



The Corporation of the Town of Tecumseh

Financial Services

To: Mayor and Members of Council

From: Tom Kitsos, Director Financial Services & Chief Financial Officer

Date to Council: Tuesday, June 10, 2025

Report Number: FS-2025-08

Subject: Windsor-Essex Provincial Offences Act Annual Report 2024

Recommendations

It is recommended:

That Report FS-2025-08 Windsor-Essex Provincial Offences Act Annual Report 2024 **be received** for information.

Background

The Windsor-Essex Provincial Offences Program was created as a special purpose vehicle to accept the transfer of the Provincial Offences Act (POA) responsibilities from the province. It currently generates a net surplus from operations that is shared among the participating municipalities.

The Inter-municipal Service Agreement (ISA) governs the operation of the POA Program. The Windsor-Essex Court Service Area Liaison Committee is an advisory panel and is composed of one representative from each participating municipality. The Committee serves as the liaison between the City of Windsor and the serviced municipalities on matters relating to the operation of the POA Program.

The ISA provides, among other things:

- That the program is delivered by the City of Windsor.

- Net revenues are shared based on proportionate weighted assessment.
- Dispute resolutions provisions; and
- Governance provisions.

Section 2.5 of the ISA for the Windsor-Essex Provincial Offences Program provides that:

“The Committee (Windsor-Essex Court Service Area Liaison Committee) shall submit a report outlining the Committee’s activities to the parties’ Councils a minimum of once per year.”

The term of the ISA has been renewed since its inception and is currently set to expire December 31, 2026.

The POA Program is responsible for the collection and enforcement of “ticketed” offences pursuant to Parts I and III of the *Provincial Offences Act*, such as violations to the *Highway Traffic Act*, *Liquor License Act*, fines issued under various statutes, etc.

The POA Program excludes Part II offences (parking), which are administered by each municipality directly. Criminal matters continue to be processed and prosecuted through the provincial court system.

Comments

Attached for Council's information is a copy of the 2024 Annual Report for the Windsor-Essex POA Program as reviewed and recommended by the Committee on May 12, 2025.

The Annual Report (attached) contains sections on:

Message to our Municipal Partners

Section A - Background & Operational Activities

Section B - Liaison Committee

Section C - Caseloads & Statistics

Section D - Defaulted POA Fines Enforcement

Section E - Financial Results

Section F - Revenue Distribution Details

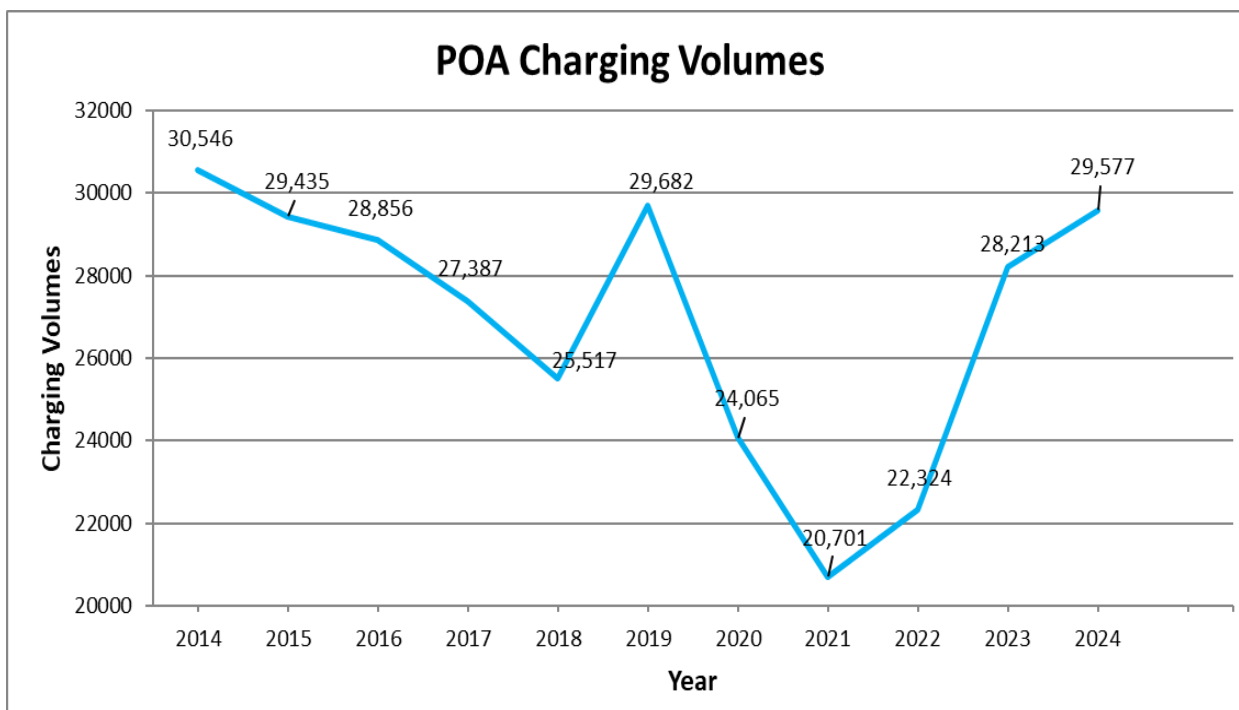
The following excerpt from the Message to our Municipal Partners provides Key Highlights for the 2024 year:

- Moved to an online booking system for meetings with our Part 3 Prosecutor. Streamlined disclosure request portal and now provide access to both the disclosure request portal and the online booking system through a public kiosk in the POA lobby.
- Began outsourcing the production of transcripts to 3rd party transcriptionists to better utilize staff resources. It is expected that at some time during 2025 the POA office will adopt and implement the York Model for transcripts (a model used by 11 Ontario municipal courts).
- Adopted the Orbital Virtual Terminal program through Chase allowing payments to be processed securely through staff workstations. This change provides more secure payment processing while also providing a better customer experience.
- The Windsor/Essex POA program ended the year with a net operating profit of \$1,426,322.

The main focus of the POA Committee continues to be an emphasis on collecting fines, current and defaulted, as well as continuing to improve efficiencies, streamline processes and strengthen business relationships.

2024 Operational Statistics

Section C - Caseloads & Statistics highlighted a modest increase in charging volume in 2024.



As shown above, 2024 charging volume increased by 4.83% to 29,577. In addition to the POA Program's caseload being dependent upon charges laid by professional law enforcement personnel and agencies, judicial resources began to recover in 2024, resulting in the following outcomes:

- 1,389 court hours (2023 – 1,131) – 22.8% increase
- \$6,187,379 in fines paid (2023 - \$5,419,699) – 14.2% increase
- 38,692 matters heard in court (2023 - 33,411) – 15.8% increase

Section D – Defaulted Fines Enforcement indicated the following:

- Total outstanding fines were \$47.5M (2023 - \$44.7M), of which \$4.0M (2023 - \$4.1M) was the pre-transfer of responsibility receivables, where pre-transfer receivables were reduced by \$1.3M following the POA specific Write-off Policy approved in 2023.
- No additional write-offs were undertaken in 2024 due to staff changes in the POA office in May 2024.

Red Light Camera (RLC) Program

A Red Light Camera (RLC) Program was introduced at ten select traffic intersections within the City of Windsor in 2022. A red-light running camera is a type of traffic enforcement camera that captures an image of a vehicle that enters an intersection during a red light.

RLC tickets are issued by a Provincial Offences Officer at the joint Processing Center in Toronto and mailed to offenders via Canada Post. However, the Canada Post strike at the end of 2024 led to a significant reduction in the issuance of RLC tickets, with very few tickets issued in November and none in December.

The RLC program charging volumes (4,969 tickets) made up 16.8% of the overall tickets received in 2024 (down from 21.8% in 2023).

Changes to Red Light Camera Program

Ontario Regulation 355/22 under the Highway Traffic Act allows for the use of Administrative Penalties (AP) (also known as Administrative Monetary Penalties or AMPs) for vehicle-based offences captured by automated enforcement systems such as Automated Speed Enforcement and Red Light Cameras. APs are administered by the municipality, outside of the traditional POA system, and the penalty revenue goes directly to the municipality.

On April 14, 2025, through CR108/2025 Windsor City Council approved transitioning the Red Light Camera (RLC) program from the Provincial Offences Court to an Administrative Penalty System. This change will result in a different ticket being issued by the Joint Processing Center (JPC).

At some point in 2025, the JPC will transition to issuing a Penalty Notice under an Administrative Penalty System under Ontario Regulation 355/22: Administrative Penalties for Contraventions Detected using Camera Systems. As these tickets are no longer being issued pursuant to the Provincial Offences Act, they no longer fall within the POA Program.

All RLC tickets issued as Offence Notices prior to the change will continue to be processed within the POA program. As a result, RLC revenues are unlikely to decline until late in 2025.

Consultations

None

Financial Implications

The Town's share of the net surplus from the POA revenues had been historically included in the annual budget at \$150,000 but was reduced to \$130,000 for 2016 to reflect the trend in declining revenues that had appeared. The decline in revenue has continued and the Town's budget has been reduced further, currently at \$80,000 for 2025. The total revenue received since 2000, summarized in five-year periods is:

Year	Total Net Profit (\$)	Tecumseh Share (\$)	Tecumseh Annual Avg. (\$)	Tecumseh (%)
2020-2024	\$4,636,260	\$338,848	\$67,770	7.31%
2015-2019	\$8,358,196	\$619,137	\$123,827	7.41%
2010-2014	\$10,413,300	\$775,344	\$155,069	7.45%
2005-2009	\$10,750,300	\$799,760	\$159,952	7.44%
2000-2004	\$13,964,800	\$1,061,978	\$212,396	7.61%
Total	\$48,122,856	\$3,595,068	\$143,802	7.47%

The COVID-19 pandemic was a key factor driving the sharp decline in revenues during the 2020-2024 periods, with annual revenue falling to historically low levels of \$18,150 in 2020 and \$43,912 in 2021.

The trend of declining revenue reversed in 2023, largely due to the implementation of the RLC program in 2022. While recent revenue improvements are noted, they may be short-lived if the long-term trend of declining charges continues. Additionally, the City's transition of the RLC program to an AP system further reduces POA related revenues by approximately 21% under the POA program. Together, these factors will challenge the future financial self-sustainability of the POA program itself.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Katherine Mao, MIBM, BComm
Financial Analyst

Reviewed by:

Vanessa DaDalt, CPA, CA, CTP
Deputy Treasurer & Manager Revenue Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Recommended by:

Margaret Misk-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1	POA 2024 Annual Report