also relies on these communications platforms to reach Ontario residents, Members of Parliament and the media. This work complements the direct support that AMO provides to municipalities in planning and executing communications activities.

Sharing information across multiple platforms allows AMO to reach multiple audiences and embodies the flexible approach to communications activities that Infrastructure Canada, AMO and municipalities have put into practice over the past two years.

## AMO Watch File

AMO's free, weekly e-newsletter is sent to more than 7,000 subscribers, including all of Ontario's municipal leaders (elected officials and staff), provincial and federal officials and reporters. In 2014, 23 notices related to the federal Gas Tax Fund were issued in the Watch File. This includes practical information related to the new Agreement, project signage and asset management, as well as links to videos and answers to frequently asked questions.

## Town Hall Meetings

Location	Date	Registrations
Town of Gananoque	March 20	20
Municipality of South Huron	March 28	23
City of Orillia	April 10	24
City of Peterborough	April 17	28
Town of Fort Frances	April 23	22
City of Sault Ste. Marie	May 7	23
City of Hamilton	May 15	8

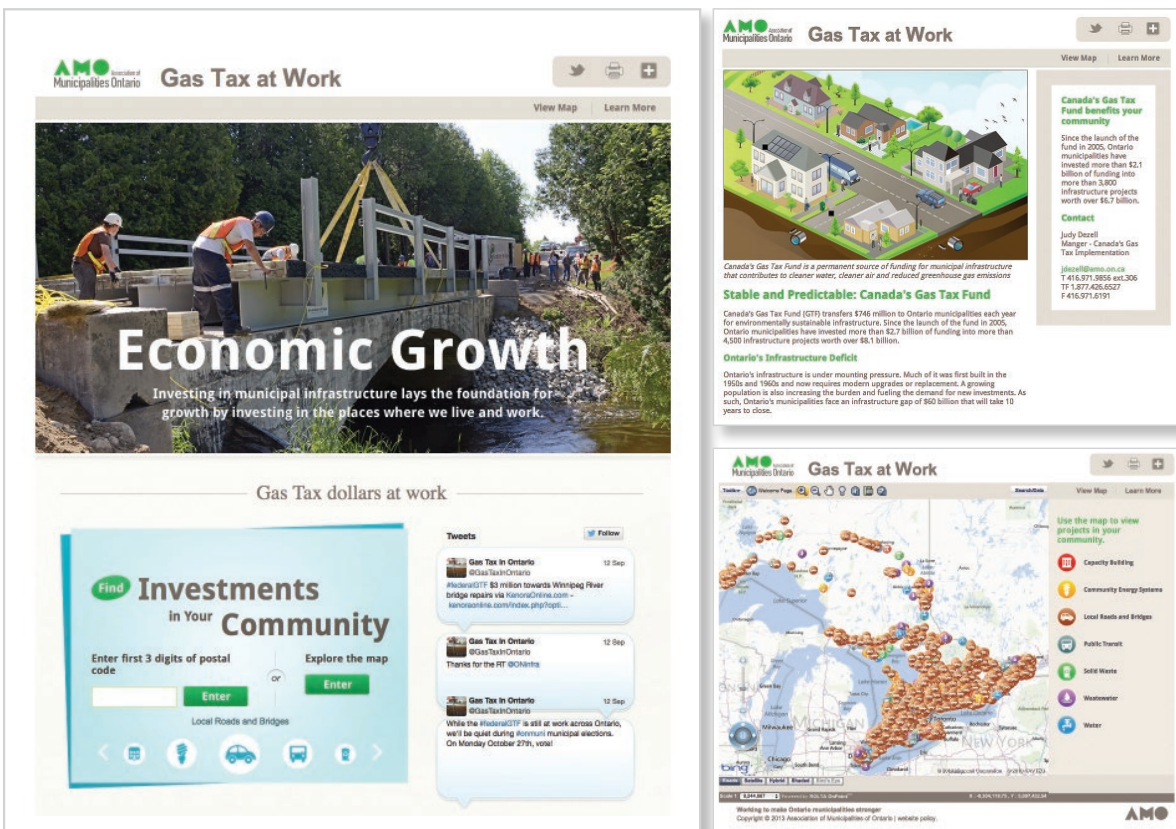


## Gas Tax at Work

The Gas Tax at Work website is a one-stop shop for learning more about how the Fund is at work in Ontario. The website features an interactive map of the province with details about actual Gas Tax funded projects in 443 Ontario municipalities. Users can browse the map, search by postal code to find projects in a specific municipality or view projects by category. AMO updates the project map once a month based on municipal reporting.

In addition to project mapping, users can find general information about the Fund and links to information for municipalities, including the new Agreement and Annual Reporting. The site features photos of Gas Tax funded projects and links to AMO's videos about the Fund's impact on individual Ontario communities. The @GasTaxinOntario Twitter feed is embedded on the front page.

Since its launch, Gas Tax at Work has attracted more than **12,500 total visits** from people around the world<sup>8</sup>. Visitors include staff and officials from all three orders of government, the general public and the media.







<sup>8</sup> From October 1, 2009 to August 31, 2015, excluding December 2014 when data was not collected.

## Social Media

AMO has been active on Twitter since 2011, at a time when fewer than 30 per cent of Ontario municipalities were using social media. As an early adopter, AMO has grown a significant following over time. The Gas Tax in Ontario Twitter account, @GasTaxinOntario, consistently achieves key performance indicators.

The @GasTaxinOntario account is used to reach a variety of key audiences, including Members of Parliament, municipal elected officials, the public and the media. AMO continues to explore new and innovative ways to promote the fund using social media and to strive for positive outcomes based on outreach and visibility.

## Social Media Outcomes

Key Performance Indicator	2014 Results	Cumulative Results 2010-14
 Increase annual website traffic to <a href="http://www.gastaxatwork.ca">www.gastaxatwork.ca</a> <sup>9</sup>	-	-
 Increase awareness of the Fund within Ontario	161 new Twitter followers	669 Twitter followers
 Engage with primary and secondary audiences	180 re-tweets, mentions, replies and direct messages	631 re-tweets, mentions, replies and direct messages
 Engage Ontario municipalities	26 contacts with municipalities (incl. staff, councillors, official accounts)	90 contacts with municipalities (incl. staff, councillors, official accounts)



<sup>9</sup> AMO is currently reviewing website traffic goals set in 2010 and will report again in the 2015 Annual Report.

## Video

AMO began producing live-action videos in 2013. Each video features an individual Ontario municipality and tells the compelling story of exactly how the Gas Tax Fund is improving quality of life for the community.

Six videos have been produced so far, with four videos completed in 2014. AMO works with the featured municipality to promote the video by sharing it with council, posting it on YouTube and using social media to spread the word. The videos demonstrate AMO's commitment to exploring different types of communications activities to reach different audiences.

Four videos were produced in 2014 garnering more than 900 views on YouTube<sup>10</sup>.



Infrastructure in my Community: Dorion

<https://www.youtube.com/watch?v=cR0uYkVXq3k>



Smooth Roads in Prescott

<https://www.youtube.com/watch?v=qQWSdQul7uY>



Infrastructure in my Community: St. Marys

[https://www.youtube.com/watch?v=\\_8CFpKW0rwU](https://www.youtube.com/watch?v=_8CFpKW0rwU)



Infrastructure in my Community: Gananoque

<https://www.youtube.com/watch?v=xg9iDb2So1o>

<sup>10</sup> As of September 15, 2015.





TWEETS **2,372** FOLLOWING **891** FOLLOWERS **732** FAVORITES **6** LISTS **2**

Tweets from @GasTaxInOntario

**Gas Tax In Ontario**  
@GasTaxInOntario

The federal Gas Tax Fund is at work in your community, investing \$3.8 billion in municipal infrastructure projects throughout Ontario from 2014 to 2018.

Ontario, Canada  
gastaxatwork.ca  
Joined October 2010  
50 Photos and videos



- @GasTaxInOntario: Happy Holidays! All we want for Christmas is smooth roads, efficient transit systems and even more investment in municipal infrastructure!
- @GasTaxInOntario: Thanks @RickBonnette1 & MP Michael Chong for celebrating federal Gas Tax Fund investment in Halton Hills! #federalGTF <http://bit.ly/1yVZmlz>
- @GasTaxInOntario: Newly elected mayor/councillor? Learn more about the federal Gas Tax Fund at work in Ontario <http://bit.ly/1wGrf3a> #infrastructure
- @GasTaxInOntario: Work on 7 roads in Adjala-Tosorontio now complete, thanks to the #federalGTF <http://bit.ly/1zzmDeu> via @SimcoeNews
- @GasTaxInOntario: RT @CTVLondon: #LdnOnt's Canada Games Aquatic Centre officially re-opened today after \$6.3M in upgrades: <http://london.ctvnews.ca/canada-games-aquatic-centre-re-opens-after-renovations-1.2095224> ...
- @GasTaxInOntario: How does the #federalGTF benefit #onmuni? Watch our videos to learn more: <http://bit.ly/1rsZwAB> #seeingisbelieving
- @GasTaxInOntario: New facilities make Oak Ridges @MyRichmondHill town's jewel <http://www.yorkregion.com/news-story/4766677-new-facilities-make-oak-ridges-town-s-jewel/> ... via @yorkregion #onmuni #federalGTF
- @GasTaxInOntario: RT @peterbraid Federal Gas Tax Fund Supports Infrastructure in Waterloo | Peter Braid [peterbraid.ca/?p=571187](http://peterbraid.ca/?p=571187)
- @GasTaxInOntario: The new Gas Tax Agreement will bring an estimated \$8.1 billion to #onmuni over the next 10 years. Learn more: <http://bit.ly/1kLMYrj>

## Project Profiles

### Improving quality of life in North Frontenac

In 2014 North Frontenac invested in a recreation project that has helped create a sense of community pride. Residents and visitors to the small rural Township can now enjoy a recreation area that includes an outdoor pavilion, wheelchair accessible outdoor washroom facilities, a walking path, picnic tables and benches. This area will be used for festivals, family gatherings, children's events and will provide a rest area for tourists. The ability to invest Gas Tax funds in recreation and tourism infrastructure has improved quality of life in North Frontenac.

Municipality	North Frontenac Township
Project	Clar Mill Site Improvements
Population	1,842
Federal Gas Tax Fund Invested	\$129,051.51
Total Project Cost	\$129,051.51

### Supporting culture in Guelph

The Guelph Civic Museum is home to a collection of over 30,000 artifacts that bring Guelph's past to life. In 2014, the City invested more than \$150,000 from the federal Gas Tax Fund to complete exterior finishes at the museum. The work included creating spaces for the public to gather as well as plantings and other features to accent the building's heritage façade. The newly landscaped terrace at the Museum was designed to accommodate a statue, donated by Guelph citizens, in honour of Lt. Col. John McCrae and the 100th anniversary of his penning of the poem "In Flanders Fields."

Municipality	City of Guelph
Project	Exterior finishes at the Civic Museum
Population	121,668
Federal Gas Tax Fund Invested	\$152,924
Total Project Cost	\$600,000



## Community energy in Wellington County

Wellington County invested the federal Gas Tax Fund into local solar panel projects that will generate 252,000 kwh per year and an expected annual revenue of \$190,000. Part of the application process for approval to install the solar systems was that the project must be ready to proceed. Thanks in part to the Gas Tax Fund, the County was able to demonstrate that funding was available and the project was approved. The net revenues generated by the solar panels are transferred to the County's Green Initiatives Reserves and will be used to fund future energy efficient and environmentally responsible capital projects. Wellington County's solar panels generate revenue and energy, ensuring that the community will benefit from this project for years to come.

Municipality	Wellington County
Project	Solar Panel Programme
Population	90,900
Federal Gas Tax Fund Invested	\$666,265
Total Project Cost	\$2,578,812.89

## Smooth roads in Nipissing

Nipissing's asset management plan identified a section of Alsace Road that needed to be resurfaced in 2014. Thanks to \$101,375 from the federal Gas Tax Fund, the Township was able to extend the asset's lifespan for several years. Work included a single surface treatment to restore and rehabilitate the travelled portion of Alsace Road. Prudent asset management combined with predictable funding from the federal Gas Tax Fund has helped keep roads safe, smooth and reliable in Nipissing.

Municipality	Township of Nipissing
Project	Road resurfacing
Population	1,704
Federal Gas Tax Fund Invested	\$101,374.68
Total Project Cost	\$102,370.92



# Gas Tax Awards



## Winning Projects

- **The Village of South River's LED Streetlight Upgrade Project**
- **The City of Stratford's Asset Management Plan**

The AMO Gas Tax Awards honour municipalities that have demonstrated excellence in the use of the federal Gas Tax Fund.

Winning projects improve local quality of life by making a difference in our communities, while achieving the Fund's objectives. The Awards are open to every municipality in Ontario, regardless of size.

Ten different projects were considered for two awards with the winners selected by AMO's Gas Tax Awards Committee. Awards were presented by AMO President Gary McNamara on stage at the 2015 AMO Conference in Niagara Falls, Ontario. AMO issued a separate news release for each winner, which were posted on AMO's website, shared through social media and distributed to local media.



# The Village of South River's LED Streetlight Upgrade Project

## Category: Infrastructure Project



In 2014, the Village of South River completed an investment grade audit, which revealed the state of its lighting network and then set out a plan to replace the existing network with a more energy efficient solution.

The upgrade project was long overdue as the existing streetlight network included mercury vapor and high pressure sodium fixtures. The cost of electricity to operate the lights and the cost to maintain the fixtures was growing year after year. The new LED streetlights resulted in a cost savings of 72.83 per cent in electricity alone, more than originally projected. The new lights have saved 107,776 kilowatt-hours of energy.

These cost savings can now be used to address other infrastructure projects in the Village, leveraging an initial Gas Tax investment of \$129,842 for years to come.



@GasTaxinOntario: Congrats to the Village of South River on your AMO GTF Award!



From left to right, Scott Wilson, AMO Treasurer and CAO of the County of Wellington, Sherri Hawthorne, Treasurer of the Village of South River, Gary McNamara, AMO President and Mayor of the Town of Tecumseh.



*"Replacing our streetlights with energy efficient LED luminaires has helped South River save money on electricity and maintenance costs. The new streetlights use less energy and also reduce CO<sub>2</sub> emissions, which is not only good for South River, it will also help reduce the carbon footprint in Ontario and in Canada. We're proud to be honoured with an AMO Gas Tax Award."*

**Jim Coleman**  
Mayor of South River

# The City of Stratford's Asset Management Plan

## Category: Asset Management



Stratford invested \$32,107.16 from the Gas Tax Fund into an asset management plan project, which will help provide residents with safe, reliable infrastructure over the long term.

The project involved reviewing and analyzing the City's asset inventory and preparing an official asset management plan. By providing more information about the state of Stratford's infrastructure, the plan helped confirm the message that municipalities need to set aside more funding to replace current assets, once they reach the end of their lifecycle. Having more information about the full lifecycle cost and sustainability of municipal assets will help any municipality provide residents with reliable infrastructure over the long term.



@GasTaxinOntario:  
Congrats to the City of  
#Stratford on your AMO  
Gas Tax Award!



From left to right: Scott Wilson, AMO Treasurer and CAO of the County of Wellington, Tom Clifford and Kerry McManus, Councillors for the City of Stratford, Dan Mathieson, Mayor of the City of Stratford, Gary McNamara, AMO President and Mayor of the Town of Tecumseh.



*"Developing an asset management plan gave our City useful information about the state of our local infrastructure and how much funding we'll need to maintain it over the long term. As a result of the asset management project, our Council committed to new training and technology that will help make asset management a part of the culture of the City of Stratford."*

**Dan Mathieson,**  
Mayor of Stratford

## Appendix: 2014 Outcomes Tables

The new Agreement includes a new national performance framework developed by Infrastructure Canada. Municipalities will report on core indicators that have a direct impact on the national objectives of productivity and economic growth, cleaner environment and strong communities. The Oversight Committee has not yet identified outcomes for these new national objectives. AMO has continued to collect outcomes on projects completed with the goal of improving the environment since this is a continued national objective for the water, wastewater and community energy categories. All other categories will have municipal reporting completed on a project by project basis once the core indicators are identified.

COMMUNITY ENERGY		2014	
Completed Projects		40	
Total Gas Tax Funds		\$11,243,392.59	
Total Project Costs		\$82,466,428.66	
Funding Leveraged (for each dollar in Gas Tax funds)		\$6.33	
Output Indicators		Total	Projects
Kilowatt-hours Saved (kWh/year)		5,253,655.60	33
Kilowatt-hours Generated (kWh/year)		901,322.00	7
Amount of Fuel (Propane/Natural Gas) Saved (cubic metres)		134,407.42	30
LEED Certified Buildings (or equivalent)		1	1
LEED Silver Buildings (or equivalent)		3	3
LEED Gold Buildings (or equivalent)		–	–

SOLID WASTE		2014	
Completed Projects		14	
Total Gas Tax Funds		\$17,053,121.76	
Total Project Costs		\$79,556,973.22	
Funding Leveraged (for each dollar in Gas Tax funds)		\$3.67	
Output Indicators		Total	Projects
Additional Residential Solid Waste Diverted from Landfill to Recycling (Tonnes)		25,227.84	6
Additional Residential Households participating in Organics Collection/Recycling		1,140	2
Work done to comply with MOE's Certificate of Approval		5	5

<b>DRINKING WATER</b>		<b>2014</b>	
Completed Projects		49	
Total Gas Tax Funds		\$25,454,623.85	
Total Project Costs		\$51,180,613.07	
Funding Leveraged (for each dollar in Gas Tax funds)		\$1.01	
Output Indicators		Total	Projects
Decrease in Adverse Water Quality Test Results		75%	4
Decrease in Water Main Breaks		98%	16
Improvement in Drinking Water (per testing under the Safe Drinking Act)		10	10
Decrease in Number of Days when a Boil Water Advisory was in Effect		100%	1
Decrease in Average Age of Water Pipes		65%	24
New Water Pipes (metres)		22,845	22
Rehabilitated Water Pipes (metres)		2,545	6
Additional Volume of Water Treated to a Higher Level (cubic metres)		1,913,756	7

<b>WASTEWATER</b>		<b>2014</b>	
Completed Projects		57	
Total Gas Tax Funds		\$20,985,025.76	
Total Project Costs		\$53,255,298.83	
Funding Leveraged (for each dollar in Gas Tax funds)		\$1.54	
Outcome Indicators		Total	Projects
Number of Wastewater Test Results That Indicated Discharge Objectives Were Not Met		100%	1
Additional Households with Higher Quality Treatment of their Wastewater		2,388	12
Decrease in Wastewater Main Backups		90%	7
Decrease in Wastewater Bypassing Treatment		67%	1
Decrease in Average Age of Wastewater Pipes		74%	12
Municipalities with Upgraded Treatment Plants		0	3
New Wastewater Distribution Pipes (metres)		6,997.90	14
Rehabilitated Wastewater Distribution Pipes (metres)		4,522.60	10
New Stormwater Pipes (metres)		6,786.41	17
Rehabilitated Stormwater Pipes (metres)		1,848	4
Volume of Wastewater Treated to a Higher Level (cubic metres)		32,000	2
Municipalities with Improved Stormwater Treatment Levels		6	9
Work done as required by MOE's Certificate of Approval		13	12



## Federal Gas Tax Fund

### AMO Year End Balance

December 31, 2014

	2014	Cumulative
<b>Opening Balance</b>	-	
See Note 1		
<b>Transferred from the original program</b>	\$ 16,843,331	\$ 16,843,331
<b>Received from Canada</b>	\$ 590,855,385	\$ 590,855,385
<b>Transferred to Municipalities</b>	\$ (603,978,097)	\$ (603,978,097)
<b>Administration Costs</b>	\$ (2,954,277)	\$ (2,954,277)
<b>Interest Earned by AMO</b>	\$ 252,610	\$ 252,610
<b>Closing Balance</b>	\$ 1,018,952	

**Notes:**

(1) These funds include surplus administration funds previously reported. \$15,692,043 of the funds were paid out to municipalities in June 2014 on a per capita basis using 2006 population data from Statistics Canada.

## Federal Gas Tax Fund

### Municipal Aggregate Annual Expenditure Report

December 31, 2014

	2014	Cumulative
<b>Opening Balance</b>	\$ 686,405,725	
<b>Received from AMO</b> (including Payables)	\$ 603,593,151	\$ 603,593,151
<b>Transferred to Eligible Recipient</b>	\$ (36,363,488)	\$ (36,363,488)
<b>Transferred from Eligible Recipient</b>	\$ 36,363,488	\$ 36,363,488
<b>Municipal Interest Earned</b>	\$ 14,142,829	\$ 14,142,829
<b>Municipal Asset Disposal</b>	\$ 7,014	\$ 7,014
<b>Expenditures on Eligible Projects</b>		
Broadband Connectivity	\$ (2,137)	\$ (2,137)
Brownfield Redevelopment	\$ (1,160,000)	\$ (1,160,000)
Capacity Building	\$ (5,784,118)	\$ (5,784,118)
Community Energy Systems	\$ (17,559,671)	\$ (17,559,671)
Culture	\$ (188,179)	\$ (188,179)
Disaster Mitigation	-	-
Local and Regional Airports	-	-
Local Roads and Bridges	\$ (361,692,805)	\$ (361,692,805)
Public Transit	\$ (86,417,270)	\$ (86,417,270)
Recreation	\$ (1,395,137)	\$ (1,395,137)
Short-line Rail	-	-
Short-sea Shipping	-	-
Solid Waste	\$ (22,902,884)	\$ (22,902,884)
Sport	\$ (30,000)	\$ (30,000)
Tourism	\$ (36,430)	\$ (36,430)
Wastewater	\$ (42,507,442)	\$ (42,507,442)
Water	\$ (21,099,972)	\$ (21,099,972)
<b>Closing Balance</b>	\$ 743,372,675	



## Filling up on gas tax fund

- Brantford Expositor, June 26, 2014



## Gas tax helping roadwork

- Barrie Examiner, December 17, 2014

## Construction Complete!

- Sault Online, November 14, 2014

## Permanent federal Gas Tax Fund will provide stable funding for transportation

- CP24, July 11, 2014

## Update coming to Queenston bridge

- Niagara this Week, March 13, 2014



## Rickford announces \$3 million for bridge repairs

- Kenora Daily Miner and News, September 11, 2014

## Ottawa Street enjoying \$2.7-million upgrade

- Windsor Star, June 23, 2014

## Feds renew Gas Tax Fund for Ontario cities

- Waterloo Record, July 11, 2014



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 Twitter: [@GasTaxinOntario](https://twitter.com/GasTaxinOntario)

Websites: [www.amo.on.ca](http://www.amo.on.ca)  
[www.GasTaxAtWork.ca](http://www.GasTaxAtWork.ca)  
[www.infrastructure.gc.ca](http://www.infrastructure.gc.ca)



Compared with other industry products made with 100% virgin fiber, printing this annual report saved:



**6 trees**



**23,112 L of water**  
 66 days of water consumption



**350 kg of waste**  
 7 waste containers



**910 kg CO<sub>2</sub>**  
 6,087 km driven



**10 GJ**  
 47,581 60W light bulbs for one hour



**3 kg NOX**  
 emissions of one truck during 8 days

Photography: Thank you to all of the municipalities that contributed photos of their local infrastructure projects. Others taken by Rick Chard, [www.rickchard.com](http://www.rickchard.com)