

## **Memorandum**

**JBM-C 4-2025**

**Subject:** 2<sup>nd</sup> Quarter Variance Analysis and Forecast to December 31, 2025

**Date:** August 21, 2025

**To:** Joint Board of Management

**From:** Miranda Vink, Associate Director – Court Services

---

This memo is intended to provide a summary of the status of the 2025 Court Services operating results as of June 30, 2025, as a result of a recent forecasting exercise undertaken.

### **Background**

Court Services revenue and expenditures are shaped by several external factors beyond Staff's control, including charging volumes and charge types, number of court appearances (e.g., trials, appeals), availability of judicial resources, requests for reopening or appeal, extensions of time to pay, and active delinquent fine collection efforts.

The 2025 budget assumed continued operation and growth of the Region-led Vision Zero (VZ) program. However, actual revenues and expenses have varied due to several influencing factors from January to June 2025, largely beyond Staff's control:

- Canada Post disruptions in late 2024 paused the Joint Processing Centre's mailing of tickets, resulting in variations to revenue and expenditures in early 2025.
  - Due to Provincial Offences Act timelines, full financial impacts of reduced charging volumes in one month will be seen in future months (e.g. the impact of ASE charging volumes in Q4 2024 extends into 2025).
- Variations in ASE volumes stemming from January 2025 school closures, holidays, as well as the alignment of Spring site rotations with road signage upgrades.
- Increase in credit card fees as higher transaction volumes led to increased processing costs.
- Increase in pre-paid fines and fewer disputes for ASE charges.
- Gradual onboarding of VZ staff, with 9.5 out of 10 approved full-time equivalents filled by July 2025.

The delivery of Provincial Offences is intended to operate on a cost-recovery basis, and the Niagara Region Courts Intermunicipal Agreement (NRCIMA), as amended, outlines the following pertaining to revenue sharing:

- Base Charges: Net revenues are split 50/50 between the Region and local area municipalities (LAMs).
- Vision Zero Charges: Net revenues are split 50/50 between the Region and LAMs, but with a specific requirement for all net revenues to be reinvested into road safety programs.

### **Base Operations**

- Charging Volumes
  - Base charges in Q1–Q2 2025 totaled 16,392
  - 11% increase over the same period in 2024 (14,772), though still below pre-2020 levels.
- Delinquent Cases
  - Although delinquency rates in 2025 have improved compared to recent years, it remains to be seen whether this marks the beginning of a sustained long-term trend. In 2025, the average number of delinquent base cases per month is 692—down from 829 in Q2 2024 and 888 in 2022 (the highest since tracking began in 2015).
    - Note: February 2025 saw unusually low delinquency rates. Removing this anomaly brings the adjusted monthly average for the other months in Q1–Q2 to 767 cases.

Based on the Q2 forecasted operating results, base operations will be in a net revenue position of \$850 thousand at year end, of which \$425 thousand will be allocated to the Region and \$425 thousand will be allocated to the LAMs. The forecasted net revenues of \$425 thousand represents a \$325 thousand surplus over the budgeted distribution of \$100 thousand. The year-to-date and forecasted variance analysis for base operations is included in Appendix 1 to Memorandum JBM-C 4-2025. Appendix 2 to Memorandum JBM-C 4-2025 illustrates the forecasted distribution of base operations to the LAMs to the end of 2025.

### **VZ Operations**

VZ charges decreased overall in Q1-Q2 2025 compared to the same period in 2024.

The drop in ASE charges is notable but reflects a more consistent distribution of charges across the year, as opposed to the sharp spikes seen in early 2024.

- Charging volumes January 1 to June 30, 2025:
  - ASE charges: 17,967 issued (50% decrease from Q1–Q2 2024)
  - RLC charges: 1,238 issued (32% increase from Q1–Q2 2024)

These reduced volumes contributed to lower fine revenues and associated expenditures during the first half of the year. However, charging volumes are expected to remain steady through the remainder of 2025.

VZ offences also have higher pre-payment rates—ASE at 70%, RLC at 53%, compared to 39% for base charges—resulting in fewer disputes, quicker case resolution, and lower trial-related resource demands.

- Delinquent cases:
  - Contrary to Base charges, VZ delinquency rates have increased between 2024 and 2025 YTD.
  - However, this trend will continue to be monitored as newly delinquent fines for VZ only began accumulating after January 2024. A comparison between full-year data for 2025 and 2026 will provide a more accurate picture.
  - Average 475 cases per month in Q1–Q2 2025
  - Increase from 328 per month in Q2 2024.
    - Note: February 2025 saw unusually low delinquency rates. Removing this anomaly brings the adjusted monthly average for the other months in Q1–Q2 to 537 cases.

Based on the Q2 forecasted operating results, VZ operations will be in a net revenue position of \$2,082 thousand at year end, of which \$1,041 thousand will be allocated to the Region and \$1,041 thousand will be allocated to the LAMs. The forecasted net revenues of \$1,041 thousand represents a \$178 thousand surplus over the budgeted distribution of \$863 thousand. The year-to-date and forecasted variance analysis for VZ operations is included in Appendix 3 to Memorandum JBM-C 4-2025. Appendix 4 to Memorandum JBM-C 4-2025 illustrates the forecasted distribution of VZ operations to the LAMs to the end of 2025. All net revenues resulting from VZ operations must be reinvested into road safety programs as per the Amendment to the Inter-Municipal Agreement.

## **Summary**

Court Services participates in the Niagara Region's quarterly financial reporting process which provides analysis and commentary on budget to actual results. The Niagara Region Q2 2025 Financial Update report, as well as previous reports, can be accessed on the [Niagara Region's external website](https://www.niagararegion.ca/government/budget/past-budgets/default.aspx).

(<https://www.niagararegion.ca/government/budget/past-budgets/default.aspx>)

Respectfully submitted and signed by

---

Miranda Vink  
Associate Director – Court Services

## **Appendices**

Appendix 1 – Q2 2025 Year-to-Date Budget vs. Actual and Forecasted Variance  
Analysis – Base Operations

Appendix 2 – Q2 2025 Forecasted Distribution to Local Area Municipalities – Base  
Operations

Appendix 3 - Q2 2025 Year-to-Date Budget vs. Actual and Forecasted Variance  
Analysis – Vision Zero Operations

Appendix 4 - Q2 2025 Forecasted Distribution to Local Area Municipalities – Vision Zero  
Operations