

**Ministry of Finance**  
Provincial-Local  
Finance Division  
10<sup>th</sup> Floor  
777 Bay Street  
Toronto ON M5G 2C8  
Tel (416) 327-0264  
Fax (416) 325-7644

**Ministère des Finances**  
Division des relations provinciales-  
municipales en matière de finances  
10<sup>e</sup> étage  
777 rue Bay  
Toronto (Ontario) M5G 2C8  
Tél. (416) 327-0264  
Télééc. (416) 325-7644



March 14, 2019

Dear Treasurer/Clerk-Treasurer:

In the March 14 letter to Heads of Council, the government announced the 2019 Ontario Municipal Partnership Fund (OMPF) municipal allocations. I am writing to provide you with additional details regarding your 2019 allocation.

Your municipality will benefit from an increase in OMPF funding compared to 2018 as a result of the responsiveness of the program to changing municipal circumstances. The details specific to your municipality's 2019 allocation are outlined in the attached *2019 OMPF Allocation Notice and Inserts*.

## **2019 OMPF**

In 2019, the government is maintaining the current structure of the OMPF. This means that the program is remaining the same as in 2018, while allowing for annual data updates and related grant parameter adjustments.

All four core grant components of the 2019 OMPF are providing the same level of support as in 2018. As in prior years, Transitional Assistance will continue to adjust as fewer municipalities require this funding.

As a result, the 2019 OMPF will provide a total of \$505 million to 389 municipalities across the province through the following grant components and Transitional Assistance:

- The **Northern and Rural Fiscal Circumstances Grant** is providing \$89 million to support municipalities with more challenging fiscal circumstances.
- The **Northern Communities Grant** component is providing \$89 million in recognition of the challenges of northern municipalities.
- The **Rural Communities Grant** component is providing \$150 million to support rural communities across the province.

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- The **Assessment Equalization Grant** component is providing \$149 million to support municipalities with limited property assessment.
- Consistent with prior years, the **Transitional Assistance** component of the OMPF will ensure that the 2019 funding guarantee for municipalities in northern Ontario will be at least 90 per cent of their 2018 OMPF allocation, and for municipalities in southern Ontario will be at least 85 per cent of their 2018 OMPF allocation. Northern and rural municipalities with the most challenging fiscal circumstances will continue to have their funding enhanced up to 100 per cent of the prior year's allocation.

More information on the 2019 OMPF can be found in the accompanying supporting materials.

## **2019 OMPF – SUPPORTING MATERIAL**

In order to assist municipalities in understanding the OMPF and their individual 2019 allocations, the Ministry of Finance has prepared detailed and customized supporting documentation:

- A.** 2019 OMPF Allocation Notice and Inserts
- B.** 2019 OMPF Technical Guide
- C.** Municipal Workbooks

### ***A. 2019 OMPF Allocation Notice and Inserts***

The *OMPF Allocation Notice* and *Insert* outline individual municipal OMPF allocations by grant component, and also provide a summary of key data inputs for 2019. Your municipality's 2019 funding allocation is noted on line A.

### ***B. 2019 OMPF Technical Guide***

The *2019 OMPF Technical Guide* provides information with respect to individual grant thresholds, parameters and data sources.

### ***C. 2019 Municipal Workbooks***

The *2019 OMPF Workbook* and the *2019 Northern and Rural MFCI Workbook* (if applicable) provide detailed calculations of the 2019 OMPF grant components, and the determination of the Northern and Rural Municipal Fiscal Circumstances Index (MFCI), as well as outline all underlying data elements.

These workbooks will be provided electronically to municipal treasurers and clerk-treasurers in the coming weeks.

The *2019 OMPF Technical Guide*, as well as individual municipal *OMPF Allocation Notices*, are also available electronically on the Ministry's website:

<http://www.fin.gov.on.ca/en/budget/ompf/2019>

## 2019 PAYMENT SCHEDULE

The *2019 Cash Flow Notice* identifies your municipality's quarterly payment schedule.

To assist your municipality with cash flow administration, a 2019 interim first quarterly payment was issued in January, 2019. This interim payment was equivalent to your municipality's 2018 OMPF quarterly payment.

The remaining 2019 quarterly payments will be adjusted to reflect your municipality's actual 2019 OMPF allocation and will be processed at the end of April, July, and October 2019.

## 2019 REPORTING OBLIGATIONS

We would like to remind you that municipalities are required to submit their 2018 Financial Information Return (FIR) to the Ministry of Municipal Affairs and Housing (MMAH) by **May 31, 2019**.

Municipalities are also required to submit their 2019 tax rates through the Online Property Tax Analysis (OPTA) system or to MMAH by **September 30, 2019**.

Payments for municipalities that do not meet these reporting obligations will be subject to holdback, beginning with the 2019 fourth quarterly payment, until these documents have been filed.

If you require additional information regarding the OMPF, you may e-mail your inquiries and contact information to: [info.ompf@ontario.ca](mailto:info.ompf@ontario.ca).

## OMPF REVIEW

The OMPF is under review to ensure that the program is sustainable and focused on northern and rural municipalities that need this funding the most. The government is committed to announcing 2020 allocations well in advance of the municipal budget year so that municipalities have appropriate time to plan.

In closing, we would like to thank our municipal partners and all municipalities that shared their input on the OMPF. We look forward to our continued collaboration.

Sincerely,

*Information Copy*

*Original signed by*

Allan Doheny  
Assistant Deputy Minister  
Provincial-Local Finance Division

c. Kate Manson-Smith  
Assistant Deputy Minister  
Local Government and Planning Policy Division  
Ministry of Municipal Affairs and Housing

Marcia Wallace  
Assistant Deputy Minister  
Municipal Services Division  
Ministry of Municipal Affairs and Housing