



# CHA 'Briefing Note'

## Major Tax Increases – OPP Model Change For Charging Municipalities Issue

**Bottom Line** – if we are not successful in heading this off, there will be tax increases, over and above normal tax increases, in 2015 of:

- **36%** in Algonquin Highlands
- **33%** in Dysart
- **25%** in Highlands East and
- **20%** in Minden Hills

**The total cost increase and therefore tax increase in the 4 municipalities will be \$5.2 Million.**

### **Background –**

- Auditor general report in 2012 flags the OPP charging method as lacking in transparency and perhaps not fair to all municipalities.
- OPP say they had complaints from some municipalities that they were being charged too much.
- August 2013 announced at AMO conference that a new model was being developed with consultations with municipal governments.

**New Model** – is calculated using a charge based on the total of households in the municipality (including cottages or seasonal households), plus a charge based on the number of calls to the OPP from the community.

**The Problem** – over 65% of all the households in Haliburton County are seasonal.

- 80% in Algonquin Highlands
- 63% in Dysart
- 66% in Highlands East and
- 58% in Minden Hills

That is the major reason why the charges for OPP services will increase so much in our area. Muskoka will see a similar effect whereas areas without large seasonal populations will see decreases.

### **The Unfairness**

1. The provincial govt does not provide funds for health care etc. to areas such as ours based on total households. The transfers are based solely on permanent residences.
2. Do people who only spend weekends and vacations here use the same amount of OPP resources as those who live full time?
3. This new model does not factor in ability to pay – many municipalities have large commercial and industrial tax bases that increase their ability to pay

### **The Impact on Lake Association Members**

2015 Tax increase based on an assessment of \$500,000. (Many lake properties are valued higher)

- \$458. in Algonquin Highlands
- \$310. in Dysart
- \$473. in Highlands East and
- \$ 294. in Minden Hills

**What can we do** – this proposal is in the last stages of consultation and there is a provincial election coming. If lake associations want to head this off, the only available option seems to be asking members to contact their local MPP (in the riding of their year round residence ), and let them know that this model is unfair and will result in unsustainable tax increases in Haliburton County where many folks have limited ability to absorb such tax increases.

**Contact info for your local MPP can be found at**

[http://www.ontla.on.ca/web/members/members\\_current.do?jsessionid=c72d607930d6c6a355bb082649f2a5a4b0570cbb7224.e3eRb3iNcheNe34ObxiNahyRaNf0n6jAmljGr5XDqQLvpAe?locale=en&ord=Riding&dir=ASC&list\\_type=all\\_mpps](http://www.ontla.on.ca/web/members/members_current.do?jsessionid=c72d607930d6c6a355bb082649f2a5a4b0570cbb7224.e3eRb3iNcheNe34ObxiNahyRaNf0n6jAmljGr5XDqQLvpAe?locale=en&ord=Riding&dir=ASC&list_type=all_mpps)