

STAFF REPORT: Finance and IT Services



REPORT TO: Finance and Administration
MEETING DATE: June 21, 2011
REPORT NO.: FIT.11.27
SUBJECT: 2011 Ontario Municipal Partnership Fund Allocation
PREPARED BY: Ruth Prince, Manager of Revenue

A. Recommendations

THAT Council receive Staff Report FIT.11.27, “2011 Ontario Municipal Partnership Fund Allocation” for information purposes.

B. Background

The Blue Mountains annually receives a grant from the Province of Ontario called the Ontario Municipal Partnership Fund (OMPF). The OMPF is the province’s main transfer payment to municipalities and is to assist with social program costs, rural community challenges and policing costs.

The Blue Mountains 2011 OMPF funding has been confirmed in the amount of \$1,567,400 (2010 \$1,581,200). The 2011 Budget anticipated an OMPF grant of \$1,601,200, resulting in an unfavourable variance of \$33,800 for 2011 for OMPF revenue. This unfavourable variance is a result of receiving less than anticipated Police Services Grant as part of the OMPF calculation.

The Blue Mountains’ OMPF funding is based on two funding calculations: the Rural Communities Grant Component and the Police Services Grant.

The Rural Communities Grant Component – This grant component provides funding to municipalities based on the proportion of their population residing in rural areas or small communities.

In 2011, The Blue Mountains will receive \$1,049,900 (2010 - \$1,034,300). The Rural Communities Grant is calculated using the number of households (2011 - 6,730; 2010 - 6,630) and the maximum allowable household amount of \$156.00. The Municipal Property Assessment Corporation (MPAC) provides the household data that is used to calculate The Rural Communities Grant.

Police Services Grant – This grant component provides funding to rural communities to support *eligible* Policing Costs. The *eligible* Policing costs are based on information received from the Ontario Provincial Police (OPP) and include only the OPP contract. The Police Services Grant uses the *eligible* Policing costs and the number of households.

In 2011, The Blue Mountains will receive \$517,500 (2010 \$546,896). In 2011, the eligible Policing Costs used to calculate the OMPF funding allocation was 2009 actual policing contract costs of \$2,044,068 (2010 - \$2,088,293 based on 2008 actual policing contract costs).

C. The Blue Mountains' Strategic Plan

Ensuring long-term financial sustainability

D. Environmental Impacts

None

E. Financial Impact

The unfavourable OMPF revenue variance of \$33,800 will be part of the overall 2011 surplus/deficit.

F. Attached

Respectfully submitted,

Ruth Prince,

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