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October 21, 2021

Dear Head of Council:

I am writing to provide details on 2022 funding allocations under the Ontario Municipal Partnership Fund (OMPF). We are announcing allocations today – the earliest they have ever been announced because we know that municipalities need this information as early as possible to support municipal budget planning.

Municipalities have stressed the importance of stability and predictability in these uncertain times. Our government is responding by maintaining both the structure of the OMPF and the program envelope at \$500 million for 2022.

Maintaining the current structure of the OMPF for 2022 means that the grant components and transitional assistance funding guarantees of the program will remain. The program will continue to be responsive to changing municipal circumstances through annual data updates and related adjustments.

I am also pleased to confirm that maintaining the program envelope at \$500 million will allow for further support to be targeted to rural farming municipalities. Specifically, rural municipalities with the highest levels of farmland will receive additional funding of up to \$5 per household.

As in prior years, Transitional Assistance will ensure that the 2022 funding guarantee for municipalities in northern Ontario will be at least 90 per cent of their 2021 OMPF allocation and for municipalities in southern Ontario will be at least 85 per cent of their 2021 OMPF allocation.

Northern and rural municipalities with the most challenging fiscal circumstances will continue to have their guarantee enhanced up to 100 per cent of the prior year's allocation.

The Ministry of Finance's Provincial-Local Finance Division will be providing your municipal Treasurers and Clerk-Treasurers with further details on the 2022 OMPF. This information and other supporting materials are also available online at fin.gov.on.ca/en/budget/ompf/2022.

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As you know, the Province has provided significant support to Ontario's municipalities to address the critical public health and economic challenges brought on by the pandemic. This includes almost \$1 billion in financial relief for municipalities in 2021 as well as \$4 billion in joint funding with the federal government through the Safe Restart Agreement in 2020 to support municipal operating and transit pressures.

Our government is committed to supporting municipalities in a way that is sustainable and responsible. Working together, we can achieve remarkable things for Ontario.

Sincerely,

Original signed by

Peter Bethlenfalvy
Minister of Finance

c: The Honourable Steve Clark, Minister of Municipal Affairs and Housing