

NIAGARA REGION BUDGET

2020

Joint Board of Management  
Court Services

November 18, 2019



# Program/Service Definition

- POA Transferred on January 29, 2001
- Region is the Agent on behalf of Local Area Municipalities
- Responsible for administration of the POA program including Courts Administration, Prosecutions and Collections
- Pursuant to POA Transfer Agreements (MOU & LSA) and Inter-Municipal Agreement

## PROGRAM IS:

- Self-funding not reliant on Levy
- Net revenue sharing Region 50% and LAMs 50%

# Joint Board of Management

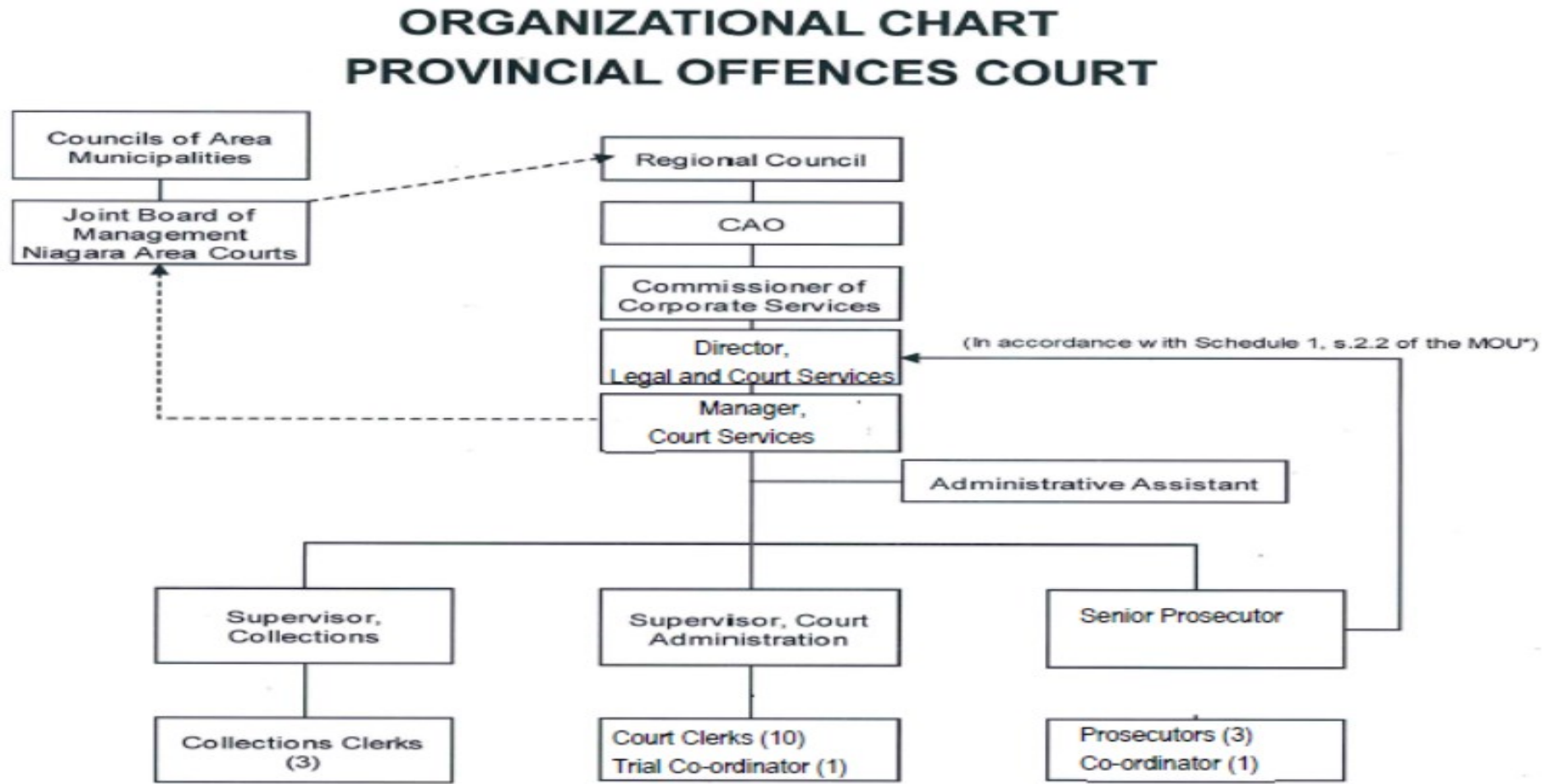
## Membership – Municipal Staff Appointed (7 members)

- 4 Permanent
  - Niagara Falls, Niagara Region, St. Catharines, and Welland
- 3 Rotate yearly
  - Fort Erie, Grimsby, Lincoln, Niagara-on-the lake, Pelham, Port Colborne, Thorold, Wainfleet, and West Lincoln

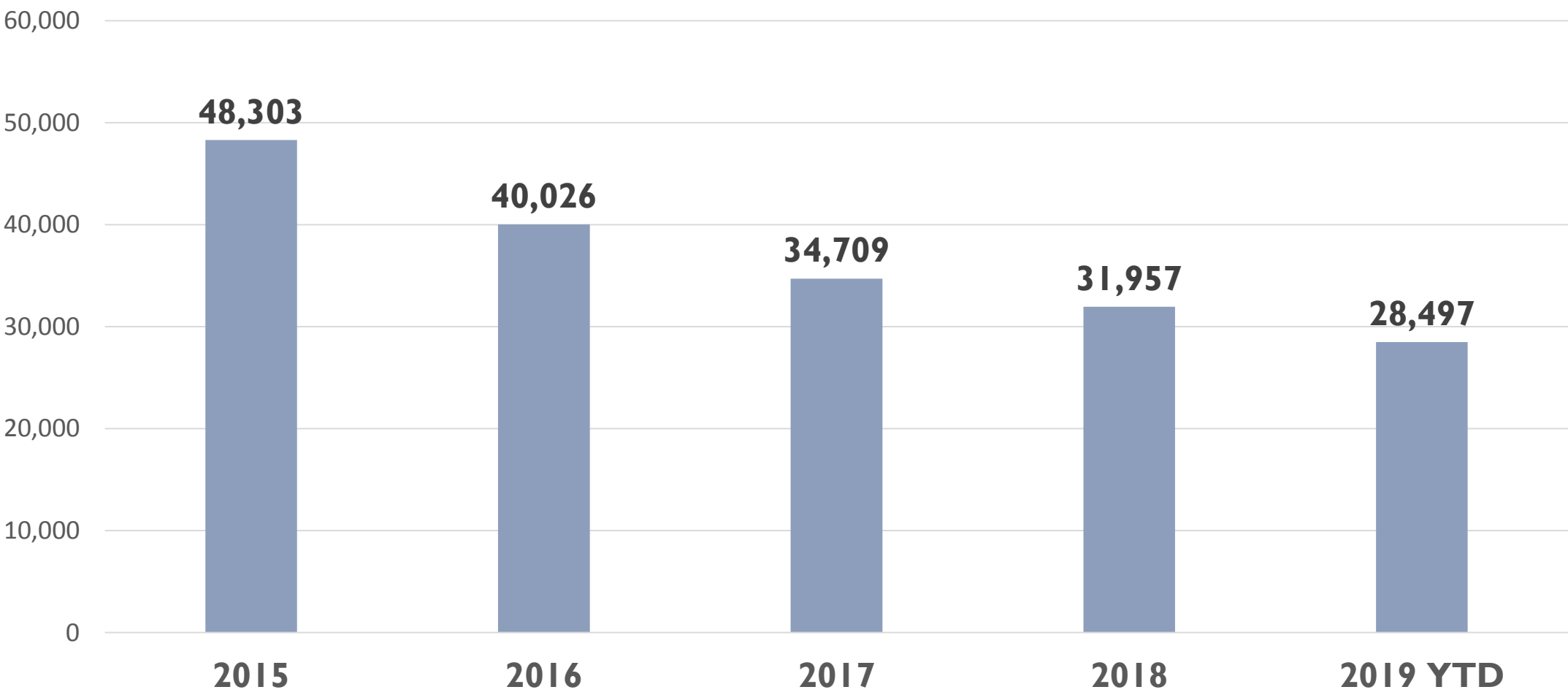
## Role

- Co-ordinate performance of the Transfer Agreements
- Provide advice to the Agent
- Approve program

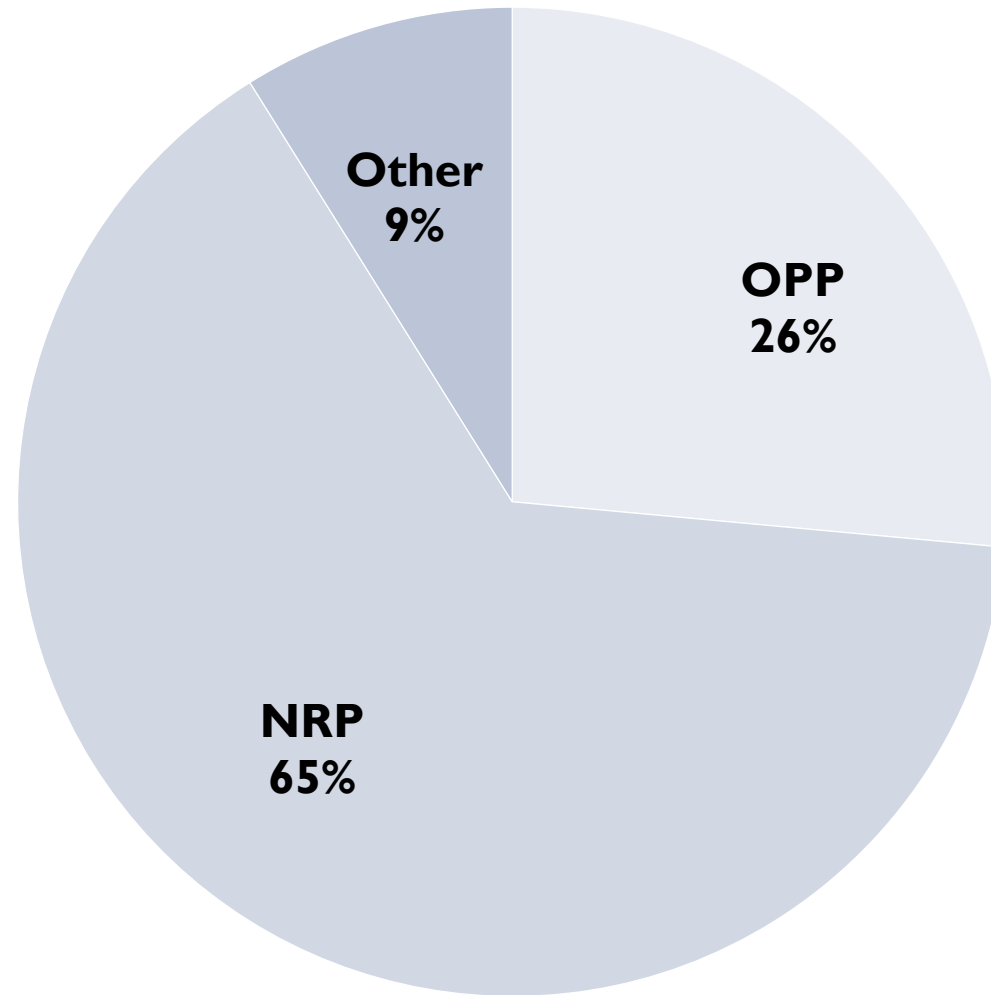
# POA Organizational Chart



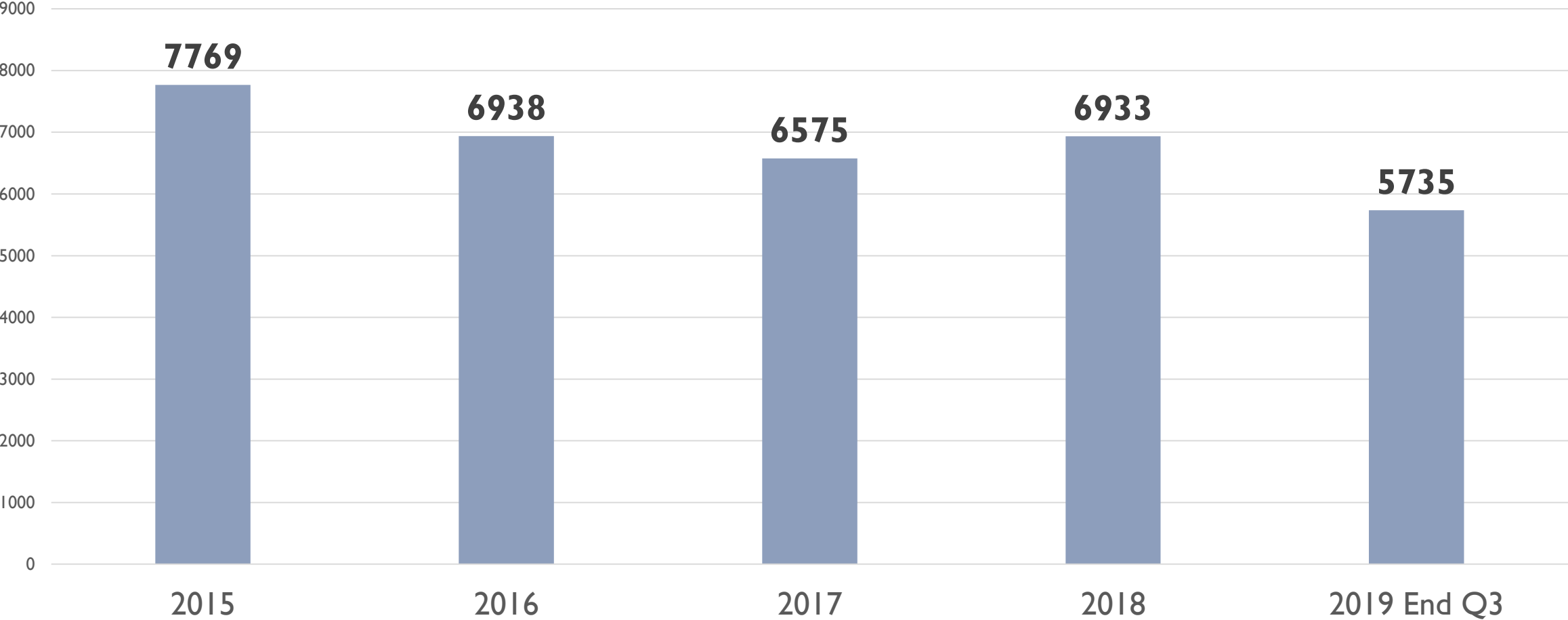
# Annual Charging Volumes (2019 Q3)



# 2019 Charges by Enforcement Agency



# New Delinquent Fines Volumes (2019 Q3)



# 2020 Operating Budget

## Year-Over-Year Base Budget

- Recommended budget - below Council's budget planning direction of 2% increase
  - Decrease of 21.4% - Net revenue increase for Region of \$130,000 and \$130,000 to the Local Area Municipalities

	(in 000's)	2019 Approved Budget	2020 Budget	Change
Gross Expenditure (including indirect allocations and debt charges)*	\$	6,135	\$ 6,331	\$ 195
Gross Revenue		(6,740)	(7,065)	(325)
<b>Net Revenue</b>	<b>\$</b>	<b>(605)</b>	<b>\$ (734)</b>	<b>\$ (130)</b>
<b>Permanent FTE</b>		26.0	23.0	(3.0)

\* Gross expenditures include LAMs portion of surplus net revenue



# Full-time Equivalent (FTE) Summary–Base Budget

## Reduction of 3 Court Clerk FTEs for 2020

- Re-distribution of workloads and streamlined processes
  - E-ticketing
  - Consolidation of POA court services in one location

Base Permanent FTEs	
	FTE
2019 Total	26.0
Change Base	(3.0)
2020 Total	23.0
% Change	-11.5%

# 2020 Operating Budget Summary

Base budget changes- \$129,632 (21.4%) net revenue increase

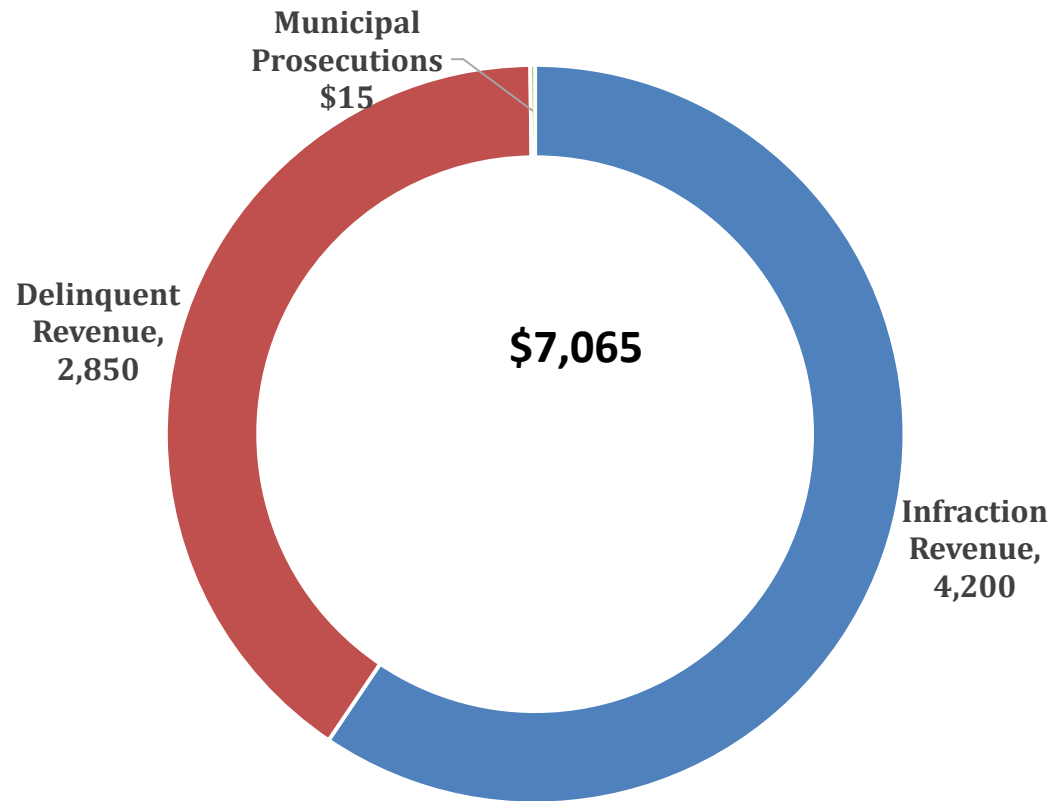
- **Increase in gross revenue - \$325,000**
  - Based on current trends, implementation of new contracts with collection agencies
- **Decrease in personnel costs - \$121,334**
  - Reduction of 3 FTEs due to streamlining of processes through e-ticketing and consolidation of services in one location
- **Increase in administrative costs - \$18,669**
  - Increase in Victim Fine Surcharge costs and credit card fees (aligns with increased revenue), offset by reductions in adjudication and interpreter costs

# 2020 Operating Budget Summary

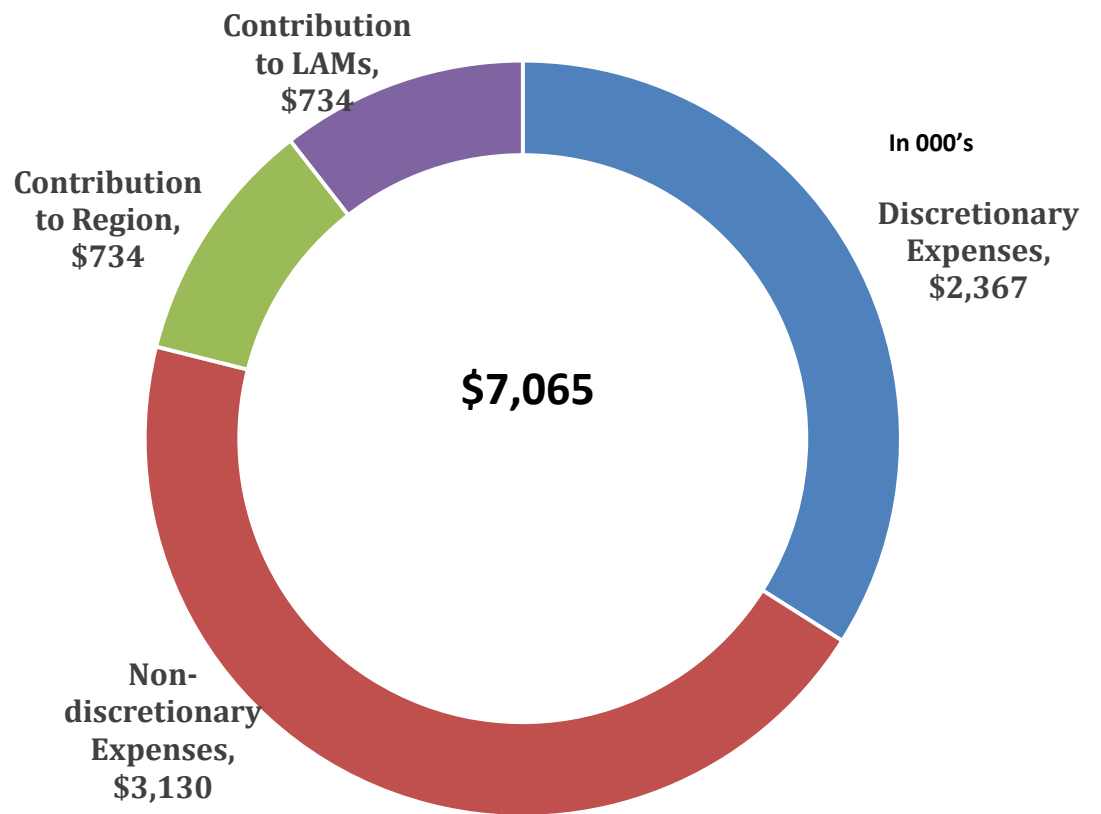
- **Increase in operational and supply expenses - \$128,132**
  - Increased distribution to LAMS resulting from increased net revenue
- **Increase in collection charges - \$50,000**
  - Aligns with projected delinquent revenue increases – paid to collection agencies
- **Decrease in indirect allocations - \$82,380**
  - Building cost savings – closure of St. Catharines courthouse
- **Transfer to Capital Reserve - \$200,000**
  - Recommended for future capital requirements

# 2020 Budget Summary

Where the Money Comes From (in 000's)



Where the Money Goes



# 2020 Operating Budget

## Total With Vision Zero Program Change

- Recommended budget - below Council's budget planning direction of 2% increase
  - Decrease of 21.4% - Net revenue increase for Region of \$130,000 and \$130,000 to the Local Area Municipalities

	(in 000's)	2019 Approved Budget	2020 Budget	Change
Gross Expenditure (including indirect allocations and debt charges)*	\$	6,135	\$ 8,125	\$ 1,990
Gross Revenue		(6,740)	(8,860)	(2,120)
Net Revenue	\$	(605)	\$ (734)	\$ (130)
Permanent FTE		26.0	35.0	9.0

\* Gross expenditures include LAMs portion of surplus net revenue

# 2020 Operating Budget

## Vision Zero Road Safety Program - \$0 net revenue

- Red Light Cameras (RLC) and Automated Speed Enforcement (ASE)
- Total Estimated Program Costs (annual) - \$5 - \$5.8 million
  - Program operated by Transportation Services division - \$2.3 million
    - Equipment, ticket processing charges, MTO charges, program evaluation
  - Business Licensing division – acting as Provincial Offences Officer - \$34,000
    - Processing & delivery of tickets between Joint Processing Centre & Courts
  - Court Services – infractions issued will be processed through Niagara Region Provincial Offences Court - \$2.7 - \$3.5 million (including VFS)
    - Court administration, prosecution, adjudication, collections
- Court Services – would require the addition of 12 FTEs to support the Vision Zero program

# 2020 Operating Budget

## Vision Zero Road Safety Program - \$0 net revenue

- Under current Inter-municipal Agreement, program would result in negative cash flow to Region
- Council has authorized staff to engage and negotiate with LAMs to amend the Agreement to be financially sustainable to Region
- Program will not proceed unless Inter-municipal Agreement can be amended
- Therefore, no net revenue has been proposed for this program
- If program proceeds, infraction revenue expected to offset total program costs of \$5 - \$5.8 million

# Risks and Opportunities

- Charging volume trending higher for 2019 over 2018
  - Leverage technology and external partnership (i.e. e-ticketing)
- Increasing Volume of delinquent fines
  - New Collection Agency partnerships and placement strategies
  - Add to Tax now with all 12 LAMs
  - Focus on Civil Enforcement
- Unknown timing of POA Modernization and Part 3 Prosecution
  - Network with MCMA and PAO and Crown's office
  - Gathering statistical data to assist with future implementation
- Unknown impacts of ASE and RCL
  - Monitor program closely and develop processes focus on efficiency and leverage technology and external partnerships



# Questions?

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