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Minister of Finance | Ministre des Finances
PETER BETHLENFALVY

October 30, 2024

Dear Head of Council:

I am writing to provide you with an update on the Ontario Municipal Partnership Fund (OMPF).

We understand the importance of the Ontario Municipal Partnership Fund (OMPF) to communities across Ontario. We are listening to municipalities and have heard, particularly from small, northern, and rural municipalities, that they are facing financial challenges in delivering services to their communities.

To assist them with these challenges, I am pleased to announce that the Province will be increasing the OMPF by \$100 million over two years, bringing the total funding envelope to \$600 million by 2026. In 2025, municipalities will benefit from an immediate \$50 million increase in funding through the program. This enhancement will be targeted to small, northern and rural municipalities and those with a limited property tax base. This funding will assist municipalities in providing critical services to people across the province.

With the introduction of the enhancement to the program in 2025, all of the program's core grant components will increase. In addition, Transitional Assistance funding guarantees have been enhanced to 100% of a municipality's 2024 OMPF allocation, ensuring that all OMPF core recipients will receive at least the same level of funding as they did in 2024.

The \$100 million enhancement to the OMPF builds on the significant increases in support that the government is providing to municipalities, including investing an additional \$1 billion through the Ontario Community Infrastructure Fund (OCIF) over five years, starting in 2022, the introduction of the Northern Ontario Resource Development Support Fund and the nearly \$2 billion in housing-enabling infrastructure programs, which include funding specifically dedicated to small, northern and rural municipalities.

We have always been committed to working closely with our municipal partners and know how important the OMPF is for many municipalities. This is why in the coming months the Ministry of Finance will be consulting with municipalities to hear their perspective, advice, and

priorities for the program. Through the ministry's discussions with your treasurers and clerk treasurers, we look forward to discussing how to implement a reporting framework in order to gain a better understanding of how the OMPF is supporting your communities.

The Ministry of Finance's Provincial-Local Finance Division will be providing your municipal treasurers and clerk-treasurers with further details on your 2025 OMPF allocation. Details regarding the consultation process will also be provided. Supporting materials on the 2025 program are available on the ministry's web site at www.ontario.ca/document/2025-ontario-municipal-partnership-fund.

As we continue to work together to build up our communities and move Ontario's economy forward, maintaining a close relationship with our municipal partners remains critical. I look forward to our continued collaboration as we move forward with building a strong future for our province.

Sincerely,

Original signed by

Peter Bethlenfalvy
Minister of Finance

c. c. The Honourable Paul Calandra, Minister of Municipal Affairs and Housing