January 23, 2015

Dear Resident:

Re: Impact of New O.P.P. Costing Formula

Further to the Township’s letter to all residents dated June 25, 2014, this letter is provided as an update regarding the cost of providing police services beginning January 1, 2015, and its impact on Tay Valley Township’s budget and your property tax bill.

A new formula for how municipalities will be billed for policing services was first introduced by the Province of Ontario in November, 2013. Since then, Tay Valley Township Council along with our rural neighbours, locally and across the province, have been working together calling on the O.P.P. and Ministry of Community Safety and Correctional Services to reconsider or modify the proposed funding model. We believe it is fundamentally flawed and will have a significant impact on budgets of rural municipalities like Tay Valley.

While our collective efforts have resulted in some changes to the original formula introduced in November, 2013, the end result is effective January 1, 2015, Tay Valley Township’s annual cost for policing service will increase by $141,730 (27%) from $526,000 in 2014 to $667,730 in 2015. This increase translates into a 3.19% impact on the 2015 Township budget, by itself. As you can appreciate, this is a significant impact on the Township budget. It is also important to understand that this increase is just the first year of a five year “phase-in” of the new O.P.P. costing formula. In other words, a similar increase is anticipated for each of the next four years.

Please note that the tax bill which you are currently receiving does not reflect the above noted increase as it is an interim bill, which is based on last year’s (2014) municipal levy. The full impact of the above noted increase will be seen in the next tax bill which you will receive in late-June/early-July, 2015.

Tay Valley Township Council is committed to continuing to correct what we feel is a fundamentally flawed formula and to mitigate the impact of this increase in policing costs on the overall municipal budget.

Sincerely,

[Signature]

Keith Kerr, Reeve