

Windsor/Essex Provincial Offences (POA) Annual Report

2019

The 2019 Annual Report is a detailed summary that highlights the activities and operations of the Windsor/Essex POA department throughout the year. It is provided to the Liaison Committee Members every year and includes an overall assessment of the operations and its structure, key performance indicators and financial results.

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2020

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MESSAGE TO OUR MUNICIPAL PARTNERS

In 2019, the Windsor/Essex Provincial Offences (POA) department had a very successful year in revenue collection efforts reaching levels that have not been attained since 2012. This incredible accomplishment was realized despite having to deal with a catastrophic fire that occurred in November 2019 which moved POA operations from the regular location at Westcourt Place to a temporary location at Windsor City Hall.

Our main goal this year was to focus on creating efficiencies in processes as well as increasing our collection efforts. We continued to review and implement operational efficiencies with a strong focus on process improvement, customer service delivery and the collection of defaulted fines.

The POA team members worked diligently throughout the year to meet its objectives and supported a number of new initiatives that had a positive impact on the overall business operations. Some of the key highlights include:

- Experienced a successful year in revenue collection reaching levels not attained since 2012.
- Initiated a new phone system to connect us to the City phone system. This switch allowed more control over the phone system and quick remedy to any phone issues. It also resulted in a decrease in annual telephone operating expenses.
- Court Administration staff were provided with dual monitors to be able to service customers efficiently by having access to both the provincial database system (ICON) as well as our internal database system (CAMS).
- Conducted approximately 15,539 Part I prosecutions and 7,487 Early Resolution Meetings in 2019.

In 2020, the department will focus on continuing its operations at a temporary location until a long term solution is achieved. We anticipate and look forward to legislative changes aimed at modernizing the provincial offences court system.

Sincerely,

Melissa Ryan

Manager of Provincial Offences

SECTION A - BACKGROUND & OPERATIONAL ACTIVITIES

In 1998, the province enacted Bill 108 which amended the Provincial Offences Act (“POA”) thereby enabling it to transfer various responsibilities of the POA Court system to municipalities across Ontario. Offences governed by the POA are regulatory in nature created pursuant to provincial statutes such as the *Highway Traffic Act*, the *Compulsory Automobile Insurance Act*, the *Liquor License Act*, and the *Trespass to Property Act*, to name a few. The transfer of POA responsibilities included court support and administration functions, the prosecution of ticketed offences under Part I of the POA (with the more serious charges under Part III continuing to be prosecuted provincially), as well as the collection and enforcement of most fines. Part II matters (also known as parking ticket) and the collections of those tickets are handled by the Parking Enforcement division of the City of Windsor under the administrative penalty system. The POA Transfer did not include criminal matters, which continue to be processed and prosecuted in a court system managed by the province.

The Windsor/Essex Provincial Offences Program (“POA Program”) was created as a special-purpose vehicle to accept the transfer of POA responsibilities from the province. It functions as a self-funding, net revenue positive operating division of the City of Windsor (“City”), having been established for the express purpose of locally implementing the POA Transfer at the regional level.

Although rooted in legislation, the POA Program is essentially governed by a number of contracts, consisting of the following agreements:

- The Transfer Agreement between the City and the province of Ontario as represented by the Ministry of the Attorney General (“MAG”), consisting of 2 contracts, namely a generic Memorandum of Understanding (“MOU”) and a Local Side Agreement (“LSA”). The Transfer Agreement sets forth the City’s responsibilities and duties, inclusive of various guidelines and standards;
- The Intermunicipal Court Service Agreement (“ISA”) entered into amongst the City and those other affected municipalities together constituting the Windsor/Essex Court Service Area (“Area”), which encompasses the geographic territory consisting of the City of Windsor, the County of Essex and Pelee Island. It serves as the liaison between the City and the 9 Served Municipalities on all matters relating to the operation of the POA Program.

The ISA provided for an initial term of six fiscal years, commencing on March 5, 2001 (the live transfer date) through December 31, 2006. The ISA has been renewed two times since the original agreement each time for a period of 5 years. The current agreement which was renewed in 2016 commenced January 1, 2017 and expires December 31, 2021.

The POA Program historically occupied a leased premises in Suite 300 of the Westcourt Place, located at 251 Goyeau Street, in the City of Windsor. On Tuesday, November 12, 2019 a fire occurred at the Westcourt building which resulted in the building being closed to occupants. The POA division acted quickly and were up and running at a temporary location as quickly as Thursday, November 14, 2019. Courts continued in temporary locations at City Hall including

council chambers and various meeting rooms. Throughout the course of the month following the fire, temporary measures were undertaken to ensure the continued operations of all POA tasks.

To date the landlord of Westcourt has not indicated a return to the building date. A short term lease agreement until the end of March 31, 2020 was signed off on and a new lease agreement is being circulated to enable us to hold our spot at Westcourt until the end of 2020 should we proceed to operate out of that building in the future.

We are exploring our location options on a permanent basis, including returning to Westcourt. An evaluation committee has formed to review alternatives and this task is ongoing in 2020. The initial plan was to go to Council in June with a recommendation, but given the Covid-19 pandemic, that timeline is extended.

The POA Program also has responsibility for various POA Court operations at the Leamington courthouse, where the POA Court presides the 1st, 3rd and 5th Thursday of every month.

The POA Program provides services and facilities to various stakeholders within the administration of justice system. These stakeholders include law enforcement personnel whose mandates entail the initiation of proceedings against defendants alleged to have violated provincial legislation and municipal by-laws, the defendants themselves as well as their legal representatives, victims of such violations, various provincial authorities, as well as an independent and impartial judiciary. Operations of the POA Program fall into four functional categories. These four sections together constitute the operational aspects of the POA Program:

Court Administration: This area has general carriage of the POA Court office. These responsibilities include the intake, processing, filing and preservation of charging documents (i.e. tickets) and associated certificate control lists received from law enforcement agencies; the intake of mail and allocation and processing of payments and legal documentation; tracking of on-line remittances via *www.Paytickets.ca*; staffing of cashier stations to handle payments and queries; generation of POA Court dockets including fail-to-respond, trial, first appearance, and Early Resolution; setting of trials; procuring interpreter services; liaising with police court services personnel; intake and processing of motions, re-openings, appeals and applications for extensions of time to pay fines; maintaining updated data in the provincial mainframe application known as the Integrated Courts Offences Network ("ICON"); enforcement of delinquent fines via driver's license suspensions; processing of daily financial matters; procurement of equipment/supplies; and overall maintenance of the facility.

Court Support: This area is composed of POA Court monitors, being a combination of court clerks/reporters whose responsibilities include ensuring that the POA Court dockets and associated charging documents are properly presented in court; paging defendants; assisting the Justices in arraignments and endorsements; issuing statutory warnings to defendants; generating payment slips to defendants wishing to immediately satisfy imposed fines; maintaining updated ICON data; ensuring that the proceedings are properly recorded; typing transcripts for use in appeals and other proceedings; logging and preserving exhibits including

disposal of same in accordance with judicial directions or retention requirements.

Prosecution: The Municipal Prosecutors appear in POA Court to call the trial list and to conduct trials, to deal with motions, to set trial dates; they meet with defendants and their representatives in conjunction with the Early Resolution process with a view to resolving matters; they review law enforcement files to ensure that matters should be proceeded with and assist with disclosure to Defendants and their Representatives and they appear in the higher courts on both prosecution and defence appeals. All area municipalities except for Windsor continue to prosecute their own by-laws. In 2019 Part III matters under the POA remained the prosecutorial responsibility of the Crown Attorney's office &/or specialist Prosecutors provided by various ministries.

On December 14, 2017, Bill 177 – *Stronger, Fairer Ontario Act* - was passed by the Legislative Assembly of Ontario that enables the Attorney General to enter into agreements with municipalities to transfer responsibility for certain prosecutions currently prosecuted by the Ministry's Criminal Law Division under Part III of the Provincial Offences Act. An exact date of the transfer to the municipal prosecutors has not been communicated and was previously expected sometime in 2020. Discussions between the local Crown Attorney's office have begun as well as meetings with the POA Part III Transitional Planning Working Group. The agenda items at these meetings are determining next steps to move forward with the transfer. The current Memorandum of Agreement (MOU) with the Province and the Local Side Agreement (LSA) are being revised and draft versions are being presented which will incorporate suggested changes from Municipalities. If Part III offences are transferred to the Municipalities the Crown Attorney's office will continue to monitor the more serious cases. Based on a preliminary review of the statistics regarding Part III matters it is expected that an additional prosecutor would need to be added to the permanent staff establishment.

The prosecution of City of Windsor By-laws was transferred to the POA Municipal Prosecutors from the Legal Department in 2017. The Municipal Prosecutors are also prosecuting charges laid by any of the Fire Services in Essex County.

Fines Enforcement (Collections): One POA Fines Enforcement Supervisor along with one POA Fines Enforcement Specialist is responsible for ensuring that POA Court judgments, being orders imposing monetary penalties, are honoured by Defendants including seeing to it that certificates of default are prepared and filed in a timely fashion at the Civil Court; for sending out dunning letters; for locating and meeting with defendants having defaulted fines and making arrangements for collecting; for ensuring that writs of seizure and sale and garnishments are proceeded with in appropriate cases; for attending on judgment debtor examinations primarily at the Small Claims Court level; for filing proofs of claim with trustees in bankruptcy and estate trustees; and for liaising with collection agencies and credit bureaus with which the POA Program has relationships.

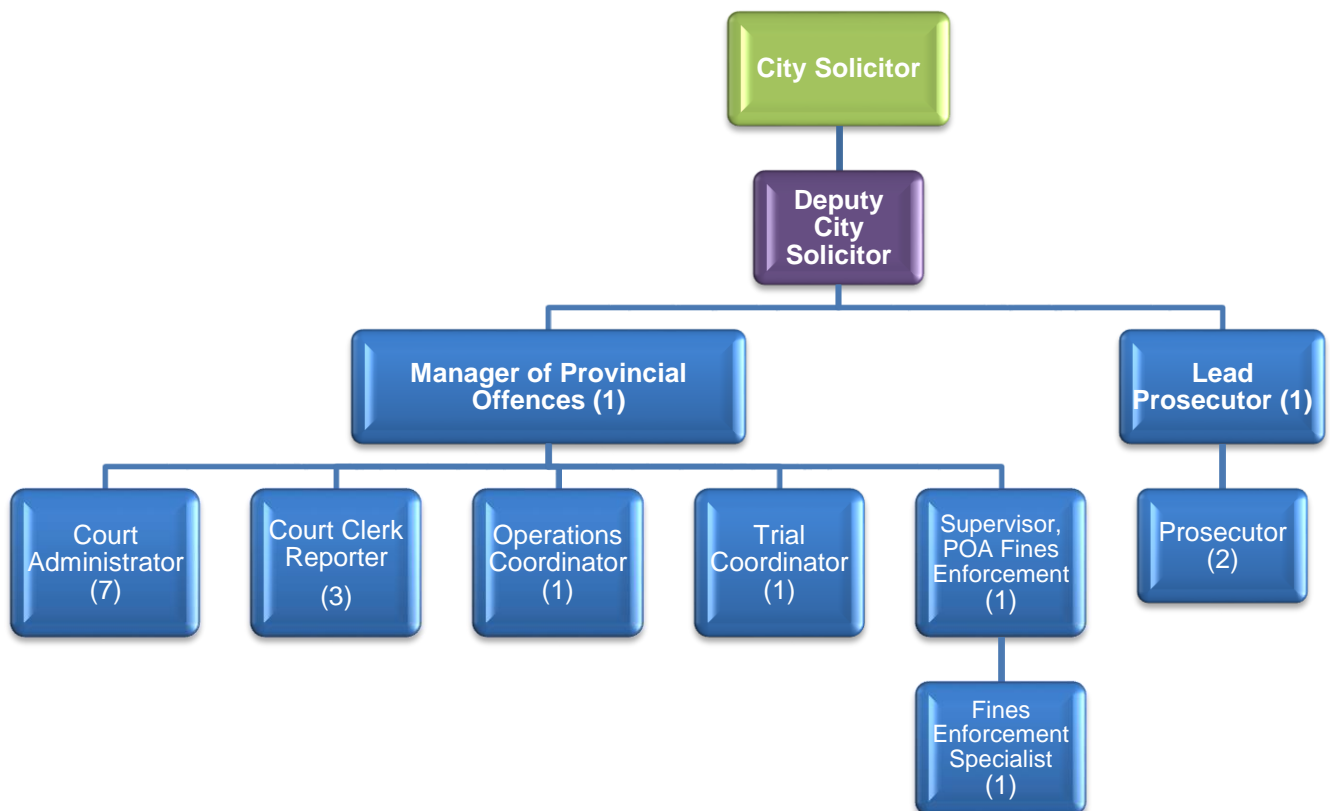
The Windsor Westcourt POA facility also houses a satellite office of the Police Court Services Branch. Among other things, that office works closely with the Prosecutors to ensure that law enforcement files are available for use at trials, at Early Resolution meetings and on appeals. The Court Services office also advises Police Officers of trial dates, summons lay witnesses, arranges for personal service of court documents, provides disclosure to Defendants and their legal

representatives, and procures necessary official documentation for use in court as evidence.

An organizational diagram of the POA Program is included and identified as CHART A-1, which was in effect for the subject reporting period.

CHART A-1

ORGANIZATIONAL CHART OF THE WINDSOR/ESSEX POA OFFICE



SECTION B - LIAISON COMMITTEE

The ISA calls for the setting up of an administrative advisory panel, being the Windsor/Essex Court Service Area Liaison Committee (“Liaison Committee”), composed of one representative from each participating municipality. Among other things, the 10-person Liaison Committee:

- Serves as the liaison between the City and the 9 Serviced Municipalities on all matters relating to the operation of the POA Program
- Reviews all reports submitted by the City Solicitor in conjunction with the Manager of Provincial Offences and makes recommendations to the operations of the POA Program
- Reviews and recommends for approval the annual budgets
- Generates an annual report for review by the respective councils of the participants

By virtue of the ISA, each party municipality provides a member of its administration as its Liaison Committee representative, with the Windsor representative currently being the City Solicitor. The latter is also the Chair.

For 2019, the final composition of the POA Liaison Committee was as follows:

MUNICIPALITY	MEMBER	POSITION
Amherstburg	Justin Rousseau	Treasurer
Essex (County)	Mary Birch	Director of Council Services/Clerk
Essex (Town)	Robert Auger	Clerk/Deputy Treasurer
Kingsville	Ryan McLeod	Director of Financial Services
Lakeshore	Rosanna Pellerito	Director of Finance
LaSalle	Dale Langlois	Director of Finance/ Treasurer
Leamington	Laura Rauch	Director of Finance & Business Services
Pelee	Michelle Feltz	Treasurer/Tax Collector
Tecumseh	Luc Gagnon	Director of Financial Services & Treasurer
Windsor	Shelby Askin Hager (Chair)	City Solicitor
Windsor	Melissa Ryan	Manager of Provincial Offences

The Liaison Committee is mandated by the ISA to convene at least twice annually. In 2019, there were two meetings that were held on the following dates and locations:

<u>Date</u>	<u>Location</u>
April 24, 2019	Essex County Civic Centre Committee Room D
October 25, 2019	Essex County Civic Centre Committee Room D

SECTION C – CASELOADS & STATISTICS

The POA Program's caseload is dependent upon charges laid by professional law enforcement personnel and agencies. The workflow of the POA Program commences with the initiation by Police and other Officers of legal proceedings against alleged violators of provincial legislation and municipal by-laws. Legal proceedings are instituted by personal service upon the Defendant of either a Provincial Offence Notice (also known as a Part I ticket) or a more formal Summons to Defendant requiring attendance at court (also known as a Part III ticket). These charges are ultimately disposed of by an independent and impartial judiciary presiding in the form of the POA Court. Pursuant to Part X of the POA and the Transfer Agreement, the POA Program receives fine revenue from Part I and Part III charges, provided that the fine revenue is not "dedicated" to some special purpose. Further detailed distinctions are possible, as indicated below:

- Charges laid by traditional Police forces being local police services including the OPP: all fine revenues belong to the POA Program virtually without exception unless the charges are laid under federal legislation or under certain municipal bylaws
- Charges laid by specialized Police forces, such as the OPP contingent securing Casino Windsor: for the most part all fine revenues belong to the POA Program, unless charges are laid under federal legislation (for example by the CNR or CPR police under the *Railway Safety Act* of Canada)
- Charges laid by specialized agencies and most Provincial Ministries, for example the Ministry of Labour under the *Occupational Health and Safety Act*: for the most part all fine revenues belong to the POA Program, unless there is statutory dedication
- Charges laid by Municipal Inspectors and Police Officers under bylaws (e.g. licensing, zoning, noise, prohibited turns, parking, etc.) and provincial statutes (e.g. *Building Code Act*): the fine revenues belong to the charging municipality, with the POA Program receiving no compensation for services rendered and facilities made available, other than relatively insignificant court costs/fees
- Charges laid under federal enactments, or by certain Provincial Ministries or bodies in situations where the fines are statutorily "dedicated" to special purposes: the POA Program receives no fine revenue or other compensation for services rendered and facilities made available, other than relatively insignificant court costs/fees.

In 2019, the POA Program took in a total of 29,682 charging documents, for a monthly average intake of approximately 2,474 tickets. This was up 16.3% from the prior year. TABLE C-1 which follows below depicts the absolute charging volume and the percentage of total volume over a three year period, by enforcement agency.

NOTE: *The numbers and/or percentages of charges do not necessarily translate into more or less fine revenue generation. The quality of the charges is important along with the final resolution of the fines.*

Table C-1: Absolute Charging Volumes

Agency	2019	% Chg. YTD '19 vs. '18	2018	% Chg. YTD '18 vs. '17	2017	% of Total Volume	% Chg. YTD '17 vs. '16
Windsor Police	15,453	32.9%	11,631	10.6%	10,516	38.4%	-7.9%
Windsor Police-Amherstburg	1,904	64.6%	1,157	-58.2%	2,765	10.1%	-17.6%
Ministry of Transportation	1,874	-8.0%	2,038	-7.4%	2,202	8.0%	-3.8%
Essex OPP	2,596	-23.7%	3,402	-15.1%	4,008	14.6%	43.7%
Tecumseh OPP	1,026	9.9%	934	-11.6%	1,057	3.9%	-33.4%
Leamington OPP	1,251	6.6%	1,174	-0.2%	1,176	4.3%	-16.5%
Lakeshore OPP	1,324	57.6%	840	-7.5%	908	3.3%	-24.6%
Essex Town OPP	696	-29.7%	990	64.2%	603	2.2%	-23.9%
Kingsville OPP	1,186	2.7%	1,155	1.4%	1,139	4.2%	-12.1%
LaSalle Police	1,208	16.4%	1,038	-39.7%	1,721	6.3%	85.9%
Essex Detachment Heat Unit	186	-1.1%	188	-44.7%	340	1.2%	-25.8%
Canadian Pacific Rail Police	107	-42.8%	187	-8.8%	205	0.7%	-16.0%
Ministry of Natural Resources	151	2.7%	147	-15.5%	174	0.6%	6.1%
Windsor Fire Department	63	-22.2%	81	35.0%	60	0.2%	-63.6%
Casino OPP	26	-49.0%	51	-42.7%	89	0.3%	-13.6%
Windsor Essex County Health Unit	69	155.6%	27	-22.9%	35	0.1%	-22.2%
Windsor Bylaw	184	37.3%	134	-10.1%	149	0.5%	-10.2%
Ministry of Finance	2	-50.0%	4	#DIV/0!	0	0.0%	-100.0%
Ministry of Labour	155	109.5%	74	0.0%	74	0.3%	-49.3%
Ministry of Environment	54	100.0%	27	-30.8%	39	0.1%	-56.2%
Humane Society – Windsor	13	-18.8%	16	6.7%	15	0.1%	-40.0%
Amherstburg Bylaw	18	260.0%	5	-61.5%	13	0.0%	-7.1%
Lakeshore Bylaw	8	100.0%	4	-33.3%	6	0.0%	50.0%
Electrical Safety Authority	1	#DIV/0!	0	N/A	2	0.0%	50.0%
Ontario Motor Vehicle Industry Council	15	-84.0%	94	422.2%	18	0.1%	50.0%
Essex Bylaw	2	-33.3%	3	200.0%	1	0.0%	50.0%
Leamington Bylaw	5	-64.3%	14	#DIV/0!	0	0.0%	50.0%
Essex Region Conservation Authority	2	100.0%	1	#DIV/0!	0	0.0%	50.0%
Workplace Safety & Insurance Board	4	-93.8%	64	#DIV/0!	0	0.0%	50.0%
Ministry of Agriculture & Food	2	-33.3%	3	#DIV/0!	0	0.0%	50.0%
Ministry of Government & Consumer Services	54	#DIV/0!					
Ministry of Environment, Conservation & Parks-Windsor	26	550.0%	4	#DIV/0!			
TOTALS	29,682	16.3%	25,517	-6.8%	27,387	100.0%	-5.1%
Average Mthly Charging Volumes	2,474		2,126		2,282		

EXTERNAL BENCHMARKING OF CASELOADS

Windsor experienced a substantial increase in charges filed in 2019 compared to 2018. Windsor ended the year with 29,336 charges which is a 16.3% increase in charges compared to 2018. The provincial total was -3.3% less than 2018 so Windsor experienced a positive trend in charges filed compared to the provincial total. TABLE C-2 below provides details on the charging volumes of various municipalities as well as Windsor and the total provincial charges filed.

Table C2: Charging Volume Comparator

Agency	2019 YTD	% Change '19 vs. '18	2018 YTD	% Change '18 vs. '17	2017 YTD	% Change '17 vs. '16
Windsor	29,336	16.3%	25,233	-7.6%	27,316	-5.3%
Barrie	59,354	10.5%	53,707	-9.2%	59,122	-17.6%
Durham	49,743	-7.9%	54,034	-13.0%	62,096	-3.5%
Hamilton	85,158	5.1%	81,033	2.6%	78,971	-5.7%
London	33,296	-11.2%	37,484	-4.9%	39,428	-4.0%
Niagara	35,000	12.5%	31,117	-7.9%	33,798	-12.6%
Ottawa	101,361	2.6%	98,838	24.9%	79,159	3.1%
Thunderbay	16,267	-4.8%	17,079	-13.7%	19,789	-7.0%
Toronto	327,084	-4.5%	342,632	-4.0%	356,947	2.3%
Waterloo	45,897	-11.9%	52,085	-11.4%	58,800	-0.7%
York	138,858	-7.5%	150,164	-1.8%	152,857	5.3%
Brampton	65,525	-8.5%	71,587	6.3%	67,375	1.6%
Brantford	9,693	-15.2%	11,430	-4.1%	11,916	-4.2%
Caledon	32,465	-3.0%	33,478	5.2%	31,810	-7.2%
Chatham	18,445	57.4%	11,717	-6.5%	12,532	-8.0%
Guelph	19,526	-0.4%	19,607	8.4%	18,088	-16.9%
Lambton	10,624	-7.5%	11,484	-2.1%	11,725	-7.6%
Provincial	1,478,986	-3.3%	1,529,498	-1.1%	1,546,397	-3.3%

Operational Statistics

In addition to having accepted and dealt with the filings of over 29,000 charges over the course of the year, the POA Program processed approximately:

- 7,487 Early Resolution meetings (Part I)
- 228 Appeals from convictions/acquittals/sentences (Parts I & III)
- 698 Re-opening applications of convictions in absentia (Parts I & III)

Section D- Defaulted Fines Enforcement

Under the Transfer Agreement with MAG, the responsibilities of the City include the collection and enforcement of POA fines for and on behalf of the area. The POA Fines Enforcement area currently has 2 full-time employees.

Efforts to enforce these defaulted fines continue to be aggressive and at the same time very challenging. Enforcement constitutes a highly labour-intensive activity which consumes a lot of resources and time. There are a variety of enforcement tools that are readily available and frequently used by the collection staff in order to encourage payment and/or to legally enforce payment of defaulted fines. Some of these include:

- Selectively adding defaulted fines to the tax roll of sole property owners for collection pursuant to section 441.1 of the Municipal Act.
- Registering Certificates of Default with the civil court having monetary jurisdiction, thereby constituting deemed orders or judgments for enforcement purposes.
- Filing and maintaining wage garnishment proceedings where the employer has been identified and the offender's employment status has been verified.
- Use of Collection Agencies. In addition to skip tracing and making the usual contacts with debtors, our collection agencies have reported numerous defaulters to the major credit bureaus, thereby impairing the creditworthiness of the offenders.
- Filing and maintaining Writs of Seizure and Sale with sheriff's offices, thereby erecting judicial liens against present and future proprietary interests.
- Driver's License suspensions and plate denials under various statutes and regulations
- Intercepting indemnity deposits with permit-issuing City departments, by redirecting the indemnity refunds to POA where the indemnitors have defaulted fines
- Exercise of prosecutorial discretion to encourage defendants presenting themselves with fresh charges, to finally honour monetary sentences previously imposed by the POA Court.

Although not frequently used due to operational challenges and privacy legislation, there are other enforcement tools that can be applied to ensure collection efforts are maximized:

- Examinations-in-Aid of Execution, whereby judgment debtors may be examined in depth as to their abilities and means to make good their monetary obligations including being compelled to fully disclose their assets, liabilities, sources of income, bank accounts, RRSP's etc.
- Contempt Hearings where debtors have refused or neglected to attend on examinations-in-aid.
- Garnishment proceedings whereby bank accounts, rentals from tenants, RRSP's etc. are attached as information and used for enforcement.
- Monitoring of death notices in the hopes of collecting from estates
- Encouraging revocation of CVOR certificates in liaison with the Ministry of Transportation, respecting businesses making use of commercial motor vehicles which operations perennially default on fines.

ACTIVE COLLECTION EFFORTS

In 2016, a significant change in direction and vision was undertaken. Recognizing the fact that the POA department has little to no control over charging volume, considerable efforts and resources were redirected towards implementing an active and aggressive collection model and procedures. These included an increased focus on adding fines to municipal taxes, garnishment of wages and the use of additional collection agencies to the operating mix. These robust collection efforts continued into 2019. The results of these efforts are summarized in the following sub-sections below.

Municipal Tax Rolling

Under Section 441.1 of the *Municipal Act, 2001*, a local municipality is permitted to add any part of a fine for a commission of a provincial offence that is in default under section 69 of the Provincial Offences Act to the tax roll for any property in the local municipality for which all of the owners are responsible for paying the fine. Accordingly, a Defaulted Fine can only be added if the offender in default is the sole owner of the property. The Defaulted Fine is collected in the same manner as municipal taxes at the request of a municipality.

The tax roll process continues to be a supplementary collection tool to utilize in 2019. An additional 14 accounts were added in 2019 and we continue to accumulate funds through this method of collection.

Garnishment of Wages

The process of finding where an offender is employed is one of the most challenging tasks due to the limited amount of information that is available to our staff. In many cases the offenders are either unemployed, working for cash, or on some form of assistance which cannot be garnished. However when employment is confirmed and the garnishment documents are in place, it becomes one of the most effective enforcement tools. In early 2016, changes were made to our collection processes with the expansion of research capabilities and methods. In 2019, there were 130 new garnishments issued. We also collected \$315,087 in revenue from garnishments. The Fines and Enforcement staff will continue to focus on further enhancing these efforts in years to come.

3rd Party Collections

On January 1, 2016 changes to our 3rd party collection process was also made. As a result of an RFP issued in late 2015 three new collection agencies (CBV, ARO and Gatestone) were procured. Table D-1 summarizes the year over year results.

Table D-1: Third Party Agency Collection Summary- Year Over Year Comparison			
Description	As of December 31, 2019	As of December 31, 2018	Increase/ (Decrease)
Revenues Collected from Third Party Agencies	\$618,588	\$764,208	(\$145,620)
# of Third Party Accounts Outstanding	66,409	64,618	1791

There was a decrease of \$145,620 in collected revenue from Third Party Agencies and the number of Third Party Accounts Outstanding has increased. Revenue from 3rd party collections represents approximately 10% of overall revenue collected.

Fines Paid at Service Ontario

In May of 2017, a plate renewal program was implemented by the Ministry of Transportation whereby all outstanding defaulted driver fines have to be paid in full before one can renew their plates. In 2019, 1,846 fines were collected at MTO through this program. From these payments, revenue of \$464,764 was received. This continues to be a positive and efficient method of collecting defaulted fines that may have not have been collected otherwise.

Outstanding Fines Paid

Regardless of how effective the active collection efforts are, there remains a significant number of outstanding fines. As of December 31, 2019, there were approximately 71,430 records of unpaid fines for a total outstanding amount of \$45,495,729. (See Table D-2 and D-3 for further details). The significant number of outstanding fines is not just a Windsor specific issue; it is a province wide epidemic.

Table D-2: Number of Unpaid Fines				
Description	2019		2018	
	#	% Change	#	% Change
Pre-Transfer	29,652	-0.9%	29,914	-1.4%
Post- Transfer	41,778	3.5%	40,361	2.3%
Total	71,430	2.6%	70,275	0.9%

Table D-3: Dollar Value of Unpaid Fines				
Description	2019		2018	
	#	% Change	#	% Change
Pre-Transfer	\$5,500,586	-1.5%	\$5,586,524	-1.6%
Post- Transfer	\$39,995,143	4.0%	\$38,440,501	2.4%
Total	\$45,495,729	2.5%	\$44,027,025	0.7%

Many of these older fines (i.e. pre-transfer) have been 'scrubbed' multiple times and all reasonable and appropriate measures to collect have been made. Therefore, it is prudent that a write-off policy be developed in order to address these efforts. POA administration will be looking to adopt a write off policy in 2020, which will be vetted through the Liaison Committee first and subsequently submitted to Windsor City Council for final approval. **It's important to note that a write-off policy refers to the cessation of active fine collections and is done for accounting purposes only. It does not absolve a convicted offender from the requirement to pay a fine, as debts to the Crown are owed in perpetuity and are never forgiven.**

Section E: Financial Results

The negotiated financial arrangement underpinning the POA Program is in essence a partnership, under which the participating municipalities annually share approximately \$1.2 million of net revenue or “profit”. The City as the managing partner, front-ends the operation and collects and enforces the monetary fines imposed by the POA Court. From the total revenue derived, all operating costs pertaining to the POA Program are deducted. These costs include such things as staff salaries, Windsor Police court security, facility rent and maintenance, office equipment and supplies, Victim Fine Surcharge remittances, and the adjudication expenses associated with running courtroom proceedings. The net revenue is then shared amongst the signatories to the ISA in proportion to their respective weighted assessments (See SECTION F for more details). In 2019, the net profit was allocated as follows:

County Contribution	49.47%
Pelee Contribution	0.27%
<u>City of Windsor Contribution</u>	<u>50.26%</u>
TOTAL	100.00%

In an extremely challenging economic environment and recognizing that fine imposition amounts have not been indexed for inflation, the POA Program still enjoys a successful self-funding model, delivering a net positive revenue budget which benefits all of our local taxpayers. Each benefiting municipality is free to allocate its respective portion to such municipal purposes as deemed appropriate by the elected council thereof.

TABLE E-1 provides a high level five year financial summary which can be used for internal benchmarking and comparative purposes.

TABLE E-1: ANNUAL FINANCIAL RESULTS - 5 YEAR SUMMARY

Description	2019 Actuals (\$)	2018 Actuals (\$)	2017 Actuals (\$)	2016 Actuals (\$)	2015 Actuals (\$)
Revenue:					
Court Fines	\$ 6,349,877	\$5,512,531	\$5,490,364	\$6,264,943	\$5,925,542
User Fees	-	159	-	141	528
By-Law Fines	53,198	43,890	42,192	48,988	-
Trfs from Reserve	-	-	-	-	-
Recovery of Internal Staff	-	-	-	-	20,089
TOTAL REVENUE	\$ 6,403,075	\$5,556,580	\$5,532,556	\$6,314,072	\$5,946,160
% Inc./(Dec.) YOY	15%	0.43%	-12.38%	6.19%	5.57%
Expenditures:					
Salaries & Wages	1,850,825	1,811,772	1,710,070	1,598,789	1,642,847
Administrative Overhead	354,341	354,957	374,992	392,501	333,210
Materials & Services	378,267	365,545	356,411	350,323	350,984
Provincial Charges	1,589,165	1,444,503	1,446,084	1,659,736	1,414,710
Facility Rental	308,389	328,495	332,889	318,742	325,708
TOTAL EXPENDITURES	\$ 4,480,987	\$4,305,272	\$4,220,446	\$4,320,090	\$4,067,459
NET SURPLUS	\$ 1,922,088	\$1,251,308	\$1,312,110	\$1,993,982	\$1,878,701
% Inc./(Dec.) YOY	54%	-4.63%	-34.20%	6.14%	21.99%

TABLE E-2 depicts the POA Program's operating results for 2019, specifically detailing out every operating expense and revenue account. The Provincial Offences program ended the year with a net operating profit of \$1,922,088.

Table E-2: 2019 Provincial Offences Financial Summary - As of December 31, 2019

Acct. #	Account Description	Product #	Account Description	2019 Budget A	2019 Actuals B	Surplus/ (Deficit) C (A-B)
REVENUES						
6485	Bylaw Fines - Courts	5117	Provincial Fines	\$5,924,000	\$ 6,349,877	\$ (425,877)
6485	Bylaw Fines - Courts	5118	Bylaw Fines	58,093	41,237	\$ 16,856
6485	Bylaw Fines - Courts	5613	Transcript Revenue	15,000	11,961	\$ 3,039
TOTAL REVENUES				\$5,997,093	\$ 6,403,074	\$ (405,981)
EXPENSES						
Salary & Benefits						
8110	Base - Salary	5115	STD - Provincial Offences	\$1,374,776	\$ 1,361,530	\$ 13,246
8130	Overtime - Salary	5115	STD - Provincial Offences	1,000	507	\$ 493
8140		5115	STD - Provincial Offences	-	-	\$ -
8150	Temp - Part-Time - Salary	5115	STD - Provincial Offences	25,234	35,418	\$ (10,184)
8170	Service Pay	5115	STD - Provincial Offences	-	-	\$ -
8190	Other Pay	5115	STD - Provincial Offences	-	1,543	\$ (1,543)
8380	Workers Comp. - Admin.	5115	STD - Provincial Offences	-	(3,346)	\$ 3,346
8381	Workers Comp. - Medical	5115	STD - Provincial Offences	-	203	\$ (203)
8382	Workers Comp. - Salary	5115	STD - Provincial Offences	-	-	\$ -
8383	Workers Comp. - Pension	5115	STD - Provincial Offences	-	-	\$ -
8384	Workers Comp - Ergonomic	5115	STD - Provincial Offences	-	-	\$ -
8399	Fringe Benefits (Dept.)	5115	STD - Provincial Offences	457,716	454,972	\$ 2,744
Total Salary & Benefits				\$1,858,726	\$ 1,850,825	\$ 7,900.74
Materials & Services						
2145	Housekeeping Supplies	5115	STD - Provincial Offences	\$ 3,420	\$ 2,308	\$ 1,112
3176	Facility Operations - Internal	5355	Caretaking	62,124	67,332	\$ (5,208)
2215	Bldg. Maintenance Services	5115	STD - Provincial Offences	5,000	1,569	\$ 3,431
2914	Non-Occ Medical	5115	STD - Provincial Offences	-	1,520	\$ (1,520)
2920	Legal Services	5115	STD - Provincial Offences	3,000	6,770	\$ (3,770)
2950	Other Professional - External	5115	STD - Provincial Offences	15,420	25,016	\$ (9,596)
2950	Other Professional - External	5341	Security Services -	259,960	259,960	\$ -
2950	Other Professional - External	5342	Security Services -	8,200	6,755	\$ 1,445
2951	Other Professional - Internal	5115	Maintenance- Internal	-	922	\$ (922)
2995	Other Purchased Services	5054	Language Line	12,000	6,115	\$ 5,885
Total Materials & Services				\$ 369,124	\$ 378,267	\$ (9,143)

Table E-2: Continued

Administrative Overhead						
2010	Office Supplies	5115	STD - Provincial Offences	\$ 16,000	\$ 16,508	\$ (508)
2020	Postage & Courier	5115	STD - Provincial Offences	28,560	26,647	\$ 1,913
2070	Outside Printing	5115	STD - Provincial Offences	20,000	4,656	\$ 15,344
2085	Publications	5115	STD - Provincial Offences	9,000	13,637	\$ (4,637)
2610	Travel Expense	5115	STD - Provincial Offences	3,000	1,790	\$ 1,210
2620	Car Allowance	5115	STD - Provincial Offences	2,500	1,174	\$ 1,326
2710	Telephone Equipment - Gener	5115	STD - Provincial Offences	9,660	7,098	\$ 2,562
2711	Cell Phones	5115	STD - Provincial Offences	950	549	\$ 401
3120	Rental Expense - External	5115	STD - Provincial Offences	4,000	4,256	\$ (256)
3175	Facility Rental - External	5115	STD - Provincial Offences	328,315	308,389	\$ 19,926
3210	Building Insurance	5115	STD - Provincial Offences	2,579	2,579	\$ -
3230	Liability Insurance	5115	STD - Provincial Offences	613	613	\$ -
4020	Membership Fees & Dues	5115	STD - Provincial Offences	8,900	8,551	\$ 349
4050	Training Courses	5115	STD - Provincial Offences	4,174	204	\$ 3,970
4155	Registrations & Conferences	5115	STD - Provincial Offences	2,500	2,227	\$ 274
4540	Bank Charges	5115	STD - Provincial Offences	59,500	52,987	\$ 6,513
4560	Collection Charges	5115	STD - Provincial Offences	185,900	160,383	\$ 25,517
5125	Computers - PCs	5115	STD - Provincial Offences	9,950	2,512	\$ 7,438
2925	Computer Maintenance	5115	STD - Provincial Offences	18,480	18,360	\$ 120
2927	Computer & SW Maint-Extern	5115	STD - Provincial Offences	6,500	14,458	\$ (7,958)
3180	Computer Rental - Internal	5115	STD - Provincial Offences	12,800	13,400	\$ (600)
5130	Office Furniture & Equipment	5115	STD - Provincial Offences	10,000	1,750	\$ 8,250
Total Administrative Overhead				\$ 743,881	\$ 662,728	\$ 81,153
Provincial Charges						
2950	Other Professional - External	5509	ICON Fees	\$ 56,555	\$ 58,235	\$ (1,680)
2950	Other Professional - External	5507	Adjudication Services	390,000	352,959	\$ 37,041
2950	Other Professional - External	5510	Prosecution Fees	49,050	46,499	\$ 2,551
2950	Other Professional - External	5511	Quality Assurance	45,748	43,884	\$ 1,864
2950	Other Professional - External	5116	Victim Fines	1,010,500	1,043,602	\$ (33,102)
2950	Other Professional - External	5508	Dedicated Fines	65,000	43,986	\$ 21,014
Total Provincial Charges				\$1,616,853	\$ 1,589,165	\$ 27,688
TOTAL EXPENSES (BEFORE COST SHARING)				\$4,588,584	\$ 4,480,986	\$ 107,598
Total Net Operating Revenue				\$1,408,509	\$ 1,922,088	\$ (513,579)
RECONCILIATION						
Cost Sharing Payments						
4295	County Contribution (49.08%)	5115	STD - Provincial Offences	\$ 682,050	\$ 950,849	\$ (268,799)
4295	Pelee Contribution (0.28%)	5115	STD - Provincial Offences	3,919	5,149	(1,230)
Total Cost Sharing Payments				\$ 685,969	\$ 955,998	\$ (270,029)
Balance to City of Windsor (50.64%)				\$ 722,540	\$ 966,091	\$ (243,551)
Total Net Operating Revenue				\$1,408,509	\$ 1,922,088	\$ (513,579)

Note: 2019 Budget was based on 2018 WA rates as that was the only available information at the time of budget preparation.

Since the local POA Transfer date of March 5, 2001 through to the end of 2019, this Area's POA Program has realized total combined net revenue of approximately \$46,963,000. The calculation is broken down by year by municipal partner in TABLE E-3 below:

TABLE E-3: CUMULATIVE ANNUAL NET REVENUE DISTRIBUTIONS-\$000's

Year	Amher.	Essex	Kings.	Lake.	LaSalle	Leam.	Tec.	Pelee	Wind.	Total
1999	164.7	135.9	141.8	263.4	195.2	184.8	267.5	7.4	2,115.6	3,476.3
2000	182.8	150.8	157.4	292.3	216.7	205.1	296.9	8.2	2,348.0	3,858.2
2001	155.3	128.9	134.3	241.6	182.5	172.1	242.3	7.5	1,898.8	3,163.3
2002	124.8	103.5	108.9	199.0	152.4	138.3	194.0	6.0	1,523.8	2,550.7
2003	120.6	100.3	107.4	199.2	147.3	135.1	180.5	6.3	1,447.4	2,444.1
2004	96.0	79.8	86.0	168.1	123.9	106.8	148.3	5.3	1,134.3	1,948.5
2005	124.3	103.0	112.7	226.4	162.0	139.4	190.0	7.0	1,467.5	2,532.2
2006	114.0	94.5	105.2	214.8	151.5	127.4	172.1	7.1	1,342.0	2,328.6
2007	99.3	82.9	92.8	189.8	133.6	111.8	149.4	6.2	1,159.2	2,025.1
2008	95.9	80.3	90.5	187.8	130.2	109.2	143.6	6.0	1,112.0	1,955.6
2009	98.8	81.7	94.4	193.0	129.3	113.2	144.6	6.0	1,047.7	1,908.8
2010	124.7	102.3	119.3	243.7	161.2	141.8	178.7	7.6	1,286.9	2,366.1
2011	135.4	110.4	130.9	267.3	174.5	152.7	191.5	8.3	1,369.9	2,540.7
2012	111.8	90.2	108.6	221.5	143.4	126.4	154.6	6.9	1,117.2	2,080.5
2013	104.2	84.3	101.9	134.4	203.3	115.9	138.2	5.7	997.9	1,885.9
2014	85.4	70.0	84.7	169.1	111.6	94.8	112.4	4.4	807.7	1,540.1
2015	105.5	85.7	105.8	210.4	138.9	113.4	138.0	5.6	975.4	1,878.7
2016	112.4	91.3	114.5	226.0	150.1	120.4	145.7	5.9	1,027.8	1,994.0
2017	73.2	59.3	74.7	151.8	103.2	77.4	97.6	3.8	671.2	1,312.1
2018	69.3	56.1	72.0	101.3	147.6	73.8	93.9	3.5	633.6	1,251.1
2019	106.4	85.9	110.5	159.9	229.9	114.3	143.9	5.2	966.0	1,922.0
Total	2,405	1,977	2,254	4,261	3,288	2,674	3,524	130	26,450	46,963

There are a number of factors that must always be taken into consideration when reviewing the financial results for any fiscal year, as well as when projecting potential results for subsequent reporting periods:

- As ticketing and the laying of charges decline so do current fine revenues. This has been a consistent trend not just in Windsor but also in the province over the past five years. Although the POA Program has other sources of revenue (notably aggressive enforcement efforts targeting old or defaulted fines) the bulk of receipts is highly dependent upon the number, type and quality of new charges laid, as well as the attendance of trained officers at trials in disputed cases
- Another significant and uncontrollable external revenue factor is the number of fines imposed by an independent and impartial judiciary in the exercise of their discretionary sentencing functions, in the event of the entering of convictions
- The POA Program is highly vulnerable to certain uncontrollable external expenses, notably the provincial charges for Victim Fines Surcharges, adjudication and those for Part III prosecutions, both of which are mandated by the Transfer Agreement

SECTION F - REVENUE DISTRIBUTION DETAILS

In accordance with the approved weighted assessment formula for 2019, distributions of net operating results over the course of the subject reporting year were effected as indicated in the detailed tabulation set forth in TABLE F-1 below:

TABLE F-1: Net Revenue Distribution Summary

	Weighted Assessment	(%)	% of County	2019 Budget	Q1 Jan - Mar	Q2 April - June	Q3 July- Sept	Q4 Oct - Dec	2019 Total	Surplus/ (Deficit)
Net County & Pelee Revenue				\$ 685,969.00	\$281,924.32	\$219,377.73	\$179,466.62	\$277,353.10	\$ 958,121.77	\$ 272,152.77
Net City of Windsor Revenue				\$ 723,657.00	\$284,887.01	\$217,413.07	\$181,352.61	\$280,267.75	\$ 963,920.44	\$ 240,263.44
TOTAL				\$ 1,409,626.00	\$566,811.33	\$ 436,790.80	\$360,819.23	\$557,620.85	\$ 1,922,042.21	\$ 512,416.21
<u>Allocation/Payment Summary</u>										
Amherstburg	2,383,221,349		11.20%	\$ 76,389.46	\$ 31,395.07	\$ 24,193.37	\$ 19,985.39	\$ 30,886.02	\$ 106,459.86	\$ 30,070.40
Essex	1,922,275,481		9.03%	61,614.75	25,322.86	19,514.06	16,119.96	24,912.26	85,869.14	24,254.39
Kingsville	2,474,393,432		11.62%	79,311.80	32,596.12	25,118.91	20,749.95	32,067.59	110,532.57	31,220.77
LaSalle	3,580,424,782		16.82%	114,763.45	47,166.28	36,346.84	30,024.99	46,401.51	159,939.62	45,176.17
Lakeshore	5,146,339,453		24.18%	164,955.76	67,794.67	52,243.29	43,156.55	66,695.42	229,889.92	64,934.16
Leamington	2,558,522,337		12.02%	82,008.39	33,704.38	25,972.95	21,455.44	33,157.88	114,290.65	32,282.27
Tecumseh	3,220,617,103		15.13%	103,230.53	42,426.40	32,694.23	27,007.68	41,738.48	143,866.80	40,636.28
Total County	21,285,793,937	49.471%	100.00%	\$ 682,274.13	\$280,405.78	\$216,083.65	\$178,499.95	\$275,859.18	\$ 950,848.56	\$ 268,574.44
Pelee	115,273,740	0.268%		\$ 3,694.87	\$ 1,518.54	\$ 1,170.21	\$ 966.67	\$ 1,493.92	\$ 5,149.34	\$ 1,454.47
Windsor	21,625,967,305	50.261%		\$ 723,657.00	\$284,887.01	\$219,536.94	\$181,352.60	\$280,267.75	\$ 966,044.30	\$ 242,387.30
TOTAL	43,027,034,982	100.0%		\$ 1,409,626.00	\$566,811.33	\$ 436,790.80	\$360,819.23	\$557,620.85	\$ 1,922,042.21	\$ 512,416.21

Total County & Pelee 21,401,067,677
County 99.46%
Pelee 0.54%

Notes:

2019 Budget was based on 2018 WA rates as that was the only available information at the time of budget preparation.

Quarter 1 actual revenue distribution was based on 2018 WA rates as that was the only available information available as of April 2019. A reconciliation occurred in Q2.

Quarter 2 revenue distribution includes the reconciliation of the quarter 1 revenue distribution based on 2019 WA rates.

Details of the quarterly payments are itemized below:

Quarter	Cheque Issuance Date	\$ Amount - County	\$ Amount - Pelee
Q1	May 16, 2019	\$280,405.78	\$1,518.54
Q2	August 26, 2019	\$216,083.65	\$1,170.21
Q3	December 2, 2019	\$178,499.95	\$966.67
Q4	March 10, 2020	\$275,859.18	1,493.92
TOTAL		\$950,848.56	\$5,149.34

APPENDIX A – GLOSSARY OF TERMS

Area ~ Windsor/Essex Court Service Area, which encompasses the geographic territory of the City of Windsor, Essex County and Pelee Island

ARO ~ ARO, Inc., one of the registered Canadian collection agencies who have been retained in 2016 to assist the POA Program in the collection of defaulted fines owed by Canadian residents

Bill 108 ~ amending legislation to the *Provincial Offences Act* which in 1998 added Part X thereto, enabling the transfer of administration of justice functions to the municipal sector

City ~ The Corporation of the City of Windsor, a single tier municipality continued as such under the *Municipal Act, 2001*

Council ~ the elected City of Windsor Municipal Council

CAMS ~ A Collection Agency Management System installed in 2014 used to track, record and document newly issued as well as defaulted fines.

CBV ~ CBV Collections Services, LTD, one of the registered Canadian collection agencies who have been retained in 2016 to assist the POA Program in the collection of defaulted fines owed by Canadian residents

Early Resolution ~ used to be known as First Attendance early resolution, slated for implementation in 2012. While taking a more formalistic approach, provision is made for convictions of those defendants who fail to appear for their meetings with the prosecutor

Gatestone ~ Gatestone & Co International Inc., one of the registered collection agencies who have been retained in 2016 to assist the POA Program in the collection of defaulted fines owed by Canadian residents

ICON ~ Integrated Courts Offences Network, being the provincial mainframe application used and relied upon by administration of justice staff in relation to all aspects of POA matters

ISA ~ the Intermunicipal Court Service Agreement underpinning the local POA Court operations for Windsor/Essex, entered into amongst the City and the other 9 municipalities together constituting the Area

Liaison Committee ~ the Windsor/Essex Court Service Area Liaison Committee erected pursuant to the ISA, being an advisory administrative body

LSA ~ Local Side Agreement, being one of the 2 contracts together constituting the Transfer Agreement

MAG ~ the Ministry of the Attorney General for the Province of Ontario

MOU ~ Memorandum of Understanding, being one of the 2 contracts comprising the Transfer Agreement

MBNCanada (previously OMBI) ~ The Municipal Benchmarking Network Canada (MBNCanada) is a groundbreaking initiative collecting data for more than 850 measures across thirty-seven (37) municipal service areas

Part I ~ that portion of the POA dealing with ticketing procedures for non-parking matters

Part II ~ that portion of the POA dealing with ticketing procedures for parking matters

Part III ~ that portion of the POA dealing with the issuance of summonses for persons to attend POA Court in order to be arraigned on Informations and thereafter to be dealt with by a Justice of the Peace. There are no provisions for out-of-court payments nor for failure-to-respond convictions

POA ~ *Provincial Offences Act* (Ontario)

POA Court ~ referring to that judicial complement of the Ontario Court of Justice, composed primarily of Justices of the Peace, whose duties include dealing with POA matters

POA Office ~ the premises where the City executes the POA administration of justice functions

POA Program ~ the City's operational structure for the delivery of POA administration of justice functions

POA Transfer ~ the transfer by the province to the City of POA administration of justice functions

Serviced Municipalities ~ those 9 signatories to the ISA for which the City is the service provider pursuant to the POA Transfer, consisting of Leamington, LaSalle, Tecumseh, Essex Town, Kingsville, Pelee, Amherstburg, Lakeshore and Essex County

Transfer Agreement ~ contractual arrangement between the City and MAG where the City became the local service provider for transferred administration of justice functions, composed of the MOU and the LSA

Victim Fine Surcharge ~ all fines levied under Part I and Part III of the POA are statutorily bumped-up by this surcharge. Where the base fine does not exceed \$1,000, the surcharge amount is applied in stepped amounts ranging from \$10 to \$125; fines over \$1,000 have a flat 25% surcharge added. All surcharge amounts are remitted without deduction to the province for appropriate application as determined by senior government