
MEMORANDUM

JBM-C 9-2020

Subject: 3rd Quarter Variance Analysis and Forecast to December 31, 2020

Date: November 5, 2020

To: Joint Board of Management, Niagara Region Courts

From: Miranda Vink, Manager, Court Services

As a result of a recent forecasting exercise undertaken, the following is a summary of the status of the 2020 Court Services budget as at September 30, 2020. The year-to-date variance analysis is attached as **Appendix 1**.

Revenue is under budget year-to-date by 27% due to a decrease in infraction revenue and delinquent revenue collected, primarily linked to the following COVID-19 business impacts:

Infraction Revenue

- Overall decrease of charges laid (26%) from Q1-Q3 2020, compared to the same time period in 2019
- The extension of time limitations and the pause on enforcement arising from Provincial and Judicial Orders issued in response to the COVID-19 pandemic has resulted in more than 4000 Part 1 charges sitting on “Fail To Respond” (FTR) dockets awaiting conviction.
- This pause is scheduled to be lifted on December 2, 2020
- FTR convictions entered in December 2020 will become due and payable in January 2021
- The current value exceeds \$700,000

Delinquent Revenue

- Over 3000 cases are pending suspension
- The pandemic-related pause on suspensions due to Provincial and Judicial Orders in response to the COVID-19 pandemic will be lifted December 2, 2020
- The current value of the cases eligible for suspension exceeds \$3.7 million dollars

- Enforcement activities that were paused will recommence in December 2020 with revenue realized in 2021

Operational expenditures are under budget by 30.8%, due to a reduction in adjudication expenses related to the pause of court matters from March to July 2020, a decrease in Victim Fine Surcharge payments due to a reduction in charges filed, in addition to the redeployment of Court Services employees to Community Services during Q2 - Q3, a number of team members who were out of the workplace on Infectious Disease Leave (unpaid), and the vacancy management of one position in Q1 – Q3.

Appendix 2 to this memo is a spreadsheet illustrating the forecast of Court Services' revenue and expenses to the end of 2020. At this time, revenue is forecasted to be under budget by 28.7% or \$2.0Million by year-end. Total expenditures are anticipated to come in under budget by 28.3% or \$1.4Million, resulting in a net revenue of \$551,966 (\$275,983 for the local area municipalities and \$275,983 for the Region). The final net revenue distribution share to the area municipalities will be dependent on the audited year-end results, which is forecasted to be unfavourable by approximately \$458,435 to the local area municipalities and to the Niagara Region by the same amount.

Appendix 3 to this memo is a spreadsheet illustrating the forecast of our distribution to the area municipalities to the end of 2020.

Respectfully submitted and signed by

Miranda Vink
Manager, Court Services