Ministry of Agriculture, Food and Rural Affairs

4th Floor
1 Stone Road West
Guelph, Ontario N1G 4Y2
Tel: 1-877-424-1300
Fax: 519 826-3398

Ministère de l'Agriculture, de l'Alimentation et des Affaires rurales

4e étage
1 Stone Road West
Guelph (Ontario) N1G 4Y2
Tél. : 1-877-424-1300
Téléc. : 519 826-3398

Ontario

Rural Programs Branch

November 30, 2017

Attention: Chief Administrative Officer / Clerk / Treasurer

Re: Ontario Community Infrastructure Fund (OCIF) Formula Component 2017 Revised Allocation Notice

As a follow up to the email you received in October, attached you will find a hard copy of your Revised Allocation Notice for your records. For your information, we have also included the letter which accompanied the notice in the email sent.

Should you have any questions, please do not hesitate to contact your Project Analyst directly or by emailing OCIF@ontario.ca or calling 1-877-424-1300.

Thank you on behalf of the infrastructure team.

Sincerely,

Joel Locklin
Manager, Infrastructure Renewal Programs

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Rural Programs Branch

Version française à la page suivante

October 2017

File Number: OCIF FC2-M-0349

Dan Best, CAO
Municipality of South Huron
PO Box 759, 322 Main Street South
Exeter, ON N0M 1S6
cao@southhuron.ca

Dear Dan Best,

Ontario Community Infrastructure Fund Formula Component – Revised Funding Allocation Notice

I am pleased to confirm your municipality's continued eligibility for the Ontario Community Infrastructure Fund (OCIF) formula funding. Enclosed you will find a revised Allocation Notice, which confirms your 2018 grant and proposed 2019 and 2020 grants. You will notice that your 2020 allocation will increase to $688,269.00.

Building a stronger Ontario is a priority, that's why the province is tripling the Ontario Community Infrastructure Fund (OCIF) to $300 million by 2019, to help rural municipalities build and upgrade their roads, bridges, and water systems.

The OCIF formula funding is designed to recognize that small rural and northern communities have different infrastructure needs and economic conditions. Communities with more core infrastructure and more challenging economic conditions receive proportionately more funding. The province has used the best available data in the calculation of the grant allocations, as detailed in the attached notice. The difference between your community's 2019 and 2020 grants reflects changes in the value of your core infrastructure and/or economic conditions relative to other eligible communities.

More information on the calculation of the grant, details on how you may spend your grant and reporting requirements can be found in OCIF's program guidelines, available at: Ontario.ca/municipalinfrastructure.

Should you have questions regarding your allocation, please feel free to contact your Project Analyst, Mary Wyga, at (519) 826-4943 or Mary.Wyga@ontario.ca.

Sincerely,

Brent Kennedy, Director
Rural Programs Branch

Enclosure

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Ontario

Direction des programmes pour les collectivités rurales

Octobre 2017

Avis d'allocation révisée
Fonds ontarien pour l'infrastructure communautaire – Volet des subventions fondées sur une formule

J'ai le plaisir de vous dire que votre municipalité continue d'être admissible au Volet des subventions fondées sur une formule du Fonds ontarien pour l'infrastructure communautaire (FOIC). Vous trouverez ci-joint l'avis de l'allocation révisée de votre municipalité. Y sont indiqués le montant de la subvention de 2018 et celui des subventions proposées pour 2019 et 2020. Vous constaterez que votre allocation de 2020 augmentera pour atteindre $688,269.00.

Édifier un Ontario plus fort étant une priorité, le gouvernement de l'Ontario a triplé le montant des fonds affectés au Fonds ontarien pour l'infrastructure communautaire (FOIC) pour qu'ils soient de 300 millions de dollars en 2019. Le gouvernement veut ainsi aider les municipalités rurales à construire et à moderniser chez elles des routes, des ponts et des réseaux de distribution d'eau.

Le Volet des subventions fondées sur une formule du FOIC est conçu pour tenir compte du fait que les petites municipalités et les municipales rurales et du Nord ont différents besoins d'infrastructure et différentes situations économiques. Les municipalités ayant une plus vaste infrastructure de base et une situation économique plus épineuse reçoivent des subventions proportionnellement plus élevées. Pour déterminer le montant des subventions indiquées dans l'avis ci-joint, le gouvernement provincial s'est fondé sur les meilleures données disponibles. Toute différence entre le montant de la subvention de 2019 et celui de la subvention de 2020 est attribuable aux changements relevés dans votre infrastructure de base ou au changement de votre situation économique par rapport aux changements notés chez d'autres municipalités admissibles au FOIC.

Vous trouverez dans les lignes directrices du FOIC, qui se trouvent au site Ontario.ca/infrastructuremunicipale, de plus amples renseignements sur le calcul du montant des subventions, les façons dont vous pouvez utiliser votre subvention et les règles en ce qui concerne les rapports à remettre.

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Si vous avez des questions au sujet de votre allocation, n'hésitez pas à communiquer avec votre analyste de projet, Mary Wyga, par téléphone, au (519) 826-4943, ou par courrier électronique à l'adresse Mary.Wyga@ontario.ca.

Veuillez agréer l'expression de mes sentiments les meilleurs.

Le directeur,

Brent Kennedy
Direction des programmes pour les collectivités rurales

Pièce jointe

Ontario

Ontario Community Infrastructure Fund (OCIF)
Formula-based Component

Revised Allocation Notice

Ministry of Infrastructure
Ministry of Agriculture, Food and Rural Affairs

Municipality of South Huron

September 2017

Disponible en français

Ontario Community Infrastructure Fund (OCIF)

Formula-based Component: Revised Allocation Notice

Municipality of South Huron

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Please Note: *Due to rounding, some calculations may vary from the results shown.*

Ontario Community Infrastructure Fund (OCIF)

Formula-based Component: Revised Allocation Notice

Municipality of South Huron

Overview

This revised allocation notice is to inform you of your 2020 Ontario Community Infrastructure Funding formula allocation and demonstrate the calculation of this grant. For calculations of previous years' grants, please see your July 2016 allocation notice.

Formula-Based Funding Allocation

Your community's proposed formula-based allocation of funding under the Ontario Community Infrastructure Fund for the next three years is as follows:

2018 formula allocation	$450,830
2019 proposed formula allocation	$673,392
***NEW* 2020 proposed formula allocation**	$688,269

Terms and Conditions

Receipt of the formula allocations are conditional upon compliance with all of the terms and conditions of your existing OCIF formula-based funding agreement.

The Province reserves the right to adjust or terminate any allocation or proposed allocation contained in this notice, without consent or notice, to account for any changes in a municipality's situation, the OCIF program guidelines, or other parameters or administrative procedures.

Payment Schedule

The Province proposes to make payments in accordance with the following schedule:
Allocations of $150,000 or less will be provided in one payment;
Allocations greater than $150,000 but less than $1 million will be provided through 6 payments; and
Allocations greater than $1 million will be provided through 12 payments.

Next Revised Allocation Notice

You will receive a revised allocation notice in 2018. It will advise you of your 2021 proposed formula-based allocation and confirm your 2019 allocation.

Ontario Community Infrastructure Fund (OCIF)

Municipality of South Huron

Adjusted Core Infrastructure

Table 1 - Calculation of Adjusted Core Infrastructure (2020 Grant)

A	**Adjusted Core Infrastructure: A1 + (A2 x A3)**	**$219,227,412**
	A1. Municipality's core infrastructure	**$135,111,553**
	A2. Core infrastructure of upper tier	**$506,283,982**
	A3. Weighted property assessment ratio (% of upper tier)	**16.6144%**

Data Sources

- **Core infrastructure:** assets valued at cost as reported in Schedule 51 of the Financial Information Return (FIR).
  The best of 2015 or 2016 FIR data is used - whichever yields a higher total core infrastructure value for the municipality.
  FIR Categories included are:

Line	Item
611	Roads - Paved
612	Roads - Unpaved
613	Roads - Bridges and Culverts
614	Roadways - Traffic Operations & Roadside Maintenance
621	Winter Control - except Sidewalks, Parking Lots
622	Winter Control - Sidewalks, Parking Lots only
650	Street Lighting
811	Wastewater Collection/Conveyance
812	Wastewater Treatment and Disposal
821	Urban Storm Sewer System
822	Rural Storm Sewer System
831	Water Treatment
832	Water Distribution/Transmission

- **Weighted property assessment:** Measures the size of the municipality's tax base. Refers to the total assessment for a municipality weighted by the tax ratio for each class of property (including payments in lieu of property taxes (PILs) retained by the municipality).
  The 2016 returned roll and 2017 starting tax ratios (Municipal Property Assessment Corporation (MPAC) and municipal tax rate bylaws) and Municipal FIRs (2015 or 2014 for PILs) are used.

Ontario Community Infrastructure Fund (OCIF)

Municipality of South Huron

Calculation of Indicators for 2020 Grants

Table 2a - Indicator 1 (ratio of adjusted core infrastructure to weighted assessment)

Indicator 1 Value for Municipality

A	**Indicator 1 Value: (A1 ÷ A2)**	**0.173**
	A1. Municipality's adjusted core infrastructure	$219,227,412
	A2. Municipality's weighted property assessment	$1,270,450,019

Indicator 1 of Eligible Municipalities: Median, Lowest, Highest Values

B	Lowest Value	0.002
C	Median Value	0.086
D	Highest Value	0.322

Calculation of Re-weighted Indicator 1

E	Difference between Indicator Value and Median (A - C)	0.087
F	Difference between the Median and the Highest Value (D - C)	0.236
G	**Re-weighted Indicator 1 (E ÷ F)**	**0.367**

Note

Line F: Since the indicator is above the median, the difference between the median and the highest value is calculated (D - C)

Line G: The re-weighted indicator is on a scale of -1 to +1.

Ontario Community Infrastructure Fund (OCIF)

Municipality of South Huron

Calculation of Indicators for 2020 Grants

Table 2b - Indicator 2 (ratio of core infrastructure per household to median household income)

Indicator 2 Value for Municipality

A	**Indicator 2 Value: ((A1 ÷ A2) ÷ A3)**	**0.824**
	A1. Municipality's adjusted core infrastructure	$219,227,412
	A2. Municipality's number of households	4,712
	A3. Municipality's median household income	$56,447

Indicator 2 of Eligible Municipalities: Median, Lowest, Highest Values

B	Lowest Value	0.015
C	Median Value	0.367
D	Highest Value	1.166

Calculation of Re-weighted Indicator 2

E	Difference between Indicator 2 Value and Median (A - C)	0.458
F	Difference between the Median and the Highest Value (D - C)	0.800
G	**Re-weighted Indicator 2 (E ÷ F)**	**0.572**

Note

Line F: Since the indicator is above the median, the difference between the median and the highest value is calculated (D - C)

Line G: The re-weighted indicator is on a scale of -1 to +1.

Data Sources

Median household income: Statistics Canada's measure of median household income for all private households (2011).
Median household income data from the 2016 census is not yet available.

Ontario Community Infrastructure Fund (OCIF)

Municipality of South Huron

Table 3 - Total 2020 Grant

Infrastructure Index

A	**Infrastructure Index: ((A1 + A2) ÷ 2)**	**0.469**
	A1. Re-weighted Indicator 1	0.367
	A2. Re-weighted Indicator 2	0.572

Calculation of Funding per $100,000 of Core Infrastructure

B	**2020 Funding per $100,000 Core Infrastructure: ($391.50 + $24 x (A – B1) ÷ 10%)**	**$509.41**
	B1. Median of Infrastructure Indices of all Eligible Municipalities	-0.022

Calculation of Grant

C	**2020 Total Grant: Highest of (B x C1 ÷ $100,000) or $50,000**		**$688,269**
	C1. Municipality's total core infrastructure	$	135,111,553

Note

Line B: Since the index is above the median, the funding per $100,000 of core infrastructure is greater than $391.50.

Please refer to the program guidelines for details on the minimum and maximum funding provided per $100,000 of core infrastructure.