

**Meeting Date:** May 21, 2019  
**Department:** Financial Services  
**Prepared By:** Bill Dakin, Director of Finance-Treasurer  
**Submitted By:** Bill Dakin, Director of Finance-Treasurer  
**Approved by:** Greg McClinchey, Chief Administrative Officer  
**SUBJECT:** **OMPF Funding**

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**RECOMMENDATION:**

**THAT:** the report OMPF Funding be received and filed.

**BACKGROUND**

The OMPF is the Province's main transfer to municipalities. In 2019, the Province has reduced the OMPF funding by five (5) million with total allocation now equaling \$505 million, which will provide unconditional support to 389 municipalities across the province. The Province will continue to provide unconditional funding for the 2019 calendar year, as it continues the review of this funding vehicle, and is committed to announcing 2020 allocations well in advance of the 2020 municipal budget year.

**OMPF Review and Redesign**

The OMPF was redesigned in 2014 following consultations with municipalities from across the province. A key component of the redesigned OMPF is that it better targets funding to northern and rural municipalities with challenging fiscal circumstances. 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 program has four core grant components as well as Transitional Assistance that are designed to meet the following objectives:

- Support areas with limited property assessment;
- Recognize the challenges of northern and rural municipalities, while targeting funding to those with more challenging fiscal circumstances; and
- Assist municipalities as they transition to the redesigned program

## 2019 OMPF

The Main points of the 2019 program are as follows:

- Support municipalities with more challenging fiscal circumstances by maintaining the Northern and Rural Fiscal Circumstances Grant at \$89 million
- Maintain the Northern Communities Grant component of the OMPF program at \$89M in 2019 recognizing the challenges of northern municipalities (we do not receive any funding under this component).
- Maintain the Rural Communities Grant at \$150 million. (we do not receive any funding under this component).
- The Assessment Equalization Grant component is providing \$149 million to support municipalities with limited property assessment (we do not receive any funding under this component).
- Consistent with prior years, the Transitional Assistance component of the OMPF will ensure that the 2019 funding guarantee for municipalities in southern Ontario will be at least 85 per cent of their 2018 OMPF allocation. (The only component we receive funding under).

## FINANCIAL IMPLICATIONS

The municipality saw another funding decrease of \$41,800 (15%) in OMPF funding over 2018. This decrease is consistent with previous years and what was budgeted for in the completion of the 2019 operating budget. OMPF funding now represents approximately 0.007 % of all the municipal funding received. We unlike other municipalities back in 2012 began looking at alternative revenue stream to reduce our reliance on such funding, a decision which is showing prudent. The following chart provides the year-over-year change in the OMPF Funding since 2012:

| <b>Strathroy-Caradoc</b> |                |
|--------------------------|----------------|
|                          | <b>OMPF</b>    |
| <b>2019</b>              | <b>237,400</b> |
| <b>2018</b>              | <b>279,200</b> |
| <b>2017</b>              | <b>328,400</b> |
| <b>2016</b>              | <b>386,300</b> |
| <b>2015</b>              | <b>454,400</b> |
| <b>2014</b>              | <b>567,900</b> |
| <b>2013</b>              | <b>668,100</b> |
| <b>2012</b>              | <b>719,900</b> |

## ATTACHMENTS

- 2019 OMPF Allocation Notice

**Ontario Municipal Partnership Fund (OMPF)  
2019 Allocation Notice**



**Municipality of Strathroy-Caradoc  
County of Middlesex**

3916

**In 2019, the Province is providing the Municipality of Strathroy-Caradoc with \$237,400 in funding through the OMPF.**

|          |                        |                  |
|----------|------------------------|------------------|
| <b>A</b> | <b>Total 2019 OMPF</b> | <b>\$237,400</b> |
|----------|------------------------|------------------|

|  |           |
|--|-----------|
| 1. Assessment Equalization Grant                 | -         |
| 2. Northern Communities Grant                    | -         |
| 3. Rural Communities Grant                       | -         |
| 4. Northern and Rural Fiscal Circumstances Grant | -         |
| 5. Transitional Assistance                       | \$237,400 |

**B Key OMPF Data Inputs**

|  |           |
|--|-----------|
| 1. Households  | 8,765     |
| 2. Total Weighted Assessment per Household                 | \$286,742 |
| 3. Rural and Small Community Measure                       | 22.2%     |
| 4. Farm Area Measure                                       | n/a       |
| 5. Northern and Rural Municipal Fiscal Circumstances Index | n/a       |
| 6. 2019 Guaranteed Level of Support                        | 85.0%     |
| 7. 2018 OMPF (Line A from 2018 Allocation Notice)          | \$279,200 |

*Note: See line item descriptions on the following page.*

# Ontario Municipal Partnership Fund (OMPF)

## 2019 Allocation Notice

Municipality of Strathroy-Caradoc  
County of Middlesex

3916

### 2019 OMPF Allocation Notice - Line Item Descriptions

- A** The OMPF grants are described in detail in the 2019 OMPF Technical Guide - this document can be found on the Ministry of Finance's website at: <http://www.fin.gov.on.ca/en/budget/ompf/2019>
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- A5** If applicable, reflects the amount of transitional support provided to assist the municipality in adjusting to year-over-year funding shifts. See the enclosed Transitional Assistance Calculation Insert for further details.
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- B1** Measure of households based on the 2018 returned roll from the Municipal Property Assessment Corporation (MPAC).
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- B2** Refers to the total assessment for a municipality weighted by the tax ratio for each class of property (including payments in lieu of property taxes retained by the municipality) divided by the total number of households.
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- B3** Represents the proportion of a municipality's population residing in rural areas and/or small communities. For additional information, see the 2019 OMPF Technical Guide.
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- B4** Represents the percentage of a municipality's land area comprised of farm land. Additional details regarding the calculation of the Farm Area Measure are provided in the 2019 OMPF Technical Guide.
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- B5** Measures a municipality's fiscal circumstances relative to other northern and rural municipalities in the province, and ranges from 0 to 10. A lower MFCl corresponds to relatively positive fiscal circumstances, whereas a higher MFCl corresponds to more challenging fiscal circumstances. For additional information, see the 2019 OMPF Technical Guide.
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- B6** Represents the guaranteed level of support the municipality will receive from the Province through the 2019 OMPF. For additional information, see the 2019 OMPF Technical Guide.
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- B7** 2018 OMPF allocation

*Note: Grant components are rounded up to multiples of \$100.*

**Ontario Municipal Partnership Fund (OMPF)  
2019 Transitional Assistance Calculation Insert**



**Municipality of Strathroy-Caradoc  
County of Middlesex**

3916

|   |                  |
|---|------------------|
| <b>A 2019 OMPF Transitional Assistance (Line B2 - Line B1, if positive)</b> | <b>\$237,400</b> |
|---|------------------|

**B Supporting Details**

|  |                  |
|--|------------------|
| <b>1. Sum of 2019 OMPF Grants, excluding Transitional Assistance</b> | <b>\$0</b>       |
| <b>2. 2019 Guaranteed Support (Line B2a x Line B2b)</b>              | <b>\$237,400</b> |
| a. 2018 OMPF (Line A from 2018 Allocation Notice)                    | \$279,200        |
| b. 2019 Guaranteed Level of Support                                  | 85.0%            |

*Note: See line item descriptions on the following page.*

## Ontario Municipal Partnership Fund (OMPF) 2019 Transitional Assistance Calculation Insert

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Municipality of Strathroy-Caradoc  
County of Middlesex

3916

### 2019 Transitional Assistance Calculation Insert - Line Item Descriptions

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**A** Represents the total Transitional Assistance funding the municipality will receive in 2019.

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**B1** Sum of 2019 Assessment Equalization, Northern Communities, Rural Communities, and Northern and Rural Fiscal Circumstances Grants.

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**B2** Guaranteed amount of funding through the 2019 OMPF

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**B2a** 2018 OMPF allocation

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**B2b** Represents the guaranteed level of support the municipality will receive from the Province through the 2019 OMPF. For additional information, see the 2019 OMPF Technical Guide.

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*Note: Grant components are rounded up to multiples of \$100.*