Ministry of Community Safety and Correctional Services

Office of the Deputy Minister

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Ministère de la Sécurité communautaire et des Services correctionnels

Bureau du sous-ministre

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Peggy Van Mierlo-West The Town of Kingsville 2021 Division Road N. Kingsville, ON N9Y 2Y9

Dear Peggy Van Mierlo-West:

On January 1, 2015, the Ministry of Community Safety and Correctional Services (MCSCS) implemented a new billing model to recover the cost of policing services provided by the Ontario Provincial Police (OPP). The new billing model was implemented to provide a fairer and more transparent way to calculate billings to municipal governments that receive policing services from the OPP.

The ministry and the OPP have been monitoring the implementation of the new model since it was introduced. As part of our ongoing engagement with the municipal sector, we have heard that there are concerns with the inclusion of some types of properties in the count (e.g., wind turbines) that the OPP uses to allocate base services costs among municipalities.

The OPP has been working closely with the Municipal Property Assessment Corporation (MPAC) on a comprehensive review of all property and structure codes used in the billing model. Based on this review, the OPP has identified several structures and property codes that could be removed to ensure that the properties used to allocate base services costs are appropriately linked to the required level of policing. Specifically, this includes removing properties:

- That do not require proactive policing because they have limited interaction with the public (e.g., wind turbines, communication towers, billboards); and,
- That are considered part of a larger infrastructure system (e.g., tunnels, bridges).

In total, the OPP identified 4,318 properties that could be excluded from the property count based on the above characteristics (see Appendix for a detailed list of property and structure codes). Excluding these property and structure codes from the 2018 Annual Billing Statements would improve the transparency and fairness of the billing process. However, this change will not impact the overall cost of OPP services province-wide, which is fixed to provide consistency for municipal governments year over year. Accordingly, any changes to the number of properties will shift the costs among the OPP serviced municipalities; these costs will not be removed from the billing model.

If implemented, these changes are expected to have a minimal impact on the overall cost for the vast majority of municipalities - for example, roughly 70% of municipalities would experience less than a \$1,500 increase or decrease in their overall cost. Based on the 2017 billing data, the changes being proposed, if implemented, would result in an estimated adjustment of \$-502 in your municipality's 2018 OPP Billing Statement.

The ministry has had discussions with the Association of Municipalities of Ontario (AMO) on the possibility of amending the property count methodology used to calculate OPP billing costs. AMO recommended that the ministry consult more broadly with municipalities policed by the OPP to seek input on whether to proceed with changes to the property count methodology as it will have different impacts for each municipality.

We know that the affordability of the billing model is important for municipal governments. This is why we want to work closely with you and seek your input on how to move forward with this proposal. We are proposing a two-phased approach to engage municipalities:

- Phase One: Using this link http://fluidsurveys.com/surveys/ontario-mcscs/opp-billing-model-survey/?code=k3xbzxbsfv, municipalities are encouraged to fill out a survey that seeks feedback on whether to exclude the properties identified above. The survey will be open until June 30, 2017. Results of the survey will be communicated to municipalities once completed.
- Phase Two: The ministry will work with AMO and member associations, to establish a
 Technical Table with municipal representatives, reflective of the diversity of OPP policed
 municipalities (e.g., contract, non-contract, rural, urban, small, medium), as well as
 representatives from MPAC. The Technical Table will review the proposal and results of
 the survey and provide advice to the ministry on how to move forward.

Should discussions result in changes to the way that municipal policing costs are calculated, the ministry and the OPP will communicate the changes to impacted municipalities well in advance of the municipal budgeting cycle for 2018 to ensure municipalities have adequate time to plan for any changes.

We are committed to continuing to work closely with the municipal sector to ensure policing costs remain fair and transparent. If you have any questions or concerns, please contact Timothy Fuchs, Team Lead, Strategic Policy, Research and Innovation Division, MCSCS at Timothy.Fuchs@ontario.ca

Sincerely,

Matthew Torigian

Deputy Minister of Community Safety and Correctional Services

CC: MUNICIPAL CLERK: JENNIFER ASTROLOGO

Property and Structure Codes

Property Codes	Count in 2017
	Statements
100 - Vacant residential land not on water	304
102 - Conservation Authority Land	13
103 - Municipal park (excludes Provincial parks, Federal parks, campgrounds)	15
105 - Vacant commercial land	1289
106 - Vacant industrial land	410
107 - Provincial park	223
108 - Federal park	14
110 - Vacant residential/recreational land on water	60
111 - Island under single ownership	6
112 - Multi-residential vacant lot	2
115 - Land in transition - value based on alternate use	4
120 - Water lot (entirely under water)	105
125 - Residential development land	3
127 - Townhouse block - freehold units	1
130 - Non-buildable land (walkways, buffer/berm, storm water management pond, etc.)	11
150 - Mining lands - Freehold Patent	53
151 - Mining lands - Leasehold Patent	9
155 - Land associated with power dam	1
sub-total- 100 Series	2,523
236 - Farm with oil/gas well(s)	1
sub-total- 200 Series	1
487- Billboard	9
495- Communication Towers	317
sub-total- 400 Series	326
504- Oil/gas wells	73
567- Wind Turbine	20
568 - Solar PV Electricity Generating Facility	59
sub-total- 500 Series	152
743- International bridge/tunnel	8
sub-total- 700 Series	8
Total Property Codes	3,010

Structure Codes	Count in 2017 Statements
567- Wind Turbine	704
490- Tower	514
492- Billboard	43
501- Pipelines, Compressor Station	2
502- Bridge	0
556- Tunnel	2
568- Solar Thermal (Solar Panels)	43
Total Structures	1,308