



Ontario Municipal Partnership Fund – Treasurer/Clerk-Treasurer Letter

Ministry of Finance

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Dear Treasurer/Clerk-Treasurer:

In their November 10 letter to Heads of Council, the Ministers of Finance and Municipal Affairs announced the 2017 Ontario Municipal Partnership Fund (OMPF) municipal allocations. I am writing to provide you with more details regarding your 2017 allocation.

In 2017, the Province will maintain OMPF funding at \$505 million, which will provide unconditional support to 388 municipalities across the province. The OMPF combined with the municipal benefit resulting from the provincial uploads will total more than \$2.4 billion in 2017. This is nearly four times the level of funding provided in 2004, and is the equivalent of 13 per cent of municipal property tax revenue.

The details specific to your municipality's 2017 allocation are outlined in the attached *2017 OMPF Allocation Notice and Inserts*.

2017 OMPF

As you know, the OMPF was redesigned in 2014 following consultations with municipalities from across the province. Consultations with municipalities and the Association of Municipalities of Ontario (AMO) have continued over the past year and have focused on refining the program to ensure it meets the long-term priorities of municipalities.

The 2017 OMPF reflects the core objectives of the redesigned program, while balancing the range of views expressed by municipalities through this year's consultations. Specifically in 2017, the

program will:

- Further target support to municipalities with more challenging fiscal circumstances by increasing the Northern and Rural Fiscal Circumstances Grant to \$82 million from \$67 million in 2016;
- Further enhance funding for municipalities across the province with the highest levels of farm land by increasing the Rural Communities Grant to \$148 million from \$143 million in 2016. This builds upon the enhancement for farming communities introduced in the 2016; and
- Continue to ensure that minimum levels of funding assist municipalities by providing \$41 million through Transitional Assistance. Minimum funding guarantees will be set at 85 per cent of 2016 allocations for southern Ontario and 90 per cent in northern Ontario. These minimum levels of support will be enhanced up to 100 per cent for northern and rural municipalities, across the province, with more challenging fiscal circumstances.

More information on these changes can be found in the 2017 OMPF supporting materials.

2017 OMPF – Supporting Material

In order to assist municipalities in understanding the OMPF and their individual 2017 allocations, the Ministry of Finance has prepared detailed and customized supporting documentation:

- A. 2017 OMPF Allocation Notice and Inserts
- B. 2017 OMPF Technical Guide
- C. Municipal Workbooks and Upload Benefit Report

A. *2017 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 2017. Your municipality's funding allocation is noted on line A.

As indicated in the 2017 Transitional Assistance Calculation Insert, your municipality's 2017 minimum level of support will be enhanced based on your northern and rural Municipal Fiscal Circumstance Index (MFCI).

The additional benefit to your municipality from the provincial uploads is presented in the accompanying *2017 Upload Notice Insert*.

B. *2017 OMPF Technical Guide*

The *2017 OMPF Technical Guide* provides information with respect to individual grant thresholds, parameters and data sources.

C. *2017 Municipal Workbooks and Upload Benefit Report*

The *2017 OMPF Workbook* and the *2017 Northern and Rural MFCI Workbook* (if applicable) provide detailed calculations of the 2017 OMPF grant components, and the determination of

the Northern and Rural Municipal Fiscal Circumstances Index (MFCI), as well as outline all underlying data elements.

The *2017 Upload Benefit Report* presents a detailed breakdown of each municipality's estimated benefit resulting from the provincial uploads.

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

The *2017 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/2017>

2017 Payment Schedule

The *2017 Cash Flow Notice* identifies your municipality's quarterly payment schedule. Payments will be processed at the end of January, April, July, and October 2017.

2017 Reporting Obligations

We would also like to remind you that municipalities are required to submit their 2016 Financial Information Returns (FIRs) to the Ministry of Municipal Affairs (MMA) by **May 31, 2017**.

Municipalities are also required to submit their 2017 tax rates through the Online Property Tax Analysis (OPTA) System or to MMA by **September 30, 2017**.

Payments for municipalities that do not meet these reporting obligations will be subject to holdback, beginning with the 2017 fourth quarterly payment, until these documents have been filed.

If you require additional information regarding the OMPF, you may email your inquiries and contact information to: info.ompf@ontario.ca.

In closing, I would like to thank our municipal partners and all municipalities that provided input on the development of the 2017 OMPF, including the Municipal Reference Group. I look forward to continued collaboration with our municipal partners to ensure that the OMPF continues to reflect municipal priorities in 2017 and beyond.

Sincerely,

Information copy

Original signed by

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