

Revenue Leveling Procedure



OFATV

Ontario Federation of All Terrain Vehicle Clubs

Adopted as Policy by the OFATV Board of Directors
(Replacing earlier versions of the document)

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2 Purpose

The OFATV clubs have a great diversity of trails. It is understood that all trails require funding, some trail types more than others. While most of the OFATV permit funding is allocated to the club selling the permit, a small portion is pooled among the provinces clubs to be distributed to the clubs for maintenance of trails. This revenue accumulates each calendar year and is distributed according to this process in the early months of the following year.

3 Assumption for this document

All measurements are assumed to be in Kilometers with no more than 3 decimals. All amounts are assumed to be in Canadian Dollars and rounded to the nearest whole dollar amount.

4 Trails That Qualify

In a recent study it was discovered that the common ratio of required maintenance funding for a Bush Trail versus a trail following an open road was 250:1, where for every dollar spent on signage for an open road \$250 was spent signing and maintaining an off road trail. The OFATV club base amount from every permit is the clubs main source of trail development funding; the leveling funding is intended to encourage the building and maintaining of off road trails. Furthermore it should not be the goal or intention of any club to erect trails on open roads, other than a means to connect off road trails.

Qualifying Trails:

Trails that are legal as of October 1st of the year of the verification.

Unopened Road: Any section of road, or road allowance that is not maintained or not opened up for traffic by the governing body.

Rail Trail: A trail on a closed rail bed.

Bush Trail: Any trail section off road.

Winter Trails:

Sections of Qualified Trails which are groomed for winter use.

Total Club Qualified Trails:

The total club qualified trails can be calculated by adding the number of Qualified Trails, and adding an additional 50% of the length of Winter Trails.

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5 Requirements

Each year the OFATV clubs are required to submit a Trail Verification package for approval to the OFATV trails committee. All required documentation for this verification should be received by the committee no later than October 1st. While the verification spreadsheet is required each year, if the club has submitted supplemental documentation in an earlier verification it is not required to be re-submitted as long as the committee can verify that it has the relevant document (LUP, By-Law, etc) on file. The trails committee shall send a notification of receipt via email to each club within 24hours of receiving the Trail Verification package. If your club has sent documentation in and has not received a receipt in a reasonable time frame, **it is up to the club to contact the Trails Committee or the OFATV office, as late submissions will not be admissible and are not the responsibility of the Trails Committee or the OFATV office. If a club's verification is not received by the due date the total qualified km's of trails for that club will be deemed to be zero.** Should the OFATV Trails committee find any missing documentation a notice via e-mail will be sent to the clubs trail coordinator, these documents must be received by the trails committee via email no later than 48 hours later.

The Trails Committee will prepare a report for each club of its findings and submit it to the Executive before November 14th who will, upon final approval forward them on to their respective clubs. Should a club dispute their verification report findings they should first contact the OFATV Trails committee to seek a resolution, and should that fail they may ask the OFATV Executive for a ruling, the Executive's ruling is final. All resolutions must be completed by December 1st.

The OFATV Executive will forward the final results of the verifications to the OFATV Finance Committee who will perform the trail fund leveling calculations for the entire province and inform the treasurer of the required payments to be sent out by February 1st.

6 Timeline

Leveling Steps	Duration	Deadline
Trails Committee Sends out documentation		Aug 1st
Clubs perform and send in verification	61 days	Oct 1st
Trails Committee Verifies & Notifies Clubs of missing documentation	41 Days	Nov 10th
Clubs gather and send in missing documents	2 days	Nov 12th
Trails Committee verifies missing docs & sends reports to Exec	2 days	Nov 14th
Exec inspects and sends to clubs	7 days	Nov 16th
Clubs can lodge complaint with trails committee	7 days	Nov 23rd
Clubs can lodge complaint with Exec	7 days	Nov 30th
Exec sends final reports to Finance Committee	7 days	Dec 1st
Christmas Holidays	38 Days	Jan 7th
Finance Committee performs calculations and submits to bookkeeper	14 days	Jan 21st
Cheques are sent out	11 days	Feb 1st

7 Formula

Club portion of Trail Leveling funding =

$$\frac{\text{Total Club Qualified Trail}}{\text{Total Provincial Qualified Trail}} \times \text{Total Revenue Leveling Funds}$$

8 Example

Clubs A, B, & C have paid into a trail leveling fund that totals \$1000

Club A has 50km of qualified trail.

Club B has 130km of qualified trail and 60km of it is groomed for winter use giving them a total of 160km of qualified trail. (130 + 60/2)

Club C has 90km of qualified trail.

Total Provincial Qualified Trails = 300km (50+160+90)

Club A would receive \$166.67 (50/300 x 1000)

Club B would receive \$533.33 (160/300 x 1000)

Club C would receive \$300.00 (90/300 x 1000)

9 Definitions

Total of Provincial Qualified Trails:

The Total of Provincial Qualified Trails is equal to the Total Club Qualified Trails summed up for all clubs.

Total Revenue Leveling Funds:

The funds accumulated from Permit sales between and including January 1st and December 31st of the year prior to the funding being dispersed.