

Ontario Municipal Partnership Fund

2007 Technical Guide Addendum

March 2007

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INTRODUCTION

In March 2007, the per household limit of the Income Threshold Component of the Social Programs Grant was further increased to \$80 per household, from \$50 per household (as announced in December 2006). This addendum is intended as an update to the *Ontario Municipal Partnership Fund 2007 Technical Guide*.

OVERVIEW

The Ontario Municipal Partnership Fund (OMPF) assists municipalities with their social program costs, includes equalization measures, addresses challenges faced by northern and rural communities, and responds to policing costs in rural communities. The OMPF replaced the Community Reinvestment Fund (CRF) in 2005 as the Province's main transfer payment to municipalities.

In 2007, the OMPF will provide \$843 million to 395, or 89 per cent, of municipalities. Compared to funding announced in March 2006, this represents an increase of \$80 million, or 10 per cent. Compared to CRF payments in 2004, this represents an increase of \$225 million, or 36 per cent.

	Allocation	Year-over-Year Increase
2005 OMPF	\$656 million	\$38 million, or 6.1%
2006 OMPF	\$763 million	\$107 million, or 16.3%
2007 OMPF	\$843 million	\$80 million, or 10.0%

THE ONTARIO MUNICIPAL PARTNERSHIP FUND: GRANTS AND COMPONENTS

The Ontario Municipal Partnership Fund will provide municipalities with \$843 million in funding in 2007 through four grants:

I. SOCIAL PROGRAMS GRANT — \$309 MILLION

Provides funding to assist municipalities with limited property assessment and lower household income to support the municipal share of social program costs through two components:

1. Assessment Threshold — \$197 million
2. Income Threshold — \$112 million

II. EQUALIZATION GRANT — \$199 MILLION

Provides funding to municipalities with limited property assessment through two components:

1. Assessment Equalization — \$150 million
2. Farmland and Managed Forest Assessment — \$49 million

III. NORTHERN AND RURAL COMMUNITIES GRANT — \$267 MILLION

Provides funding to northern and rural communities to recognize their unique challenges through four components:

1. Rural Communities — \$154 million
2. Northern Communities — \$84 million
3. Northern and Rural Social Programs — \$23 million
4. Stabilization — \$6 million

IV. POLICE SERVICES GRANT — \$68 MILLION

Provides funding to rural communities to support policing costs.

I. SOCIAL PROGRAMS GRANT

INCOME THRESHOLD GRANT COMPONENT

This grant component provides funding to municipalities with high social program costs relative to the household incomes of their residents. As with the other social program grant components, this component is designed to support the municipal share of eligible social program costs (for a definition of eligible costs see *Ontario Municipal Partnership Fund 2007 Technical Guide*, Appendix A).

Funding of up to \$80 per household is provided to municipalities whose net social program costs exceed 0.75 per cent of the total household incomes of their residents.



Net social program costs for this calculation are:

Total social program costs less the funding provided through the Assessment Threshold Component of the Social Programs Grant and the Northern and Rural Social Programs Grant Component.

This grant assists municipalities in meeting the municipal portion of the established cost-sharing arrangements for social programs. The Province will continue to fund its portion of the cost-shared programs, as well as provide additional funding through the OMPF to help municipalities pay for their share of these arrangements.

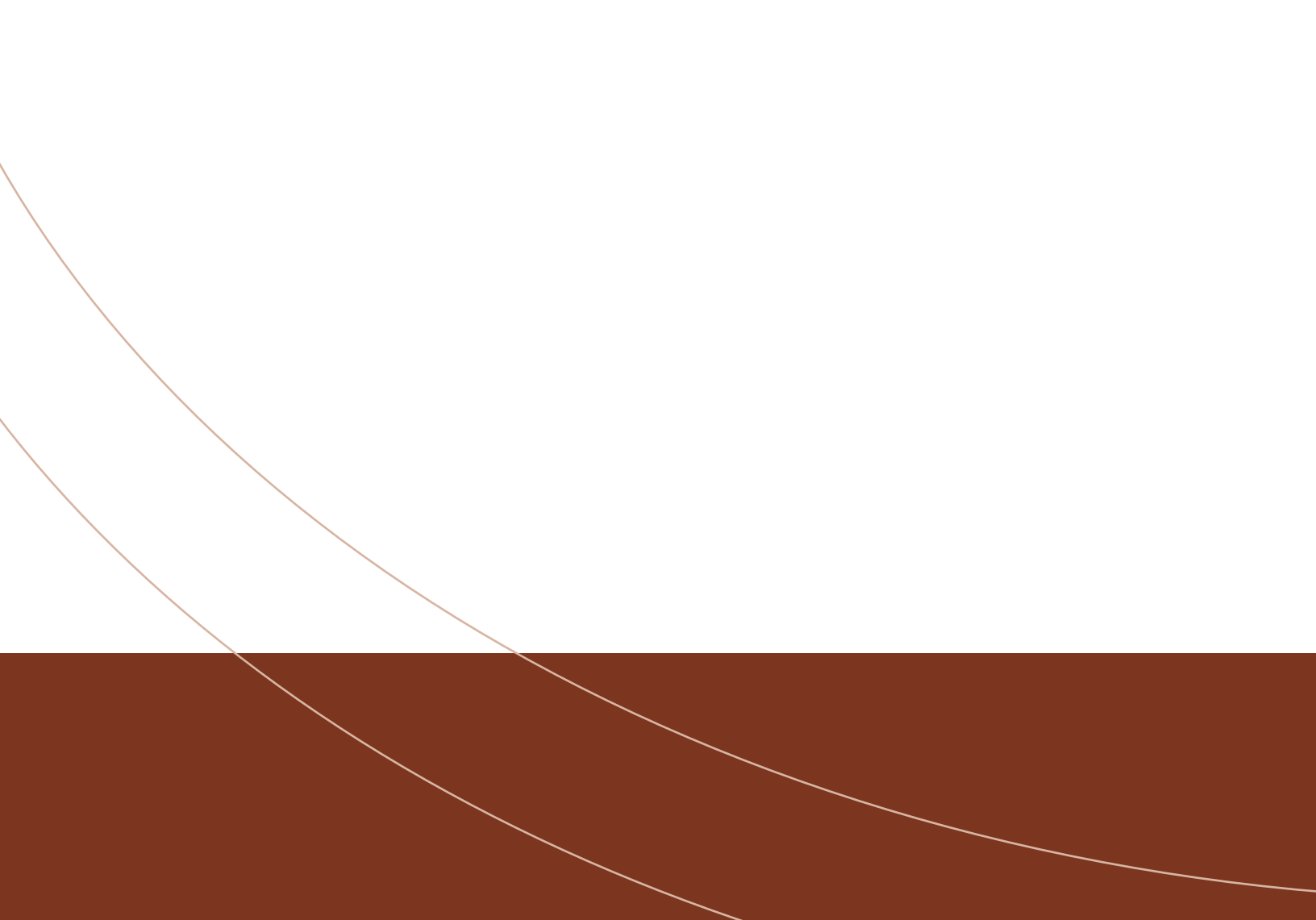
Distribution: The Income Threshold Component is distributed to upper- and single-tier municipalities.

ADDITIONAL INFORMATION

This addendum, the technical guide and other 2007 OMPF supporting materials are posted in English and French on the Ministry of Finance website at:

www.fin.gov.on.ca/english/budget/ompf/

www.fin.gov.on.ca/french/budget/ompf/



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