

Ministry of Finance
Provincial-Local
Finance Division

Frost Building North
95 Grosvenor Street
Toronto ON M7A 1Y7

Ministère des Finances
Division des relations provinciales-
municipales en matière de finances

Édifce Frost North
95 rue Grosvenor
Toronto (Ontario) M7A 1Y7



October 21, 2021

Dear Treasurer/Clerk-Treasurer:

In the October 21 letter to Heads of Council, the Minister of Finance announced the 2022 Ontario Municipal Partnership Fund (OMPF) municipal allocations. I am writing to provide you with additional details regarding your 2022 allocation. This is the earliest that OMPF allocations have ever been announced by the government, recognizing that municipalities need this information as early as possible to support budget planning.

We are pleased to advise that your municipality will benefit from an increase in OMPF funding compared to 2021. The details specific to your municipality's 2022 allocation are outlined in the attached *2022 OMPF Allocation Notice and Inserts*.

2022 OMPF

For 2022, the government is maintaining the overall structure of the OMPF and the program envelope at the same level as 2021.

The 2022 OMPF will provide a total of \$500 million to 389 municipalities across the province. The program will also continue to be responsive to changing municipal circumstances through annual data updates and related adjustments.

In addition to ensuring stability, maintaining the program envelope will allow for further support to be targeted to rural farming municipalities, as noted in the Minister's letter. The core grant components of the program will provide support as outlined below:

- The **Rural Communities Grant** component will be increased to \$154 million to further support rural municipalities with the highest levels of farmland. These municipalities will receive up to an additional \$5 per household through this grant component.
- The **Assessment Equalization Grant** component will provide \$149 million to support municipalities with limited property assessment.

.../2

- The **Northern Communities Grant** component will provide \$89 million in recognition of the challenges of northern municipalities.
- The **Northern and Rural Fiscal Circumstances Grant** component will be increased to \$93 million to support northern and rural municipalities with the most challenging fiscal circumstances.
- Consistent with prior years, **Transitional Assistance** will ensure that municipalities in northern Ontario receive at least 90 per cent of their 2021 OMPF allocation, and municipalities in southern Ontario receive at least 85 per cent. Municipalities in all regions of the province with the most challenging fiscal circumstances will continue to have their funding enhanced up to 100 per cent of the prior year's allocation.

Additional information on the 2022 OMPF can be found in the accompanying supporting materials.

2022 OMPF – SUPPORTING MATERIAL

To assist municipalities in understanding the OMPF and their individual 2022 allocations, the Ministry of Finance has prepared detailed and customized supporting documentation:

- A.** 2022 OMPF Allocation Notice and Inserts
- B.** 2022 OMPF Technical Guide
- C.** Municipal Workbooks

A. 2022 OMPF Allocation Notice and Inserts

The *OMPF Allocation Notice and Insert* outline individual municipal OMPF allocations by grant component, and also provide a summary of key data inputs for 2022. Your municipality's 2022 funding allocation is noted on line A.

B. 2022 OMPF Technical Guide

The *2022 OMPF Technical Guide* provides information with respect to individual grant thresholds, parameters and data sources.

.../3

C. 2022 Municipal Workbooks

The *202 OMPF Workbook and the 2022 Northern and Rural Municipal Fiscal Circumstances Index (MFCI) Workbook* (if applicable) provide detailed calculations of the 2022 OMPF grant components, and the determination of the Northern and Rural MFCI, as well as outline all underlying data elements.

These workbooks will be provided electronically to municipal treasurers and clerk-treasurers in the coming weeks.

The *2022 OMPF Technical Guide*, as well as individual municipal *OMPF Allocation Notices*, are also available electronically on the Ministry's website:

<https://www.fin.gov.on.ca/en/budget/ompf/2022>

2022 PAYMENT SCHEDULE

The *2022 Cash Flow Notice* identifies your municipality's quarterly payment schedule. Payments will be processed at the end of January, April, July, and October 2022.

2022 REPORTING OBLIGATIONS

Municipalities are required to submit their 2021 Financial Information Return (FIR) to the Ministry of Municipal Affairs and Housing (MMAH) by **May 31, 2022**.

The Ministry understands that providing details related to your OMPF allocations in a timely manner helps to support your budget planning process. In order to continue to support timely communication of OMPF allocations, the Ministry is requesting that municipalities submit their 2022 tax rates through the Online Property Tax Analysis (OPTA) system or to MMAH by **August 31, 2022**.

Payments for municipalities that do not meet these reporting obligations may be subject to holdback, beginning with the 2022 fourth quarterly payment, until these documents have been filed.

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

In closing, we would like to thank our municipal partners and all municipalities for their ongoing collaboration on the OMPF.

Sincerely,

Original signed by

Allan Doheny
Assistant Deputy Minister
Provincial-Local Finance Division

c. Caspar Hall
Assistant Deputy Minister (A)
Local Government and Planning Policy Division
Ministry of Municipal Affairs and Housing

Hannah Evans
Assistant Deputy Minister
Municipal Services Division
Ministry of Municipal Affairs and Housing