



2025 & 2026 OPP Billing

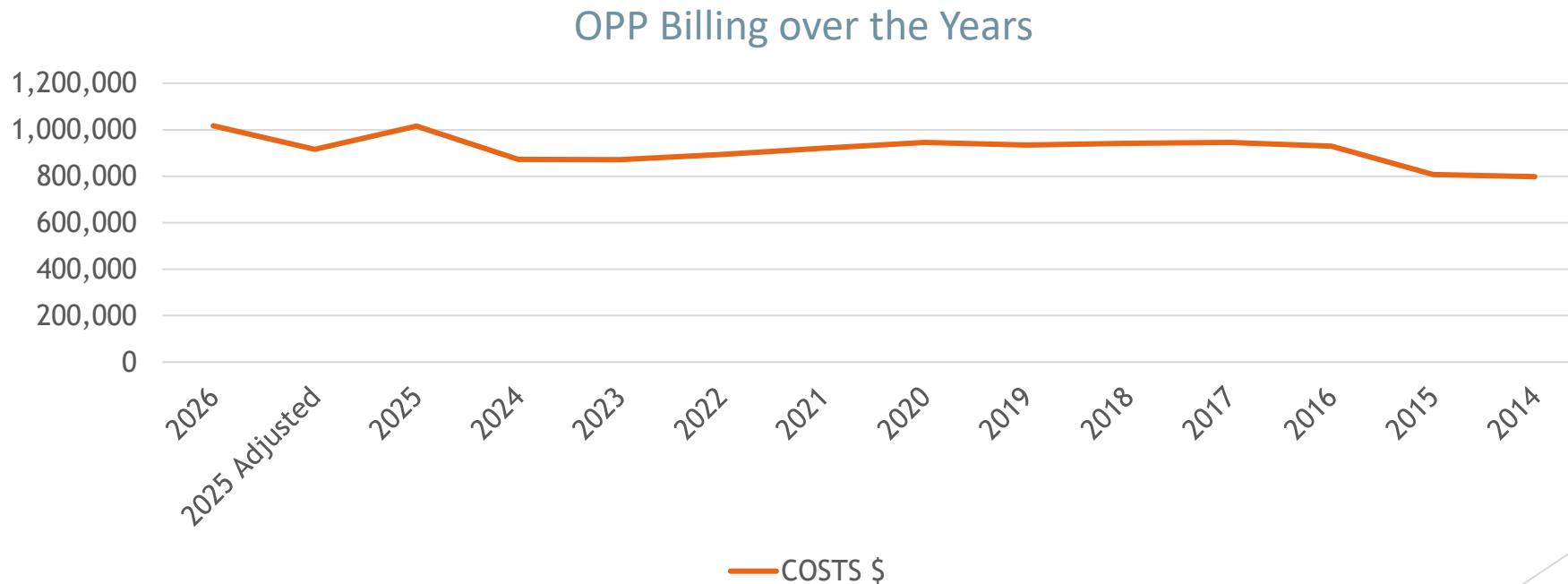
Returning To General Levy

History of OPP Billing

- ▶ Early 2000s download during the “COMMON SENSE REVOLUTION”
- ▶ Broad effort for the Province of Ontario to manage costs of policing services to municipalities
- ▶ Increased costs year over year – WITHOUT municipal input
- ▶ OPP Community Hubs created in 2015 by the Community Hubs Framework Advisory Group
- ▶ Mid 2010s change to OPP Billing Model – billing based on household counts
- ▶ Killaloe Detachment integrated into UOV Host Detachment September 2024
- ▶ Upper Ottawa Valley Host Detachment – Petawawa (Host Detachment), Pembroke, Killaloe, Whitney

OPP Billing

- ❖ For many years Councils have been discussing rising costs and inequitable policing costs in service hub communities and the lack of input on annual OPP Billing from the Province



Municipal Concerns

- ▶ The Killaloe OPP Station acts as a service hub for surrounding communities because they house provincial infrastructure such as Hospitals, Courts and/or Social Services used by residents of surrounding jurisdictions
- ▶ The communities tied to service hubs face higher calls for service on a per capita basis than other municipalities and pay a greater per capita cost (Source: Association of Municipalities of Ontario report on policing costs, 2024)
- ▶ Municipalities are surprised annually with ever increasing service costs
- ▶ Municipalities continue to face tough choices between paying for increasing police budgets and investing in long-term infrastructure projects
- ▶ The FISCAL FRAMEWORK that enables municipalities to provide both critical services and infrastructure is BROKEN

2025 Decision on OPP Levy

- ▶ In 2024 Council began discussions of removing the OPP Billing costs from the Tax Levy and applying it equally to each property rather than use the assessment-based billing
- ▶ Justification for doing so: Higher Assessment  Better OPP Service
- ▶ 2025 Budget discussions Council approved removing the cost of OPP Billing of \$916,105 and apply it equally to 4,323 property tax rolls = **\$211.91** each
- ▶ OPP Billing is presented to municipalities calculated by property counts
- ▶ Municipal Act, 2001 states that *“Municipalities may impose fees and charges for services and activities provided by the municipality, for costs payable by the municipality, and for the use of municipal property”*
- ▶ ‘OPP’ Levy was created and applied as a separate charge on tax bills August 2025

Returning the OPP Costs to General Levy

- ▶ Following public concerns and dissatisfaction with the creation of the OPP Levy, October 2025 requested legal interpretation from Cunningham & Swan
- ▶ Interpretation concludes the municipality created an “Indirect Tax” to property owners which is non-permissible under Municipal Act, 2001
- ▶ During the download of the OPP Billing to municipalities, legislation was written in such a way that requires the municipality to apply the cost of OPP services through an assessment - based levy
- ❖ Therefore, to correct this the municipality must recalculate OPP Billing from 2025 and reapply it in the form of a tax rate in August 2026 and **credit back the ‘OPP’ Levy**

2025 OPP Levy Reversal in 2026

2024 Tax Rate = 0.00571250

2025 Tax Rate = 0.00470563 (with OPP Billing removed)

Difference = 0.00100687 OR 17.6% Decrease for Residential Properties

If the municipality kept the OPP Billing in the General Levy the tax rate would have been: 0.00579757

- ❖ To calculate property taxes: Tax Rate x Assessment = Municipal Taxes

2025 OPP Levy Reversal in 2026... cont'd

2025 Tax Rate = 0.00470563 (with OPP Billing removed)

2025 Tax Rate = 0.00579757 (with OPP Billing added back)

Difference = 0.00109194 *** This is the value that will be billed to residents

- ❖ How this affects each property: $0.00109194 \times \text{Assessment} - 211.91 = \text{ $$}$
- ❖ $50,000 \text{ Assessment} \times 0.00109194 - 211.91 = \text{Credit of } \157.32
- ❖ $150,000 \text{ Assessment} \times 0.00109194 - 211.91 = \text{Credit of } \48.12
- ❖ $250,000 \text{ Assessment} \times 0.00109194 - 211.91 = \61.07
- ❖ $350,000 \text{ Assessment} \times 0.00109194 - 211.91 = \170.26

- ❖ In the 2025 Billing Year - the reverse of the above happened

What Will This Look Like On The Tax Bill

- ▶ In August of 2026, the Final Tax Bill will be issued
- ▶ What you will see:

Municipal Levy	County Levy	Education Levy
2026 Tax Rate: 0.00??????	0.00????????	0.00????????
2025 OPP Adj: 0.00109194		
‘OPP’ Credit: -211.91		

- ❖ Properties assessed over 250,000 will see an increase in taxes as a result of the change, those somewhat below 250,000 will see a decrease
- ❖ Remember: this is a correction of how the municipality billed

Municipal Concerns – Moving Forward

- ▶ Council and staff will continue to lobby the Province on the inequities with the OPP Billing Model
- ▶ Municipal Associations have also been actively lobbying the Province to review the Fiscal Framework legislated for municipalities - including AMO and EOWC
- ▶ Notification will be placed in the February and August Property Tax Bills, this correction will be seen on the Final Property Tax Bill in August