



## Issue Update

### Revised OPP Billing Model August 14th 2014 – Our Analysis

*Note – all numbers are preliminary and based on C.H.A. initial analysis*

**The Bottom Line** - while lobbying did reduce the impact of the tax increase by over \$2 million, Haliburton County property owners will still face tax increases totaling approx. \$ 3 million per year.

**The unfairness remains**- the new model perpetuates the unfair aspects of the original proposal:

- By treating all households across the Province as being “equal” this means low crime communities such as ours will still subsidize communities with high per household crime rates. Equal does not result in equitable or fair billing in this case.
- A seasonal residence occupied only a few months a year will still be weighted the same as a year round residence.

**The improvements** – as a result of the lobbying:

- The increase in costs will be approx. \$3 million vs the initial proposal impact of over \$5 million.
- 40% of the charge will be based on call volumes as opposed to 27-30% in the original proposals.
- All properties in a municipality will now be counted when calculating the remaining 60 % of the charge whereas previously commercial properties were not.
- The tax increase will be phased in as opposed to hitting as all in year one.

### **Be Skeptical**

In the Minister’s press release he talks of tax increases being capped at \$40 per household for each of the next 5 years. This in theory means the maximum tax increase at the end of 5 years will be \$200. However will it be that for everyone or were they talking of an “average household”? If an average household then most CHA members can expect tax increases likely in the \$ 400 and up range given the appraised value of waterfront properties relative to the appraised value of an “average house”.

**Summary** – we should feel good that lobbying has reduced the impact by over \$2 million (40 %); however we are still dealing with major tax increases totaling over \$3 million as a result of an unfair model.

### **More Info** –

- Globe and Mail Article - <http://www.theglobeandmail.com/news/toronto/policing-costs-to-rise-in-cottage-country-in-ontario/article20072034/>
- Minden Times - <http://www.newspapers-online.com/minden/?p=4862>