
SUBJECT: Halton Court Services business plan and budget

TO: Committee of the Whole

FROM: Legal and Legislative Services
Halton Court Services

Report Number: LLS-01-25

Wards Affected: All

Date to Committee: January 13, 2025

Date to Council: January 28, 2025

Recommendation

Approve the 2025 Halton Court Services (HCS) budget attached as Appendix 'A' to legal and legislative services report LLS-01-25; and

Authorize the Manager of Prosecutions and Manager of Court Administration to approve and execute any and all agreements necessary for the proper administration of Halton Court Services and the continued administration of Justice, within the parameters of the City's Procurement By-law and other applicable policies, provided no expense beyond that approved as part of the existing budget is expended, in such form as is approved by the City Solicitor.

Executive Summary

Purpose of report:

- To provide an overview of Halton Court Services 2024 performance and projections for 2025.

Key findings:

- After years of pandemic recovery Halton Court Services shows signs of growth and stability.

Implications:

- The stability of growth provides positive revenue shares.

Recommendation Report

Background

As required by the Inter-municipal Agreement between the City of Burlington (the City), the Towns of Halton Hills, Milton, Oakville and the Region of Halton, the City is required to provide its partners with an annual Business Plan and Budget for HCS. The 2025 Business Plan and Budget have been reviewed and approved by the Area Treasurers and Joint Management Board. A copy of the 2025 Business Plan and Budget is attached as Appendix 'A'.

Analysis

Overview of 2024 Financial Performance

Budget

Following are the financial results for HCS at the end of the second quarter:

- Gross revenues of \$4,583,610 (51.6% of budget)
- Overall expenditures of \$3,464,069 (49.4% of budget)
- Year-to-date net revenue of \$1,119,540 (59.8% of budget)
- There is an expected increase of approximately 1% in net revenue in 2024.

Audits

KPMG performed an audit of HCS for the period ended December 31, 2023. There were no items of concern to report to the Partnership.

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 6

Charges Filed

At the end of Q2 2024 there were 25,666 (51%) charges filed of the projected 50,000 total for 2024. The current projection for Q4 is that charges may reach 51,328 (103% of projected total).

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 4

2025 Performance Projections and Proposed Budget

Overall Revenues

Gross revenue for HCS in 2025 is budgeted at \$9.1 million as compared to the \$8.9 million originally budgeted for during 2024.

Overall Expenditures

Total expenditures in 2025 are budgeted at \$7.1 million compared to the \$7 million originally budgeted for 2024.

Refer to Appendix A to Report LLS-01-25 2025 HCS Budget and Business Plan for a copy of the overall 2025 HCS Budget.

Writing-off of Uncollectable Defaulted Fines

Write-offs scheduled during 2024 will total approximately 117 cases with a total value of approximately \$46,348.

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 8

Stabilization Fund

The balance in the Stabilization Reserve Fund is \$776,486 at the beginning of 2024.

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 6

Reserve Fund

Expenditures During 2024

Approximately \$20k was drawn for the 5 year computer refresh project to provide HCS with new courtroom computers.

Contribution During 2025

The Municipal Partners are recommending that the minimum contribution of \$50,000 continue to be made to the Capital Reserve Fund during 2025 to ensure that future capital cost requirements are reflected and that the required minimum balance of \$300,000 is maintained.

Requirements for 2025

HCS does not have any planned requirements to pull funds from the Reserve Fund in 2025.

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 9 to view the Reserve Fund table.

Authority to Enter into Agreements

In the administration of Halton Court Services, matters arise that, on occasion, require formal agreements to be executed. In recent years, these agreements included, but were not limited

to, software agreements relating to the use of CAMS, Axon documentary disclosure service, the use of legal research engines such as Westlaw / Quicklaw, agreements with educational institutions in relation to student internship placements, among other things. When it is anticipated that an agreement will be required, Burlington Legal staff is engaged for the review and negotiation of the agreement. That review includes the determination of what authority exists for the execution of such agreements. This authority is often scattered and rests with various Burlington positions, including the City Solicitor, Procurement Manager, Chief Information Officer, and/or others.

Delegating authority in the manner proposed will enhance organizational efficiency and responsiveness. The proposed delegation will reduce bottlenecks, speed up and clarify the process, and ensure the court's services are managed effectively. The delegation will not alter the process of reporting to and seeking direction from the Joint Management Board in all cases that have significant implications or budgetary impacts.

Emerging Issues

1. Justice of the Peace Shortages

The shortage in judicial resources has lessened in 2024 due to Justice of the Peace appointments made in recent years.

2. Backlog

There are currently approximately 13,000 (last year at this time it was 19,000) Part I charges that require court dates.

3. Increased Workload Demands Relating to Video

Workload demands with respect to review of video for disclosure have increased significantly.

4. Delegated Authority

In the administration of Halton Court Services, matters arise that, on occasion, require formal agreements (contracts) to be executed.

5. External Service Review from 2023

Halton Court Services Administration has implemented and completed numerous recommendations that came out of KPMG's 2023 service review

6. Sustainability Review

At its November 20, 2023, meeting, the Joint Management Board requested that the Area Treasurers undertake a review of the long-term sustainability of the Provincial Offences Court. At its November 26, 2024 meeting the Joint Management Board directed that no further action is required at this time with respect to this recommendation due to the growth and signs of stability at Halton Court Services.

Refer to Appendix A – to Report LLS-01-25-2025 HCS 2025 Business Plan and Budget – Page 9 for full details on Emerging Issues.

Recommendation Details

Staff request that the recommendations as set out in the 2025 HCS Budget and Business Plan be approved.

Key Dates & Milestones

N/A

Implications

- The 2025 HCS budget includes a net revenue projection of \$1.874 million.
 - With interest income it is projected that there will be a Capital Reserve Fund balance of approximately \$445,582 at the end of 2024. The Municipal Partners are proposing that the minimum contribution of \$50,000 be made during 2025.
-

References

A copy of the 2025 Halton Court Services Business Plan and Budget is attached as Appendix 'A' to this report.

Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
-

Author:

Leesa Shanley
Manager, Halton Court Services Administration
905-637-1274 Ext. 6400

Appendices:

A. 2025 HCS Business Plan and Budget

Draft By-laws for Approval at Council:

Page 5 of Report LLS-01-25

- None

Notifications:

N/A

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Commissioner, the Chief Financial Officer, and the Commissioner of Legal Services and Legislative Services/City Solicitor.