

STAFF REPORT

THE CORPORATION OF THE TOWN OF COBOURG



Report to:	Mayor and Council Members	Priority:	<input checked="" type="checkbox"/> High <input type="checkbox"/> Low
Submitted by:	Ian D. Davey, BBA CPA CA Treasurer / Director of Corporate Services	Meeting Type: Open Session <input checked="" type="checkbox"/> Closed Session <input type="checkbox"/>	
Meeting Date:	December 20, 2021		
Report No.:	Corporate Services-157-21		
Submit comments to Council			

Subject/Title: OCIF Formula-Based Funding – 2022 Allocation

RECOMMENDATION:

THAT Council receive the letter from the Ontario Ministry of Infrastructure indicating a 2022 allocation to the Town of Cobourg in the amount of \$1,395,417 for information purposes;

AND FURTHER THAT Council amend the 2022 Draft Capital Budget to replace debenture funding with OCIF funding in the amount of \$1,272,620 as detailed in Schedule A to this report.

1. STRATEGIC PLAN

N/A

2. PUBLIC ENGAGEMENT

N/A

3. PURPOSE

The purpose of this report is to outline for Council suggested funding changes to the 2022 Draft Capital budget to make use of the recently announced provincial OCIF allocation for 2022 in the amount of \$1,395,417.

4. ORIGIN AND LEGISLATION

The Provincial Ministry of Infrastructure recently announced in a letter dated December 2021 that the 2022 OCIF Formula-Based funding for the Town of Cobourg would be \$1,395,417.

These funds were not previously considered in the 2022 Draft Capital Budget.

5. BACKGROUND

Eligible recipients for OCIF funding receive an annual allocation specifying the amount of funding to be received for the calendar year. Any unspent funds can be accumulated for up to five years to address larger infrastructure projects.

Eligible expenditures on core infrastructure projects such as roads, bridges, water and wastewater, including sanitary and storm water qualify for funding under this program. Expenditures may be for the capital construction of new core infrastructure or the capital maintenance for the renewal, rehabilitation and replacement of core infrastructure or to cover the debt-financing charge related to these type of projects.

6. ANALYSIS

The projected balance of prior year OCIF funding available for use in 2022 was approximately \$730,000 and \$638,000 of this amount was allocated in the draft 2022 capital budget for the Burke, Blake, Victoria Streets capital project.

The following approved 2022 capital projects are currently shown in the draft budget to be funded with a portion of debenture funding and it is the recommendation that prior to the final approval of the budget that the OCIF funding be used instead of debenture financing:

Burke, Blake, Victoria Street Reconstruction (Pg 40)	\$342,000
Albert Street Widening (Pg 41)	\$320,000
Kerr Street – Wilkins Gate to New Amherst Blvd (Pg 42)	\$350,620
Monks Cove Retaining Wall	<u>\$260,000</u>
Total additional allocation of OCIF funding	<u>\$1,272,620</u>

FINANCIAL IMPLICATIONS/BUDGET IMPACTS

The use of the OCIF funding to replace debenture funding will not impact the Municipal Levy requirement for the 2022 municipal budget, however, this will reduce future borrowing requirements of the municipality in the amount of \$1,272,620 and allow these 2022 capital projects to proceed as planned.

7. CONCLUSION

That Council approve the amendments to the 2022 Capital Budget to replace debenture funding with \$1,272,620 of the 2022 OCIF Formula-Based funding allocation as outlined in this report.

Report Approval Details

Document Title:	OCIF Formula-Based Component 2022 Allocation - Corporate Services-157-21.docx
Attachments:	- doc27197420211210155225.pdf
Final Approval Date:	Dec 10, 2021

This report and all of its attachments were approved and signed as outlined below:

Tracey Vaughan, Chief Administrative Officer - Dec 10, 2021 - 5:53 PM