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**Re: Proposed Ontario Provincial Police (OPP) Billing Model**

Over the past few years small urban municipalities have complained about exorbitant policing costs. In response the OPP developed a cost distribution model that assigns the policing costs on a per household basis. The result is that the proposed billing costs bear little relation to local crime committed within a municipality. The government supported this proposed OPP Billing Model partly, because it answered, to some degree, the Auditor General's earlier recommendation to make OPP charges easily understood. Probably more importantly to the outgoing government, the model reduced OPP costs to small urban municipalities at no additional cost to the government. Perhaps the OPP developed their Proposed Billing Model with this end in mind. Incredibly, neither the OPP nor the Province projected any concern to the almost 200 municipalities that would be forced to pay significantly more. The Township of The Archipelago OPP cost would rise from approximately \$119,000 to \$1.2 million which projects to a property tax increase of 10% for every household.

The current billing model is based on having each police detachment (in our case West Parry Sound OPP Detachment) develop a standard "Call for Service" cost that would be applied to all serviced municipalities. The development of this standard "Call for Service" cost is set out in a fairly recent document titled "Understanding Ontario Provincial Police Municipal Policing Costs—2013 Cost Recovery Formula Update." The formula is straightforward and easy to understand and uses accepted accounting principles.

It uses weighted assessment principles against the "Call for Service" action and thus includes the many aspects of policing overheads. By updating the "Call for Service" standard annually and using a four year moving average of crime statistics the OPP has been able to project municipal policing costs extremely accurately. We believe the current model particularly appropriate and fair.

Many small rural municipalities are also complaining about the Proposed OPP Billing Model. During the recent FONOM Annual Meeting in Sault Ste Marie, a resolution to support the proposed model was defeated 25 to 4. A new proposal was made that in essence reversed the download of OPP policing back to the Province. Specifically it singled out Municipalities with populations of fewer than 5,000 and argued that they should not have to pay anything to the Province.

Fortunately the upcoming election provides an opportunity for all parties to assess this issue with new eyes. It is inappropriate to have the OPP involved in changing how policing costs are distributed. It is also readily apparent that policing costs have escalated well above the cost of inflation especially when reported local crime has diminished by 40%.

Something is terribly wrong! We have new technology and we should have looked at new ways to perform policing in a better, more efficient and effective manner. It is the role of management to lead in the development of efficiencies. Success can only be achieved by the Province taking an active leading role. A good start would be to audit why small urban municipalities have been hit so hard with increasing costs. The Province must be proactive and prepared to make hard decisions. Municipalities cannot allow the Province to sit back and come up with new OPP billing models that do nothing but disguise the underlying problems.

The Township of The Archipelago wants to know what action you will take to bring efficiencies to policing. How will you ensure, should a new cost distribution be needed, and that it is fair and equitable? Will you also address why some municipalities receive police grants and others do not? The Auditor General asked that question as well.

Your early response would be appreciated. All our ratepayers are involved in this issue and they are waiting to hear from you. We will post your answer on our Web Site.

Yours truly,



Reeve Peter A.R. Ketchum  
Township of The Archipelago

c.c. Norm Miller, MPP, Parry Sound-Muskoka  
Dan Waters, Ontario Liberal Party – Parry Sound-Muskoka  
Clyde Mobbley, Ontario NDP – Parry Sound-Muskoka  
Matt Richter, Green Party of Ontario – Parry Sound-Muskoka

- c.c. Mayor David Conn, Seguin Township
- Mayor Gord Harrison, Township of Carling
- Reeve Peter Hopkins, Township of McKellar
- Mayor Dale Robinson, Municipality of McDougall
- Mayor Chris Armstrong, Municipality of Whitestone
- Russ Powers, President, Association of Municipalities of Ontario (AMO)
- Ratepayers' Associations – Township of The Archipelago