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Ministère des Finances
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December 15, 2010

Dear Treasurer/Clerk-Treasurer:

This letter follows the recent letter to Heads of Council, from the Ministers of Finance and Municipal Affairs and Housing, announcing the 2011 Ontario Municipal Partnership Fund (OMPF). Also enclosed are the details of your municipality's 2011 OMPF allocation.

In 2011, the OMPF will provide \$577 million to 372 municipalities across the province. The combined benefit to municipalities through the OMPF and the provincial uploads will total over \$1.5 billion in 2011. This represents a 28 per cent increase over the 2010 combined benefit and more than double the funding provided in 2004.

The increase in the 2011 combined benefit reflects the completed upload of the municipal costs for the Ontario Disability Support Program (ODSP) and continued phased upload of Ontario Works (OW) benefits. This builds on the previous uploads of Ontario Drug Benefits (ODB) in 2008 and the administration component of ODSP in 2009.

When all of the uploads are fully implemented, including up to \$125 million in court security costs, the net benefit to municipalities will be \$1.5 billion annually.

Details of the 2011 OMPF Release

The OMPF continues to remain responsive to changing municipal circumstances such as updates in assessment, households or policing costs. Consistent with this key principle, the 2011 social programs grants have been adjusted to reflect the reduction in municipal costs from the provincial upload of ODB, ODSP and the phased upload of OW benefits.

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Ministry staff have incorporated updated data elements required to determine OMPF allocations. Further, specific refinements to OMPF grant parameters are consistent with previous years' updates:

- The weighted assessment eligibility threshold for the Social Programs Assessment Threshold Component has been adjusted to 0.147 per cent in 2011 (from 0.156 per cent in 2010), in response to assessment changes.
- The total weighted assessment per household threshold under the Assessment Equalization Grant Component has been adjusted to \$225,000 in 2011 (from \$213,000 in 2010), in response to assessment changes.
- The tax revenue threshold for the Northern and Rural Social Programs Grant Component has been adjusted to 11.0 per cent in 2011 (from 11.5 per cent in 2010) in response to changes in tax revenue.

2011 OMPF Allocation Notice and Insert

The results for your municipality are provided on the enclosed *2011 OMPF Allocation Notice*. Your municipality's 2011 OMPF funding allocation is identified on Line C, *Total 2011 OMPF Funding*.

For single- and upper-tier municipalities, the additional benefit to your municipality from the social assistance benefit program uploads in 2011 are identified on Lines D2 to D5 of the *Notice*. They are also summarized on the enclosed *Insert*. Of course the removal of these costs from the property tax base will also benefit lower-tier taxpayers.

2011 Cash Flow

Also enclosed is the *2011 Cash Flow Notice* that identifies the OMPF quarterly payments your municipality will receive. The quarterly payments will be processed at the end of January, April, July, and October, 2011.

2011 Reporting Requirements

I would also like to remind you that, as in previous years, municipalities are required to submit the following to the Ministry of Municipal Affairs and Housing:

- their 2010 Financial Information Returns (FIRs) by **May 31, 2011**;
- their 2011 tax rate by-laws by **September 30, 2011**; and
- any outstanding 2009 Financial Information Returns (if applicable).

Failure to meet these deadlines may result in the withholding of 2011 OMPF payments until these documents have been provided to the province.

The *2011 OMPF Allocation Notices* and the *2011 Ontario Municipal Partnership Fund Technical Guide* will be posted on the Ministry of Finance website:

<http://www.fin.gov.on.ca/en/budget/ompf/2011/>
<http://www.fin.gov.on.ca/fr/budget/ompf/2011/>

In addition, as also advised by the Ministers in their joint letter, the 2009 OMPF will be reconciled in the coming months, once all of the required final data are available.

If you require additional information, you may e-mail your inquiries and contact information to: info.ompf@ontario.ca.

Sincerely,

Information copy
Original signed by

Allan Doheny
Assistant Deputy Minister (A)
Provincial Local Finance Division

Enclosure

- c. Dana Richardson
Assistant Deputy Minister
Local Government and Planning Policy Division
Ministry of Municipal Affairs and Housing

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