

Ministry of Finance

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Ministry of Municipal
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December 21, 2007

Dear Treasurer/Clerk-Treasurer,

This letter is in follow up to the recent letter to Heads of Council, from the Ministers of Finance and Municipal Affairs and Housing advising on the status of the 2008 Ontario Municipal Partnership Fund (OMPF).

As you are aware, at the Association of Municipalities of Ontario (AMO) annual conference in August 2007, the Premier made a commitment to upload the municipal share of Ontario Drug Benefit (ODB) in 2008 and begin uploading the Ontario Disability Support Program (ODSP) in 2009, thereby reducing costs to municipalities by a projected \$935 million annually by the time the upload is fully implemented in 2011.

Although municipal social program costs will fall in 2008, the government also committed that, province-wide, overall dollars for the OMPF would not be reduced in 2008 as a result of the upload.

2008 will be a transitional year for the OMPF as the government works with its municipal partners through the Provincial-Municipal Fiscal and Service Delivery Review (PMFSDR).

As the Ministers' letter also advised, each municipality will receive no less funding in 2008 than it received in its *March 2007 Allocation Notice*. As a result, total OMPF funding for 2008 will be \$843 million -- the same level of funding announced in March 2007. This stable funding guarantee for the 2008 OMPF will ensure that municipalities will be in a position to proceed with their 2008 budgets.

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2008 Stable Funding Guarantee Notice

The attached *2008 Stable Funding Guarantee Notice* identifies the level of funding each municipality received under the announced OMPF for 2007, and indicates their stable funding level for 2008, including the amount of their first quarter payment. The quarterly payments to municipalities will be processed at the end of January, April, July and October 2008.

2008 Reporting Requirements

Municipalities are also reminded of the 2008 reporting requirements. Municipalities are required to submit the following to the Ministry of Municipal Affairs and Housing:

- their 2007 Financial Information Returns (FIRs) by **May 31, 2008**;
- their 2008 tax rate by-laws by **September 30, 2008**; and
- any outstanding 2006 Financial Information Returns (if applicable).

Failure to meet these deadlines may result in the withholding of 2008 OMPF payments until these documents have been provided to the Province.

2006 OMPF Reconciliation and 2007 OMPF Update

Details of the 2006 OMPF reconciliation and the 2007 OMPF update will be confirmed in the new year.

Any change to the OMPF following the release of the detailed municipal allocations will be incorporated into the *2008 Ontario Municipal Partnership Fund Technical Guide* and *Brochure* and posted on the Ministry of Finance website:

<http://www.fin.gov.on.ca/english/community/ompf/>
<http://www.fin.gov.on.ca/french/community/ompf/>

Sincerely,



Colin Andersen
Deputy Minister
Ministry of Finance



John Burke
Deputy Minister
Ministry of Municipal Affairs and Housing

Attachment